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CANADEXPORT

Vol.13, No. 1

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Showcasing Canada

Chrétien Heads Trade Mission to South America

The promotion and enhancement of Canadian trade with Argentina, Chile and Brazil will be the top priority when Prime Minister Jean Chrétien heads a business delegation there January 21 to 29, 1995.

The key objectives are to:

- support the efforts of Canadian companies already doing business in the region;
 - introduce new small and medium-size enterprises (SMEs) to these exciting new markets; and
 - showcase Canadian capabilities.
- That these markets are exciting (particularly Chile, in light of the

recent Miami Summit and Chile's future entry into the North American Free Trade Agreement) is evident from a brief overview of the countries and Canada's trade relations with them. Indeed, Canada has identified priority areas for export.

Argentina

For Canada, Argentina is proving to be a growing market for exports of goods and services and a destination for investment. Canadian exports have more than doubled in the last two years, reaching \$135

million in 1993 and investments have tripled in the last 15-18 months (July/94) to a level of US\$600 million, mainly in the oil/gas, electrical, mining and agro-industrial sectors.

The need to modernize the Argentine infrastructure and industry provides significant opportunities, especially in sectors such as: oil and gas; telecommunications/informatics; transportation; food processing; packaging and plastics processing.

There are also emerging areas including: housing systems; the environment; financial services; health and education; and mining.

Renaissance Programme Encourages Investment in Central, Eastern Europe

Created in 1990 as part of Canada's assistance efforts to the countries of Central and Eastern Europe and the Former Soviet Union, the **Renaissance Eastern Europe Programme (REE)** is designed to assist the former eastern bloc countries make the transition to free market economies by increasing the level of involvement of Canadian investors in these markets.

Recognizing that Canadian investors may be at a disadvantage when considering investing in the non-traditional markets of this region, REE assists them with certain costs related to these investments.

REE provides financial assistance in the form of a non-repayable contribution. It will cover up to 50 per cent of a company's eligible expenses, to a maxi-

mum contribution of \$100,000. Companies are limited to three separate and distinct funded activities per government fiscal year.

Specific project activities that the programme supports are *Venture-Specific Front-End Studies* and *Enterprise-Specific Training*.

The programme does not assist with market identification visits or general market and feasibility studies; capital projects bidding; establishing distributor/agent relationships, or sales offices.

Canadian applicants must be one of: an incorporated business; an independent professional service firm; a private-sector trade association; a profit-oriented Crown Corporation, Crown-owned company or provincial/municipal agency.

Furthermore, all program participants must be judged capable of

Continued on page 7 — Renaissance

Chile

This country is the next partner in the NAFTA and Canada is leading the way in convincing the Chileans to negotiate their accession to this trade pact.

In 1993, Canadian exports to Chile totalled almost \$194 million, primarily in wheat, mechanical machinery, coal, fertilizers, newsprint and mining equipment.

Priority sectors identified for Canadian export promotion activities include: metals and minerals; forestry; power and energy; infor-

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SHARING TRADE SECRETS

Public/Private-Sector Alliance Brings New Export Financing Tool to SMEs

In many instances, the difference between a sale and a no sale hinges on the exporter's ability to offer a foreign buyer favourable, fixed rate financing over up to four years.

Small and medium-size Canadian enterprises were quick to pick up our article in the *CanadExport* issue of October 17 about the new financing mechanism offered by Northstar. Northstar phone lines have been flooded ever since; and for good reason... Northstar is providing a financing mechanism that would fill a gap in the financial market by supporting exports with a value between \$100,000 and \$3,000,000 — with payment terms up to four years.

The architect behind this ingenious new financing tool is a former trade commissioner, Scott Shepherd. He had an idea, a vision of what could be done to fulfil financing needs of SMEs. Canadian SMEs were producing quality products for overseas markets. However, they did not have easy access to traditional lenders who needed a minimum of \$3 million in transactions to make their involvement worthwhile.

To assist Canadian SMEs — all of

whom are guaranteed access to this mechanism — Northstar is offering them fixed rate medium-term financing to credit worthy foreign buyers from OECD and other countries of eligible Canadian goods and services. The inspiration for this idea and the astute strategy to bring it to fruition can be traced to Shepherd's varied experiences, from chief financial officer for the Nexus Group, to financing officer for the Export Development Corporation, to Assistant Trade Commissioner in the Philippines.

Northstar Financing Criteria

To qualify for Northstar financing, companies must meet the following criteria:

- the exporter must be domiciled in Canada.
- the exports must be from Canada with at least 50 per cent Canadian content.
- the buyer must be within a country that is a member of the Organization for Economic Cooperation and Development (OECD) or that is approved by EDC and Northstar.

Making an application is simple. After phoning Northstar's Richmond, B.C. office, exporters receive a short questionnaire about their product, the buyer and the market. When Northstar gets the completed form and performs a satisfactory credit analysis of the buyer, it will, assuming the applicant meets all criteria, issue a letter of offer. After the goods or services are delivered, the exporter gets paid and Northstar assumes the overseas buyers's risk.

For further information, contact Northstar Trade Finance by phone at (604) 664-5828 or by fax at (604) 664-5838.

After having convinced B.C. Trade Development Corp., the Ontario government and the Bank of Montreal to each invest \$100,000 in the new venture Northstar received a \$150,000 interest free loan through the Western Economic Diversification Fund. The loans that Northstar will extend to SMEs will come from a \$30-million special line of credit from the Bank of Montreal. The loans will be insured by the Export Development Corporation.

"When you have an idea for something that has never been done before, it's difficult to get your point across," said Shepherd. It took a year to put the deal together, but Shepherd's company is now

Continued on page 3 — Northstar

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BUSINESS OPPORTUNITIES

Before entering into a contractual agreement with a company, readers are advised to verify the bona fides of the companies listed here.

ARGENTINA — The Commercial Division of the Canadian Embassy in Buenos Aires reports that companies interested in **investing in peanut and peanut butter manufacturing plants**, which have been supplying the local and export markets for 25 years, may wish to contact Andres H. Georgalos. Tel.: (54-572) 21011 to 210/20. Fax: (54-572) 21505. Telex: 51978 GEOCO AR. Private home, tel.: (54-572) 21184 and 21809.

AUSTRIA — A company here is offering its services in the **marketing and distribution in Europe of innovative "intelligent" technical products that are easy to understand and demand little after sales service.** Main customer groups are households, hobbyists, and do-it-yourselfers in the metals and plastics industries, tourist and sports organizations, and local governments. Contact Peter Dueregger, Multi Media 2000 GmbH, Salzachtal-Bundesstr. Nord 58, P.O. Box 167, A-5400 Hallein, Austria. Tel.: (01143) 6245/892180. Fax: (01143) 6245/89217.

Sri Lanka — A company is seeking, on a regular basis, Canadian suppliers of **wheat flour, steel (mild billets), and fibre polyester.** Contact Bandu Coswatte, Goldwing International Inc., 2235 Kennedy Road, Suite 101, Scarborough, Ontario M1T 3G8. Tel.: (416) 412-2988. Fax: (416) 291-5336.

Development Awards Deadline Nears

Applications now are being accepted, up to February 15, 1995, for companies wanting to enter the race for the **1995 Canadian Awards for International Development.**

Created four years ago by the Canadian Exporters's Association (CEA), the awards recognize the role of the Canadian private sector in international development, primarily in Africa, Asia, Latin America and the Caribbean.

Since 1992, more than 150 projects have been submitted by private-sector firms. All have demonstrated the involvement of Canadian businesses in the delivery of sustainable human development aid for the benefit of both the recipient country and Canada.

The contest is open to all firms or divisions of firms resident in Canada. Only projects under way or completed within the past 24 months will be considered.

Individuals, associations, organizations, provincial governments, Canadian Embassies and High

Commissions may nominate firms for the Awards.

The assessors and jury will be guided by, but not limited to: the impact of the project on the socio-economic environment of the beneficiary country; the consideration given to women throughout the planning/execution of the project; the sustainability of the effects/benefits of the project to the local population.

The level of Canadian content; the efficiency of the Canadian team involved; and the contribution of the project in introducing Canadian know-how abroad are also considered.

Sponsors are SNC Lavalin Group, Babcock & Wilcox, Northern Telecom, General Motors of Canada Limited (Diesel Division), Bank of Montreal and CIDA.

For complete details, or to obtain an application form, contact **Mrs. Paule Charest**, CEA, 19, Chemin du Ravin, Saint-Thérèse, Quebec J7E 2T5. Tel.: (514) 434-4196. Fax: (514) 430-5684.

Northstar Financing Tool — *Continued from page 2*

helping small and medium-size Canadian exporters reach for OECD markets.

"We've had 3,000 calls since September", Shepherd said. "The main area we're hearing from is in the equipment manufacturing sector." Northstar's first loan — to a Finnish firm buying plastic packaging machinery from an Ontario manufacturer — has been approved and needs only the final signatures to become a reality.

Three other loan applications — including proposed sales by two B.C. companies — have proceeded to the final acceptance stage.

As Lloyd Axworthy, the Minister for Western Economic Diversification put it "this does fill a very crucial need that has existed for a long time".

*Have you a success story/tips on entering foreign markets? **Canad-Export** will consider them for publication.*

Win Export-Looking for Export Opportunities?

Make sure you are registered in the WIN Exports database which will showcase your company's capabilities to foreign buyers. To register, fax your request on your company letterhead to 1-800-667-3802 or 613-944-1078.



... AT YOUR SERVICE ...

Private Electronic Bulletin Board Launched by DFAIT

Developed by the Department of Foreign Affairs and International Trade's (DFAIT) Trade Information Systems Division on behalf of the Department's Infocentre to complement the currently available FaxLink service, this pilot BBS project has two main objectives:

- to test the demand for electronic dissemination of international business development and market information to small and medium-size enterprises (SMEs).
- to provide on-line access to a comprehensive source of DFAIT international market intelligence/information in one place for the business community.

While still "under construction", the BBS already has over 1,600 files of documents in both official languages. Documents currently available include export financing and International Financial Institution Project Information Documents as well as the monthly operational summary reports for both the International Bank for Reconstruction and Development (IBRD) and the International Development Bank (IDB). It is expected that the BBS soon will include market studies, country profiles and trade mission reports.

This menu-driven, full-text information source, with search and download capabilities and E-Mail link, is available 24 hours, 7 days a week. Its documents are sourced from national, international, public and private sources and cover all aspects of international business.

The BBS has been developed on behalf of the Department's Infocentre and complements the latter's FaxLink and Hotline services.

Although the BBS is still under construction, users familiar with

how to use a BBS (such as those of CIDA or Industry Canada or Ottawa's Freenet) can log-in via a personal computer and a modem to register on-line. Here's how:

- direct dial Ottawa (613) 944-1581;
- Modem to 14,000 baud, line setting N-8-1;
- ANSI/ASCII terminal emulation.

Outside of Ottawa, the BBS may also be reached by dialling 1-800-628-1581.

The BBS soon will be available to Datapec users at 2020049821.

For more information about the BBS, contact Bill Skinner, Trade Information Systems Division, DFAIT. Tel.: (613)996-1907. Fax: (613) 992-3004.

InfoCentre FaxLink Now International

Designed to provide foreign traders, investors and businesspeople with information on Canada, its business environment, laws and export capabilities, this new service operated by the InfoCentre of the Department of Foreign Affairs and International Trade (DFAIT) now is up and running.

This service complements the FaxLink which has been provided to Canadians since February 1994 (CanadExport, April 15, 1994 issue). Both the domestic and international services are available 24 hours a day, seven days a week, and are accessed by calling (613) 944-6500; the domestic phone number is (613) 944-4500.

"This new service will instantly provide information of use to our trade and investment partners around the world", Minister for International Trade, Roy MacLaren indicated at the inauguration ceremony of the FaxLink service. "It is one more tool in our kit of programs to strengthen the Canadian economy through trade and investment."

For more information on both the domestic and international services, call the FaxLink Administrator at (613) 995-1874.

Collection Orders "The Royal" Way

Canadian exporters now can more quickly and easily prepare direct collection orders — thanks to a new PC program offered by the Royal Bank of Canada.

This easy-to-use service, the first to be offered by a Canadian chartered bank, accelerates the delivery of documents to the buyer, thereby speeding up the payment process and eliminating the need for a typewriter.

Quite simply, the application allows the bank's trade clients to complete the order (a standard template letter) on their personal

computer and send it, with their related collection documents, directly to the foreign buyer's bank.

As well, clients can use the electronic version to update for repeat collections or to save in their system for future reference.

Complete details on this new service to Canadian exporters are available from Shelley Sunohara (tel.: 416-974-3180) or Jerry D'Oliveira (tel.: 416-974-4819), Royal Bank Trade Group, Royal Bank of Canada, 200 Bay Street, 9th Floor, South Tower, Toronto M5J 2J5. Fax: (416) 974-6023.

... AT YOUR SERVICE ...

Passport is Ticket to Business Travel

Business travellers can make their lives easier — and save time, effort and expense! How?

All they need do is carry a Carnet!

A Carnet is a simple Customs document. It lists the goods you wish to have covered for the country or countries you intend to visit. Each Carnet is prepared specifically to meet your particular requirements. It's a virtual "merchandise passport".

A few of a growing number of Carnet users include: sales and marketing staff carrying product samples; exhibitors participating in foreign trade fairs; engineers and architects with valuable drawings; and musicians and film crews.

Carnets eliminate complicated and time-consuming Customs procedures. They eliminate the need for preparation of national entry forms as well as the purchase of a bond for security purposes at each Customs station.

Carnets are available through the Canadian Chamber of Commerce which, for more than 23 years, has been providing this "passport" to businesspeople travelling abroad.

For more information, call your Carnet representative: in Ottawa: Diane Orr-tel.: (613) 238-4000 ext.239; fax: (613) 238-7643; in Montreal: Bill Browne-tel.: (514) 866-4334; fax: (514) 866-7296; in Toronto: Helen Chang-tel.: (416) 868-6415; fax: (416) 868-0443; and in Vancouver: Lucille Wood-tel.: (604) 681-2111; fax: (604) 681-0437.

Industry Canada Introduces Market Intelligence Service

Timely, relevant, product and industry-specific market information now is available to new and established companies within Canada through Industry Canada's **Market Intelligence Service**.

Using the Harmonized Commodity (HS) and Standard Industrial Classification (SIC), the service provides Canadian and U.S. micro-trade information to Canadian entrepreneurs, manufacturers and investors.

A Canadian company can use the **Market Intelligence Service** to increase business awareness for new product development and production; increase domestic and foreign market share; identify new markets, buyers, and for strategic planning and investment purposes.

The service promotes productivity and competitiveness for Canadian firms doing business in Canada and abroad by providing companies with access to unique market intelligence on a timely basis.

The type of information available, tailored to meet each client's particular needs, includes four-year pre-formatted trend tables by country of origin and province of clearance for Canadian imports and by country of destination and province of origin for Canadian exports.

Other available data include Canadian importer lists (names, city and province of location) and the import market share of the top importers; names of foreign

companies exporting to Canada; Canadian and United States tariff rates; information on United States import markets by country of origin and by customs district of entry, as well as special studies showing imported product breakdowns by type, size, material and price range.

Data sources include Statistics Canada, Revenue Canada and the US Department of Commerce. The data are updated quarterly and annually.

Here is a sample of testimonials received from clients regarding the **Market Intelligence Service**:

- "company has used this information to develop a wider product range and successfully price our lines so we can compete in international markets."
- "the report has assisted us to define markets more accurately and to justify our strategic and capital investment plans."
- "has been instrumental in our being able to make several decisions that have led to the introduction of a new product for the Canada market."

For further information on the **Market Intelligence Service**, contact Market Intelligence and Technology Opportunities Service, Strategic Information Branch, Industry Canada, 235 Queen Street, Ottawa, Canada. K1A 0H5. Tel.: (613) 954-4970. Fax: (613) 954-2340.

Mission, Trade Fair Slated for April

Building Export Opportunities Begin in the Baltics

The building and renovation industry is booming in the Baltics as contractors begin rectifying 50 years of neglect, says a report from the Canadian Embassy in Riga, Latvia.

This boom has created excellent opportunities for Canadian building materials exporters, especially those engaged in the production of good-quality thermoinsulation materials, hermetic sealing materials, rendering materials (for facades), light roofing materials, glass packets, sanitary ware or plumbing components.

"These items and many other types of building materials," the report says, "will experience a significant growth in demand in the local market in response to new construction and also new energy-efficiency programs which will go into force in the future."

There also are good opportunities for Canadian cooperation in the buildings materials industry in the Baltics, particularly considering the availability of high-quality, low-cost raw materials; a well-qualified labour force; and a good transportation network.

What's more, Canadian companies considering expanding their markets into the Commonwealth of Independent States would be wise to consider using or teaming with Baltic countries to develop these markets.

As little as five years ago, Baltic factories were supplying the whole of the Soviet Union with such items as plastic goods, glass, linoleum and other products — so they have an established track record here.

Trade Mission/Fair

In this regard, what the Baltic companies need — and what

Canadian companies can readily provide — is modern technological equipment that will bring them up to a western standard of efficiency.

The Government of Canada, in a move to encourage Canadian companies to examine this market, will be sponsoring a **Building Materials Trade Mission** to Latvia and Estonia April 2-8, 1995. Also included will be a visit to **REBUILDING 95** (April 6-9), an international trade fair in Tallinn, Estonia for building, building materials and building machinery.

For further information on these markets, the mission or fair, contact H. Jacob Kunzer, Trade Commissioner, Embassy of Canada, Doma laukums 4, Riga, LV-1977, Latvia. Tel.: (011-37-1) 883-0141. Fax: (011-37-1) 883-0140.

Interested parties may also contact Roman Hruby, Central and Eastern Europe Trade Development Division, Foreign Affairs and International Trade, Ottawa. Tel.: (613) 944-1437. Fax: (613) 995-8783.

Cairo Fair Attracts Millions

Cairo — With more than 1 million visitors and 2,500 local and foreign exhibitors from 35 nations, the **Cairo International Fair** may well be the largest annual trade show in the Middle East.

The 28th edition of this major event will be held March 18-21, 1995 in this Egyptian capital — and, once again Canada will staff an information booth!

Canadian companies are being encouraged to participate in this comprehensive "horizon-

tal" (all types of products, commodities, services) fair in order to identify market opportunities locally, to locate appropriate local representation, to establish new clients/sales or to expand existing sales.

For further information on the **28th Cairo International Fair**, contact Joseph Tadros, Commercial Officer, Canadian Embassy, Cairo. Tel.: (011-20-2) 354-3110. Fax: (011-20-2) 356-3548.

Korea Hosts APEC Technomart

Taejon City — Potential participants have until January 31, 1995 to reserve exhibition/booth space for the **1st APEC Technomart**, being held in this Korean city May 22-27, 1995.

This Asia Pacific Economic Cooperation event is intended to facilitate industrial and technological cooperation in the region by providing an open forum for the

promotion and acquisition of new technologies.

Business participants from all 18 APEC economies will be in attendance.

Additional information/participation details are available from The Canada-Korea Business Council of the Canadian Chamber of Commerce, Ottawa. Tel.: (613) 238-4000, ext. 222. Fax: (613) 238-7643.

South America Trade Mission — *Continued from page 1*

tics and telecommunications; agri-food; transportation; environment; and healthcare.

Canada's investment portfolio in Chile now is approaching US\$4 billion, 90 per cent of which is in the mining sector. Other key investment sectors are: infrastructure; power and energy; telecommunications; forestry; and industry.

Such strong investment is motivated by Chile's record of political stability, economic growth and a professional business culture.

In 1992 CIDA's Industrial Cooperation Program launched an ambitious \$1.8-million Chile Strategy to place Canada at the forefront of technology transfer and joint venture activities in Latin America. To date, over 40 CIDA INC. projects are active in Chile, with 10-15 joint ventures underway.

Brazil

As the world's fourth-largest country, with a population of 153 million people, and an economy ranked tenth globally, Brazil holds obvious interest and significance for Canada as a trading partner.

Canadian exports to Brazil in 1993 totalled \$750 million (from \$489 million in 1990), primarily in wheat, wood pulp and paper products, minerals, fuels and oils, machinery, and engine parts.

Thanks to reduced import tariffs, deregulation and privatization, Brazil is much less of a state-controlled economy than it was, which explains much of Canada's success in increasing its exports.

While much of Canada's export growth has been driven by traditional commodities (grains and oilseeds, agri-food, etc.), there have been encouraging results in exports of value-added, high tech and manufactured goods. Telecommunications, for instance,

now is Canada's fourth-largest export item — and offers limitless room for growth, including informatics, geomatics, computer software and services.

While the business climate is increasingly optimistic, it is worth noting, says a communique from the post: "Brazil remains a complex market which is not for the faint of heart; but for companies with com-

petitive products, a technological edge and the ability to make a long-term commitment to doing business in Brazil, the potential market is lucrative and too large to ignore."

Contact DFAIT's Danièle Ayotte (for Brazil and Argentina), tel.: (613) 996-5549. For Chile, contact Charlotte Ward, tel.: (613) 996-4199. Fax: (613) 943-8806.

PUBLICATIONS

Exporters' Directory

The 1994/95 edition of the **Canadian Exporters' Catalogue Directory** (Cdn\$75.00) now is available to all exporting organizations in Canada.

Supported and endorsed by the federal and all provincial governments, the hard cover, multi-sectorial, full-colour directory places reliable and comprehensive information about Canadian companies in the hands of international buyers.

It is distributed by Foreign Affairs and International Trade to more than 100 countries through

Canada's consulates and trade offices. It also reaches all foreign embassies in North America. All told, 20,000 copies are freely distributed worldwide.

To obtain a copy or to find out how your company can advertise in future directories, contact the publishers: International Publishing & Development Inc., P.O. Box 2317, Clearbrook, B.C., Canada V2T 4X2. Tel.: (604) 855-9115. Fax: (604) 855-9117.

Potential advertisers may also call, toll-free 1-800-667-0991 and ask for a representative in their area.

Renaissance — *Continued from page 1*

fulfilling the program's objectives. Incorporated business and professional firms must, among other things: have been established and operating in Canada for at least three years; have annual sales exceeding \$1 million (\$500,000 for professional service firms).

Financial assistance is available to support Canadian companies undertaking further study of: joint venture opportunities; investment opportunities; structured cooperation agreements.

Financial assistance is also available to support Canadian corpo-

rate investors to train their partner organizations.

REE is funded by the Department of Foreign Affairs and International Trade's (DFAIT's) Bureau of Assistance for Central and Eastern Europe. The Bureau is responsible for delivering Canada's Assistance Program. It is administered by DFAIT's Central and Eastern Europe Trade Development Division.

Interested companies should contact the nearest International Trade Centre or DFAIT. Tel.: (613) 996-0105. Fax: (613) 995-8783.

BUSINESS AGENDA

Toronto — February 5-7, 1995 — More buyers and sellers than ever are expected at the **Canadian Hardware/Housewares/Home Improvement Show (CHS)**, its 90th anniversary edition. Basically four shows in one, the CHS will attract 725 companies from Canada, the United States and abroad. While there are many innovations this year, a staple is the International Marketplace where about 30 booths give foreign manufacturers looking for Canadian representation a chance to find sales agents. There are also

export contacts for Canadian manufacturers. For more information, contact Linda Nodello, Show Coordinator. Tel.: (905) 821-3470. Fax: (905) 821-8946.

Vancouver — February 13, 1995; **Calgary** — February 14, 1995; **Regina** — February 15, 1995; **Winnipeg** — February 16, 1995; **Mississauga** — February 17, 1995; **Montreal** — February 28, 1995 — **Workshops on Doing Business in Central and Eastern Europe** will focus on trade and investment matters

and feature trade commissioners in Canada of Bulgaria, Czech Republic, Hungary, Poland, Romania and the Slovak Republic. For further information, contact Douglas MacArthur, Conference Manager, Ottawa. Tel.: (613) 747-2753. Fax: (613) 747-2735.

NEWMEX Plus Mexico Bound

NEWMEX Plus is a joint-venture program offered through the Department of Foreign Affairs and International Trade in partnership with the Forum For International Trade Training (FITT Inc.) and Deloitte & Touche Management Consultants.

It is designed specifically for senior executives and sales management and features a two-part export preparation program and a trade mission to Mexico.

Phase 1, which takes place in Saskatoon February 3-4, 1995, informs participants about the business climate in Mexico and helps them prepare strategic plans for exporting to Mexico.

Phase II (March 6-10, 1995) is a five-day, government-sponsored, fully-escorted trade mission to Mexico City during which participants will meet crucial contacts, possible strategic partners and business policy decision makers.

For information, call (306) 933-5555, or fax (306) 933-5309.

Team Canada-China Conferences

Team Canada's November, 1994 Mission to China — during which \$9 billion in agreements were signed — was a beginning, not an end, in Canada's efforts to increase trade with a country which, in a few years, will be the world's largest economy.

Now, as an immediate follow-up, the Canadian Chamber of Commerce and the Canada China Business Council are organizing **The China Conferences-Building Team Canada**, a series of one-day, cross-Canada conferences that will review the Team Canada mission results, attempt to expand Team Canada membership (to include many more small, mid-size and large Canadian organizations), and develop strategies for

sustained initiatives in the China market.

Conference organizers say that, with over one-fifth of the world's population, China has one of the fastest-growing national economies. As well, the country is Canada's fifth-largest trading partner, with two-way transactions valued at \$4.77 billion in 1993.

Locations and 1995 dates for **The China Conferences-Building Team Canada** are: **Montreal**, February 2; **Halifax**, February 6; **Calgary**, February 8; **Vancouver**, February 9; **Toronto**, February 16.

For further information, contact Douglas MacArthur, Conference Manager, Ottawa. Tel.: (613) 747-2732. Fax: (613) 747-2735.



The InfoCentre of the Department of Foreign Affairs and International Trade provides counselling, publications and referral services to Canadian exporters. Companies interested in obtaining related information are invited to contact the InfoCentre at 1-800-267-8376 (Ottawa 944-4000) or by fax at (613) 996-9709. Trade information is also available by calling F (613) 944-4500, the Department's round-the-clock faxback service.

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Canada's Export Strategy

RETURN TO DEPARTMENTAL LIBRARY

The International Trade Business Plan

The 1995/96 International Trade Business Plan (ITBP) lays out Canada's strategies and activities in support of international business development. It enables the private sector to influence the development of those strategies and become involved in the proposed activities. It is managed by the federal government in partnership with the provinces and Canadian industry.

The ITBP is designed to strengthen the connection between global demand and Canadian supply capability. It also provides linkage between trade development, trade policy, investment development, and technology transfer, each of which is essential to Canada's success in international

markets.

The consensus reached by the various partners involved throughout the ITBP consultation process is reflected in the plan documents. These documents are made up of three components: an overview, a series of industry sector strategies, and accompanying lists of international activities.

- **OVERVIEW:** The ITBP Overview provides the broad context for the individual industry sector strategies detailed in the Plan. It comprises four elements: a **Strategic Overview** summarizing the Government's main trade policy and international business development objectives; a **Geographic Overview** identifying opportunities, challenges and priorities by

geographic region; a list of Cross sectoral Activities to be undertaken in support of international business development; and the addresses of Canada Business Service Centres.

- **INDUSTRY SECTOR STRATEGIES:** The main component of the ITBP consists of 23 individual sector profiles that detail how the Government will work with industry to take advantage of emerging global trade, technology and investment opportunities. Each strategy provides a summary of international business development priorities for the given sector, and is the result of close consultation with the private sector.

- **INTERNATIONAL ACTIVITIES:** A list of international activities is appended to each sector strategy. These lists are the product of government-industry consultation, and represent the specific activities governments intend to sponsor in support of each sector strategy. Canadian companies are invited to participate in these events, and are encouraged to contact the listed department or agency for details.

Continued on page 4 — ITBP

Canada Joins the World Trade Organization

"The World Trade Organization will provide a strong foundation for the future expansion of trade and investment, generating jobs and growth in Canada and around the world." Roy MacLaren, Minister for International Trade.

The World Trade Organization (WTO), which came into force on January 1, 1995, is an international body that will replace the GATT (General Agreement on Tariffs and Trade) Secretariat and that will oversee and co-ordinate the agreements that result from the Uruguay Round.

Canada and its trading partners have agreed to eliminate all tariffs in a number of key sectors and to reduce remaining tariffs by an average of one-third over the next five to 10 years. Using the

GATT/WTO framework as a base, Canada will continue to work towards greater multilateral, regional and bilateral trade liberalization.

What is in the agreement?

- The World Trade Organization will be responsible for implementing all the agreements resulting from the Uruguay Round.

- The WTO will be guided by a ministerial conference open to representatives of all WTO members.

- The WTO will be administered

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SHARING TRADE SECRETS

Calgary Company Major Stakeholder in New Zealand Power Sector

"Our two most important assets are our employees and our customers, not the physical assets." Alan Moon, President, TransAlta Energy Corporation

TransAlta, a Calgary-based power generation and transmission company, with assets exceeding \$5 billion, is set to become a major player in the New Zealand power sector. All its moves to date indicate this.

In 1992, the company formed a joint venture with Mercury Energy in Auckland to build a 114 megawatt power station in South Auckland, worth between NZ \$100-\$150 million. Subsequently, in late November, 1994, the company bought 20 per cent of Lower Hutt company Energy-Direct for NZ \$50 million and in December paid NZ \$120 million for 49 per cent of the City of Wellington's electricity company, Capital Power. The company has also formed a joint venture with Fletcher Challenge and is bidding on NZ \$ 1 billion worth of gas from the state-owned energy company ECNZ's Maui gas field, as well as ECNZ's proposed NZ \$400 million gas-fired power

station in Stratford.

TransAlta President said his company's success was due to its low operating costs, its commitment to servicing customers and its community-oriented attitude.

Following consultation with its New Zealand shareholders, TransAlta would appoint one or two Canadian managers to the board of Capital Power. Furthermore, TransAlta and Capital Power managers will take part in exchange programs to provide them with familiarization sessions about their respective technology.

"We'll always want to have New Zealand partners with us. We'll always have a set up with New

Zealand shareholders. The form of that New Zealand shareholding might vary from time to time but it was a cornerstone of the company's approach." Moon says, adding "We do not think we have management control. We and Capital Power are both driving the bus together."

One reason TransAlta invested so heavily in New Zealand was that country's cultural similarity to Canada. The government's initiatives to deregulate the electricity market were also a major attraction.

Have you a success story/tips on entering foreign markets? CanadExport will consider them for publication.

EDC/EBRD Agreement to Boost Canadian Exports to Central and Eastern Europe

Canadian companies seeking business in emerging markets in Central and Eastern Europe will have better access to financing, according to Paul Labbé, president and chief executive officer of the Export Development Corporation (EDC). A new agreement, signed in last December between EDC and the European Bank for Reconstruction and Development (EBRD) will help Canadian companies pursuing projects in Central and Eastern Europe, increase their competitiveness. The agreement provides a formal framework for the selection, appraisal and management of co-financed projects, paving the way for increased participation by Canadian exporters. EDC will make loans, equity and credit guarantees available for projects financed by the EBRD.

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Mail to: *CANADEXPORT* (BCT), Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2.

BUSINESS OPPORTUNITIES

Before entering into a contractual agreement with a company, readers are advised to verify the bona fides of the companies listed here.

CHINA (People's Republic) — Three companies in China are interested in entering **joint venture relationships** with appropriate Canadian companies. Shangdong Binzhou Fruit Corp. seeks expertise in **fruit processing**; Weifeng Radiator Manufacturing is interested in a joint venture for the **manufacture of car radiators**; and Gaomi Paper Mill seeks a joint venture partner for the **manufacture of non-wood fibre paper**. Contact Linda Lu, Office Manager, China Info Globe Inc., 4002 Sheppard Avenue East, Suite 300, Scarborough, Ontario M1S 1S6. Tel.: (416) 298-2298. Fax: (416) 292-9627.

IRAN — An Iranian based manufacturing company is interested in either a joint venture or a buy back leasing arrangement for the necessary machinery to manufacture **low core concrete beams**. Contact D. Daneshmand at 011-98-21-8857081; fax: 011-98-21-656658. Or Kevin Kargari, Canada Sterling, 304-7085 Stride Ave., Burnaby, B.C. V3N 1T3. Tel.: (604)521-2808. Fax: (604)521-1494.

PAKISTAN — A Karachi-based company is interested in a **collaboration** with a Canadian firm for the **production of needle bearings, tractors and agricultural machinery, and water desalination plants**. The well-established firm would also consider the outright pur-

chase of said items. Contact Irfan Feroz, Managing Director, Metal Engineering Works (PVT) Ltd., S-4, S.I.T.E., Karachi, Pakistan. Tel.: (92-21) 256-1122/256-1123. Fax: (92-21) 256-3338.

SAUDI ARABIA — A Riyadh-based company is interested in sourcing a variety of **paper and medical products** from Canada. The paper products include: woodfree (750 tons); art paper (150, 200 and 400 tons); and eggshell paper (500 tons). The diverse, small, portable medical products being sought include, among others: electronic apparatus for pulse, blood pressure, temperature and oxygen blood levels; apparatus for blood analysis (including blood glucose level, blood urea, blood uric acid); electronic thermometers; and electronic syringes for insulin dosages. Contact Skamsir Incorporation, P.O. Box 3218, Riyadh 11471, Saudi Arabia. Telefax: 464-6102.

VENEZUELA — A reputable dealer in **high-quality office furniture,**

social-area house furniture, office accessories and decorative items for office and home (excluding kitchenware) is interested in **representing Canadian manufacturers of same in Caracas**. Contact Diego Correa, Sales and Operations Manager, Design Center, P.O. Box 68280, Caracas 1062, Venezuela. Tel.: (011-58-2) 904-8494/904-8506. Fax: (011-58-2) 904-8493.

Taiwan Visa Waiver

We have been advised by Citizenship and Immigration Canada that effective January 1, 1995, the current five day visa waiver for Canadian visitors to Taiwan will be extended to fourteen days. This visa-free treatment applies also to nationals of Australia, Belgium, France, Germany, Japan, Luxembourg, the Netherlands, New Zealand, Switzerland, the United Kingdom and the United States.

EDC-Czech Lines of Credit

Small and large-size Canadian exporters selling goods or services to the Czech Republic now can take advantage of additional lines of credit totalling US\$30 million that the Export Development Corporation (EDC) has established with two Czech banks — US\$10 million with Investicni A Postovni Banka PLC and US\$20 million with Ceskoslovenska Obchodni Banka A.S.

These follow a May, 1994 line of credit (US\$10 million) with Komerčni Banka A.S.

The credit lines allow companies to arrange financing for transactions of between \$100,000 and \$5 million through any of EDC's eight regional offices in Halifax, Montreal, Ottawa, Toronto, London, Winnipeg, Calgary and Vancouver.

Win Export-Looking for Export Opportunities?

Make sure you are registered in the WIN Exports database which will showcase your company's capabilities to foreign buyers. To register, fax your request on your company letterhead to 1-800-667-3802 or 613-944-1078.



In the U.S. Mid-Atlantic region

Opportunities for Canadian Suppliers of Defence Equipment

Major defence contractors in the Mid-Atlantic region of the United States offer attractive sales opportunities for Canadian companies. It is estimated that the market in this region for Canadian suppliers of defence equipment totals \$250 M every year. This does not even include services (environment and construction) and the space industry.

U.S. defence contractors are active in development of new programs and upgrades for existing ones. In the past a great majority of Canadian vendors were casting houses, manufacturers of high precision machined parts, and suppliers of non-critical items. While vendors opportunities in the preceding areas still exist, the vendors-prime contractors relationship has evolved in the past five years along with the Department of Defence priorities: simulation, digitalization, avionics and electronics

upgrades, chemical and biological warfare detection and protection.

Other trends in the vendors-prime contractors relationship also heed to the new defence reality: adapting commercial practices to the defence market with a move to procure "off-the-shelf" equipment away from military specifications ("MIL-SPECS"); and the procurement of value added systems rather than single components.

The Canadian Trade Office in Philadelphia addresses opportunities with U.S. prime contractors in the Mid-Atlantic region through three programs. First, a yearly mission of Canadian vendors to visit defence contractors is organized. This month, the fourth such mission will be organized, targeting electronics, avionics, communications and software opportunities with defence contractors. Secondly, a defence con-

tractors liaison program is in place to advise U.S. prime contractors of sourcing opportunities from Canada, to collect request for quotations for onwards transmission to Canadian vendors, and to introduce Canadian vendors to prime contractors. Thirdly, by the maintenance of a database in Philadelphia (available on-line) offering information about prime contractors in the Mid-Atlantic region (and some parts of the U.S), their preferences and their needs. This database contains information on 319 U.S. defence prime contractors.

Companies interested in more information about U.S. defence prime contractors in the Mid-Atlantic region and the three programs run by the Canadian Trade Office in Philadelphia should call Georges Lemieux at tel: 610-667-8210.

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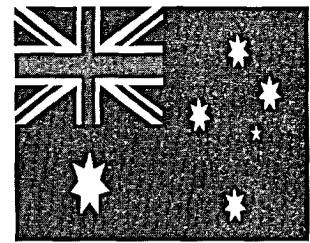
To receive ITBP documents of interest to you, please mark your selection on the following list, fill in your address, and send the completed form to: the InfoCentre (SKI), DFAIT, 125, Sussex Drive, Ottawa K1A 0G2. The form may also be faxed to: (613) 996-9709.

You may order ITBP documents by telephone by calling: 1-800-267-8376 or (613) 994-4000 (Ottawa-Hull Area). ITBP documents will be available on the InfoCentre's FaxLink, at the following number: (613) 944-4500. Please select the Main Index.

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AUSTRALIA SUPPLEMENT



Canada, Australia Enter Second Century as "Partners in the Pacific"

Canadian exporters will know that 1994 marked the 100th Anniversary of the Canadian Trade Commissioner Service. However, it was actually in January 1895 that Canada's first Trade Commissioner, John Short Larke, disembarked from the Warimoo at Sydney Harbour to take up his assignment in Australia. Thus 1995 is the Centenary of Canada's official trade relations with Australia.

Mr. Larke's instructions included "to collect information both on the general trading requirements in Australia and specific trade opportunities" and "to promote trade between Canada and Australia in every possible way".

His efforts stimulated trade in a wide range of goods including textiles, carriage wheels and cereals. He played a significant role in the establishment of the Pacific cable (which helped bridge the mighty ocean between Canada and Australia) and is recognized for his efforts in improving shipping services between the two countries.

Now, 100 hundred years later, there exists an active and wide-ranging partnership — one that has become increasingly important as we move towards the next century as "Partners in the Pacific".

Today, total bilateral trade between Canada and Australia exceeds \$2 billion, making Australia Canada's fifth-largest trading partner in the Asia-Pacific region. While carriage wheels no longer figure in Canada's exports, the diversity of value-added

goods and services exchanged exceeds that of trade with any other Asia-Pacific trade partner. What's more, small and medium-size enterprises (SMEs) in both countries are benefitting from, and contributing to, this growing relationship.

Investment linkages are also strong: our investment in Australia is almost \$5 billion — largely in mining, telecommunications and industrial processing. Australian investment in Canada is about \$2 billion.

Both countries offer attractive commercial opportunities: Canada as an entry into the rich North American market (now reinforced by NAFTA) and Australia as a springboard into the dynamic Asian economies.

People connections also have grown substantially. Large numbers of Canadians and Australians visit each other's country every year; in 1994 more than 85,000 Canadians visited Australia, while 120,000 Australians travelled to Canada.

Academic exchanges also are extensive and a newly-established Centre for Canadian Studies at the University of Western Sydney will give greater focus to this element of the relationship.

In celebration of these 100 years of Canada-Australia trade and economic relations, there are planned a series of events and activities (many of which are presented in this supplement) that are designed to set the stage for a second century of "Partners in the Pacific".

The varied and vibrant links can only grow stronger!

Sydney Site of Major Trade, Investment Conference

Canada-Australia — Pacific Partners for the Next Century is the title of a major trade and investment conference being held February 27-28, 1995 in Sydney, Australia.

The conference represents a major element in the series of events planned in 1995 to mark the 100th anniversary of Canada's official trade relations with Australia. In January 1895, Canada's first trade commissioner disembarked from the Warimoo in Sydney Harbour, making Sydney an apt venue for the conference. The conference will attract some 175 senior representatives from the private and public sectors in both countries. With a view to enhancing Canada-Australia commercial and economic linkages, the conference has a number of key objectives, some of which are:

- to expand the business partnerships between companies from Canada and Australia by providing the opportunity for updated market intelligence and effective networking;
- to examine the strategic location of Canada as a base for commercial operations in the NAFTA region;
- to analyze the changing dynamics of doing business in the Asia-Pacific;
- to study the Australian focus on the Asia-Pacific region as a basis for joint ventures and strategic alliances to pursue opportunities in the dynamic Asian markets;

Continued on page II — Pacific

AUSTRALIA CAN BE A SPRINGBOARD INTO THE DYNAMIC ASIAN ECONOMIES

Pacific-Partners

Continued from page 1

- to give special focus to business development in selected "priority sectors" such as telecommunications/informatics, environmental goods and services, and aerospace; and
- to highlight and celebrate the Centenary of trading relations between Canada and Australia.

Roy MacLaren, Canada's Minister for International Trade, is scheduled to lead a Canadian delegation to Australia and New Zealand and, together with his Australian counterpart, Senator Bob McMullan, and to be a keynote speaker at the conference. Ministers will also be present to hear reports from each of the session leaders on the ideas and recommendations of three industry-specific discussions and one focused on the role of small and medium-size enterprises (SMEs), directed at identifying business opportunities.

The conference is being organized under the auspices of Canada's Department of Foreign Affairs and International Trade and is managed by the Canadian Consulate General in Sydney. AUSTRADE, the Australian Government Trade Development Agency, is co-partner in organizing and presenting the conference and its Managing Director, Ralph Evans, will chair the opening session.

Major Canadian speakers and chairs include Pierre Ducros, Chairman and CEO, DMR Group Inc.; Terry Francis, Senior Vice President, Marketing and Sales, Canadian Airlines International Ltd.; Bob Bloomfield, Vice President and Managing Director, Asia Pacific, Newbridge Networks Corp.; Ron Evans, President, Information Technology Association of Canada (ITAC); Bill Kienapple, Director, Defence Operations, General Motors of Canada Ltd. (Diesel Division); Andy Morris, Vice President

Continued on page IV - Speakers

Strategic Alliance Seminars in Australia

The potential for expanded collaboration between Canadian and Australian information and environmental technology firms has never been better.

The sectors represent significant growth areas in the Australian economy. Major infrastructure investment programs are underway, Australian firms have developed world-class capabilities and are expanding their reach into the burgeoning Asia-Pacific region and beyond.

To capitalize on this potential, there will be a series of seminars in Sydney, Melbourne, Adelaide and Perth between March 1 and 8, 1995. They will provide a forum for Australian and Canadian firms to seek out partners offering complementary expertise, products or technologies.

What's more, there will be a concurrent catalogue show of Canadian capabilities in the information and environmental technology sectors.

While not overlooking bilateral

business opportunities, a special focus of the seminars is the ability of strategic alliance partners to work together in the larger regional markets of Asia-Pacific and North America.

Organized by the Canadian Consulate General in Sydney with support from the Australian Information Industries Association (AIIA), the Environment Management Industry Association of Australia (EMIAA), Chambers of Commerce and State Governments, the seminars will feature presentations by representatives of the Information Technology Association of Canada, the Canadian Environmental Industries Association, the AIIA and EMIAA.

Companies interested in participating in the seminars or sending literature for display at the catalogue show of Canadian capability should contact Helen Rowell (information technology) or Bob Gow (environment), Canadian Consulate General, Sydney. Tel.: (011-61-2) 364-3000. Fax: (011-61-2) 364-3098.

AIMEX'95 : Australia's International Mining & Exploration Exhibition, 16th - 20th October 1995, Sydney, Australia

Mining is a mainstay of the Australian economy, providing approximately 50 per cent of Australia's exports. The country is one of the world's largest producers of a wide range of minerals and, with improved world markets, is experiencing a resurgence of development in this sector.

Committed and expected projects valued in excess of \$30 billion offer Canadian equipment and technology suppliers substantial business opportunities.

Held every four years AIMEX is recognized as the prime marketplace for mining equipment manufacturers and service companies, representing every aspect of the mining and exploration industries.

With eight pavilions, unlimited outdoor space, and being hosted in the country's premier city, AIMEX is Australia's largest venue, featuring some 400 exhibits and attracting more than 22,000 visitors.

Canada will have a national stand at AIMEX'95. Space at the stand is available at competitive rates. If you are interested in more information, contact the coordinator without delay: R.G. (Bob) Gow, Trade Officer, Canadian Consulate General, Level 5, Quay West, 111 Harrington St., Sydney, NSW 2000 Australia. Tel.: (011-61-2) 364-3000. Fax: (011-61-2) 364-3098.

TRAVEL TRADE AND THE LAND DOWN-UNDER

Australia is nearly 7.7 million square kilometres, stretching 3,700 kilometres from north to south and 4,000 kilometres from east to west.

Despite the size of the country, the nation is highly urbanized. More than 70 per cent of the population lives in the capital cities and large towns, which are mostly on the eastern and southeastern seaboard. The major population centres are Sydney and Melbourne, followed by Brisbane, Perth, Adelaide and Hobart.

Australia provides a stable, mature, well-educated international travel market with generous annual leave provisions and good discretionary incomes. Its citizens are predisposed to long-haul travel and there is no language barrier.

The travel market is highly com-

petitive and very price sensitive. In 1993, total outbound travel from Australia was 2,267,200 (13 per cent of the population) with 55 per cent on holiday.

In the same year, a total of 97,807 Australians visited Canada. Tourism revenue generated by visiting Australians in Canada is estimated

at \$80 million for 1993 based on an individual expenditure of \$817.30 per person. Average length of stay is 11.4 days.

Australia is Canada's sixth-largest source of international tourism receipts. In 1994, the total number of Australians visiting Canada was expected to exceed 120,000.

Assistance Available from Post

- Market intelligence
- Counselling to travel industry
- Assistance in co-ordinating activities in Australia
- Sales leads/referrals
- News releases to travel trade and media
- MC & IT/Tour Operator database
- Use of office facilities

Trade Commissioners in Australia, Canada at Your Service

For 100 years Canadian trade commissioners have been posted in Australia to assist Canadians wanting to do business there. Today there are two offices which continue to provide support to trade, investment and tourism linkages.

Canberra

The Canadian High Commission in Canberra handles enquiries that require liaison with Commonwealth government departments and agencies in Canberra, and for nationwide information on the following sectors: Agriculture, Fisheries and Food Products; Forest Products; Government Procurement; Defence Products and Aerospace; Power and Energy; Metals and Minerals.

Sydney

The Canadian Consulate General in Sydney is responsible for trade enquiries and assistance on all other sectors, notably: Informatics and Telecommunications; Environment; Mining Machinery; Forestry Equipment; Agricultural Machinery; Construction Products; Biotechnology and Medical

Products; and Tourism.

Priority Sectors and Contacts

For 1995, priority sectors of focus encompass: Telecommunications Equipment; Software; Forestry Equipment; Mining Equipment; Environmental Equipment and Services; Rail Equipment; Agri-Food; Defence and Aerospace.

More information on opportunities in these sectors can be obtained from: John Donaghy, Counsellor (Commercial/Economic), Canadian High Commission, **Canberra**. Fax: (0011-61-6) 273-3285. Jim Feir, Senior Trade Commissioner, Canadian Consulate General, **Sydney**. Fax: (001-61-2) 364-3098. Dilys Buckley-Jones, Director, South Pacific Division, Foreign Affairs and International Trade, **Ottawa**. Fax: (613) 996-4309.

Agri-food Market

The market for value added agri-food products in Australia, is valued at approximately \$34 billion. The Australian market is ripe for unique, price competitive products.

The Canadian High Commission is prepared to organize and coordinate with organizers of Fine Food '95, to be held 03-06 September 1995 at Darling Harbour, Sydney, a Canadian agri-food products booth, featuring product brochures and food/beverage samples from 10 or 20 Canadian companies.

Canadian companies interested to get more information about the sector or wishing to introduce their products via this potentially very cost effective promotional event, could contact Rana Pudifin, Canadian High Commission, Canberra. Tel.: (0011-61-6) 273-3844. Fax: (0011-61-6) 273-3285.

1995 Calendar of Key Events

- February 6-9:** Canadian Mission to the 4th Pacific Rim Biotechnology Conference, Melbourne. Contact: Serge Hebert, Coordinator, Biotechnology, Industry Canada, ITC Montreal. Fax: (514) 283-4581.
- February 7-11:** PATA Travel Mart, Sydney. Contact: Julie Matson, Canadian Consulate General, Sydney. Fax: (011-61-2) 364-3098.
- February 27 & 28:** Trade and Investment Conference - "Canada-Australia - Pacific Partners for the Next Century"; Sydney. Contact: Jim Feir, Canadian Consulate General, Sydney. Fax: (011-61-2) 364-3098.
- February 27-March 3:** Mission to Australia led by Minister for International Trade, Roy MacLaren. Contact: Barbara Tink, Foreign Affairs and International Trade, Ottawa. Fax: (613) 996-4309.
- March 1-8:** Strategic Alliance Seminars in Australia. See associated article for details and contact.
- March 21-26:** AirShow DownUnder '95, Avalon Airport, Victoria. Contact: Jenny Brown, Canadian High Commission, Canberra. Fax: (0011-61-6) 273-3285.
- March 29-31:** AUSTWOOD '95 International Logging Equipment Conference and Exhibition, Melbourne. Contact: Helen Rowell, Canadian Consulate General, Sydney. Fax: (011-61-2) 364-3098.
- March/April:** Western Canadian Wood Machinery & Services Export Association Mission to Australia, coinciding with AUSTWOOD '95. Contact: Helen Rowell, Canadian Consulate General, Sydney. Fax: (011-61-2) 364-3098.
- June 15-17:** Melbourne Holiday & Travel Show, Melbourne. Contact: Julie Matson, Canadian Consulate General, Sydney. Fax: (011-61-2) 364-3098.
- June** (dates to be fixed): Environmental Technology Seminars and Showcase. Several locations in Australia. Contact: Bob Gow, Canadian Consulate General, Sydney. Fax: (011-61-2) 364-3098.
- June 22-25:** Sydney Holiday & Travel Show, Sydney. Contact: Julie Matson, Canadian Consulate General, Sydney. Fax: (011-61-2) 364-3098.
- September 3-6:** Fine Food '95, Darling Harbour, Sydney. See associated article for details and contact.
- October 12-20:** International Aquaculture Conference and Trade Show, Hobart. Contact: Rana Pudifin, Canadian High Commission, Canberra. Fax: (0011-61-6) 273-3285.
- October 16-20:** AIMEX'95, Sydney. See associated article for details and contact.

AirShow DownUnder '95

Canada will have a national stand at the Australian International Airshow and Aerospace Expo, AirShow DownUnder '95, which will take place 21-26 March 1995, at Avalon Airport near Melbourne.

Over 2,500 new generation helicopters and 4,000 new combat aircraft are expected to be required by defence forces in the Asia Pacific region during the next fifteen years. The region's airlines are expected to acquire more than 2,000 new aircraft through the year 2005, and, to accommodate this growth, over 100 new civil airfields are scheduled to be established within the next ten years.

Australia has emerged as a regional leader in aviation operations, maintenance, design, research and development and training. A major market in itself, with imports of civil and military aerospace products expected to stay around AUD1 billion a year, Australia has also become a focal point for doing business in the Asia Pacific region. The potential for Canadian and Australian companies with complementary capabilities to form joint ventures to best compete for various business opportunities in both the Americas and the South East Asian regions is already being pursued.

Speakers and Chairs

Continued from page II

Marketing and Sales, CAE Electronics; Allen Kilpatrick, Deputy Minister of International Trade, Department of Foreign Affairs and International Trade; and Robert Gillespie, Vice President, Strategic Planning and Business Development, Bombardier Aerospace Group.

TRADE FAIRS AROUND THE WORLD

Plast-Ex'95

Toronto — Exhibit space, while rapidly being booked, still is available for companies interested in attending **Plast-Ex'95**, the Canadian plastics industry's premier trade show being held here May 1-4, 1995.

In fact, The Society of Plastics Industry of Canada event is proving so popular (95% booked to date) that show management is negotiating for additional booth space!

This year the international flavour of the show is being enhanced with the attendance of the German Machinery Manufacturers Association. As well, an incoming buyers mission from the United States is being sponsored by Foreign Affairs and International Trade. Other buyers missions, possible including one from Mexico, are also slated to attend.

For information on **Plast-Ex'95**, contact Sally Damstra (tel.: 416-449-3444) or Karen Wolfe (tel.: 416-441-3222), Don Mills, Ontario. Fax: (416) 449-5685.

CatalogExpo'95

Moscow — Companies wishing to explore markets in Russia have an opportunity to do so — through the display of catalogues, brochures, and product literature — at **CatalogExpo'95**, being held here April 25-29, 1995.

Organizers say this is an inexpensive way for exporters and would-be exporters to expand their trade networks, increase sales, launch joint ventures or establish franchises — as the event will attract some 10,000 attendees interested in these fields.

What's more, buyers interested in an exhibitor's products/services can fill in order forms which will be

forwarded to the appropriate companies for follow-up.

For complete details, contact SNK International, Inc., P.O. Box 77543, 592 Sheppard Avenue, North York, Ontario M3H 6A7. Tel.: (416) 398-4765. Fax: (416) 398-3595.

Salud Para Todos

Havana — Canadian companies looking for a cost effective way to promote their health and pharmaceutical products/equipment amongst a large number of Cuban buyers/end users should consider participation in the **Seventh International Health For All Trade Show (Salud Para Todos)**, which will take place April 24-29, 1995 at Pabexpo Exhibition Centre in Havana, Cuba. The show, to which the Cuban Government attaches great importance, is specially directed at Cuba's health care sector and normally attracts a large number of foreign exhibitors, primarily from Europe, Japan and Latin America. For further details, contact Wayne A. McKenzie, Canadian Embassy, Havana. Fax: (011-53-7)33-2044, or contact Céline Boies, Latin America and Caribbean Trade Division, DFAIT, Ottawa. Tel.: (613) 996-6129. Fax: (613) 943-8806.

NetworkAsia'95

Singapore — There are 7,267 good reasons why Canadian companies could find it worth their while to participate in **Network-Asia'95**, being held May 2-5, 1995.

The 7,267 figure refers to the number of qualified trade visitors that attended the 1994 version of this business-to-business show, meaning the opportunity to meet potential clients is enormous.

This year, the opportunities appear even more favourable, with industry reports citing that the average growth rate for networking products and services in Asia is increasing at the rate of 50 per cent per year. In some sectors, such as internetworking, product growth rates are topping 100 per cent!

The show's Canadian representative, UNILINK, says many Canadian firms already have booked space for this **2nd Annual International Networking Exhibition & Conference** and there still is time for other interested parties to take part.

For further information (including exhibit costs, transportation, etc.) contact **NetworkAsia'95**, % UNILINK, 50 Weybright Court, Unit 41, Agincourt, Ontario M1S 5A8. Tel.: (416) 291-6359. Fax: (416) 291-0025.

Telecom'95

Geneva — **Telecom'95**, or the Olympics of Communications as it is best known, will be held in Geneva October 3-11, 1995.

When it was last held in 1991, **Telecom** attracted over 130,000 attendees, 850 exhibitors, and 1,700 press representatives from 164 countries.

Foreign Affairs and International Trade has reserved 900 sq.m. of space for the Construction of a Canada Pavilion at **Telecom'95**.

Companies interested in joining the Canadian Pavilion should obtain an Application for Space and Participation Contract from Wesley Rathwell, General Manager, Trade Fairs and Missions, Europe, DFAIT, phone (613) 995-6435, fax (613) 944-1008, for return no later than February 28, 1995.

TRADE FAIRS AROUND THE WORLD

Agro Vietnam 95

Ho Chi Minh City — The new Ho Chi Minh International Exhibition and Convention Centre will be the venue for a new trade fair, **AGRO VIETNAM 95**, which will be held June 20-23, 1995.

This trade fair will cover the most important areas of the agro and agro-industrial sector and will be organized yearly by the Chamber of Commerce and Industry of Vietnam. The Vietnamese Ministry of Agriculture and Food is sponsoring this event.

Companies interested in obtaining additional information on **AGRO VIETNAM 95** should contact the show's Canadian representative, Unilink International Media, 50 Weybright Court, Unit 41, Agincourt,

Ontario M1S 5A8. Tel.: (416) 291-6359. Fax: (416) 291-0025.

Sino-Ocean'95

Qingdao — Ocean science and technology companies from around the world are expected to attend **SINO-OCEAN'95** being held in this coastal Chinese city from May 17-21, 1995.

Held every second year (the first being in 1991), the **China International Ocean Science and Technology Development Exhibition (SINO-OCEAN)** provides a good opportunity for companies in the field to explore or enhance trade, as well as attend technical exchange seminars.

With some 18,000 kilometres of coastline and with a new openness to business, China increasingly is pay-

ing more attention to cultivating and utilizing its sea resources — for which it is in need of advanced technology, equipment and financing.

Among the exhibits at **SINO-OCEAN** will be technology and equipment for: marine cultivation; marine cultivation; navigation and telecommunications systems; sea water desalination; shipbuilding; harbour construction; sea food processing; and ocean resources surveying.

Coordinating the promotion in Canada of **SINO-OCEAN'95** is Dr. Liming Sun, who may be contacted for more information at: 15 Eastwood Place, Suite 7, Ottawa, Ontario K1L 6X1. Tel.: (613) 741-8666. Fax: (613) 741-2106. In Toronto, tel.: (416) 532-7371.

World Trade — Continued from page 1

by the General Council, which will serve as both the Dispute Settlement Body and the Trade Review Body. In dealing with disputes, the Dispute Settlement Body will be subject to rules that set out a process of timely settlement according to a specified schedule.

- The WTO will co-ordinate the functioning of the Goods Council, the Services Council and the Intellectual Property Council.

- The Goods Council will oversee the functioning of the General Agreement on Tariffs and Trade (GATT) 1994 and 12 other agreements related to trade in goods, including the agreements on anti-dumping, subsidies and countervailing measures, trade-related investments measures, agriculture and textiles.

- Also, separate councils will oversee the General Agreement on

Trade in Services (GATS) and the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).

- The agreement enshrines the Trade Policy Review Mechanism, which keeps members informed of changes in each other's trade policies and requires them to explain their trade actions.

Benefits to Canada

- The WTO will help strengthen and improve the functioning of the multilateral trading system.

- The WTO will help reduce the use of unilateral trade actions in response to perceived unfair or unreasonable trade practices.

- The WTO-administered dispute-settlement process will prevent a single member from blocking the adoption of reports of trade-dispute panels or, on appeal, of

appellate bodies.

- The WTO will contribute to a further strengthening of the rule of law in world trade and will further diminish the ability of the most powerful economies to interfere with the markets, goods and services of smaller economies. This is important for Canada, which has a relatively small population but a significant dependence on trade.

Where's Guangzhou?

The 1994 edition of the Directory of the Canadian Trade Commissioner Service contained an error in the listing of the Consulate of Canada in Guangzhou, China. The listing should have appeared following Shanghai, China, not Hong Kong.

PUBLICATIONS

Annually, Portugal imports about C\$390 million in medical devices, primarily from European and American sources. However, says a report, *Medical Devices Market in Portugal*, prepared by the Canadian Embassy in Lisbon, there are opportunities for Canadian manufacturers.

Among the principal medical devices imported are: sterilizers; surgical and veterinary appliances; artificial limbs; cardiac devices; x-ray equipment; and physical and chemical analysis equipment.

Since 90 per cent of the medical devices are bought through the process of public tenders, the best way to enter the Portuguese market, says the report, is to appoint a local agent who has contacts with the Ministry of Health and the public hospitals and who is familiar with the public tender system.

At the moment there is no legislation governing the certification of medical devices sold in Portugal. However, the Ministry of Health requires, as policy, that all equipment purchased by them fulfil recognized international standards (such as the Canadian Standards Association).

Generally, quality products and after-sales service are often more important factors than price, opening the door to Canadian manufacturers of quality products who have appointed a local agent capable of providing the technical assistance required.

Copies of the report may be obtained from Lewis Ford, Western Europe Trade, Investment and Technology Division, Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2. Tel.: (613) 996-7544. Fax: (613) 995-6319.

Canadian Industries at Your Doorstep, a document produced by the Canadian consulting firm Al-Qantara Inc. in cooperation with the first Saudi press group, Okaz Organization, will be inserted the end of this month in two leading Saudi newspapers, Okaz and Saudi Gazette.

This bilingual English/Arabic supplement, highlighting Canadian technological know-how and manufacturing capabilities, will reach over a half million Saudi readers. For further information, contact Leila Turki, Project Director, Al-Qantara Inc., Montreal. Tel.: (514) 284-4918. Fax: (514) 284-4915.

Endorsed by the Canadian and U.S. embassies in Beijing, the recently published *ShowCase North America*, is the first Chinese-language business sourcebook from North America.

The inaugural edition, 30,000 copies of which were distributed throughout China to senior government decision makers, manufacturing plants and trading houses, featured such items as full-page ads, Canadian company profiles, trade show information and trade statistics.

The sourcebook, say its publishers, aims to bridge the information gap between North American and Chinese markets and to encourage North Americans to more aggressively pursue the world's fastest-growing market.

The expanded Spring edition, to be released in April, 1995, will, among other items, include directory listings, trade mission reports

and a special feature on three sectors: construction equipment; medical technology; and environmental protection.

Organizations which wish to be included in or place ads in the Spring 1995 edition, and wanting more information on how to do so, may contact the publishers: Global Link Marketing Co. Ltd., 890 Malkin Avenue, Vancouver, B.C., V6A 2K6. Tel.: (604) 251-3381. Fax: (604) 251-1068.

The U. S. telecommunications equipment market is undergoing dramatic changes that offer significant market penetration opportunities for Canadian suppliers.

Rapid technology advances, increasing competition, and emerging demand for sophisticated communications services are combining to expand and redefine the market.

This and other pertinent information is contained in *The Telecommunications Market Study — Mid Atlantic States*, a report commissioned by the Canadian Embassy, Washington DC.

The Mid-Atlantic region (the District of Columbia and the states of Delaware, Maryland, Pennsylvania, and Virginia) represents about 10 per cent of the U.S. economy and is a major market for telecommunications equipment.

This region has a high concentration of communication-intensive service industries and federal government operations — as well as consumers with excellent demographics for advanced communications and entertainment services.

The region also is home to three
Continued on page 8 — Publications

BUSINESS AGENDA

Y
5

Toronto — February 9-10, 1995 - **Government grants, tax-credits & loans**, is the title of a comprehensive seminar designed to help business owners and managers understand the vast and changing array of government sponsored financial assistance programs available to them. The seminar, presented by a group of Toronto based management consultants and corporate tax specialists, OMNIUM Seminars, KPMG Peat Marwick Thorne, C-BASS LTD. and David Hearn & Associates, will be held at the First Canadian Place headquarters of the Board of Trade of Metropolitan Toronto. Please call

(416)763-0091 or fax (416) 763-5519.

Ottawa — February 9; **Toronto** - February 16; **Burlington** - March 2- **Making Trade Shows Work** workshops, sponsored by Industry Canada and the provincial Ministry of Economic Development and Trade, will be presented by show expert Barry Siskind. These workshops are aimed at company show co-ordinators, sales managers and staff who are involved or plan to become involved in trade fairs. Contact International Training and Management Company at 519-927-9494 in Terra Cotta or 416-483-3836 in Toronto.

at Ottawa-Hull area companies wanting to enter or expand their export markets. Contact Douglas L. Marshall, Manager, Business Counselling, FBDB, Ottawa. Tel.: (613) 995-5068. Fax: (613) 995-9045.

Toronto — March 7, 1995 - **Canadian Small-and Medium-Sized Enterprises (SMEs) in Asia: Seizing The Opportunities Through Flexible Business Networks** is a one-day seminar sponsored by Business Associations, the Department of Foreign Affairs and International Trade and the Ontario Ministry of Economic Development & Trade. This event, featuring several qualified speakers, aims to help the SMEs enter the Asian market by partnering with other companies. Contact Robert Lynn, Asia Pacific Foundation of Canada. Tel.: (416) 869-0541. Fax: (416) 869-1696.

Publications — from page 7

of the most aggressive players in the carrier segment: Bell Atlantic in Local Exchange and Cellular, MCI in Long Distance, and Comcast in Cable Television.

The study will introduce Canadian telecommunications equipment manufacturers to the market in the Mid-Atlantic Region, provide a comprehensive picture of the forces and players in the market, and assist informed decision making regarding market entry/expansion in the region.

To obtain a free copy of *The Telecommunications Market Study — Mid-Atlantic States*, contact Manuel M. Ellenbogen, Commercial Officer, Canadian Embassy, 501 Pennsylvania Ave. N.W., Washington DC 20001. Fax: (202) 682-7619.

Ottawa-Hull — February 20, 1995 — The Federal Business Development Bank (FBDB) is offering a two-month (45 hours) Strategic Planning Program specifically aimed

Nashville seminar

Marketing to State Governments

Nashville, Tennessee — March 27-28, 1995 - The U.S. Trade & Tourism Development Division of DFAIT is organizing a trade mission to an educational seminar on the theme of **Marketing to State Governments**. The seminar, which should be of interest to Directors of marketing, is offered by the U.S. National Association of State Purchasing Officials, in cooperation with GOVERNING magazine. Some of the topics covered by the 1 1/2 day program are: Procurement Methods; Bid Process; Bid Disputes, Protests, and Appeals; Bid Evaluation and Types of Contracts; and a General Session about the Federal Procurement Streamline Act and Purchasing Associations. One-on-one meeting with senior purchasing officials representing approximately 30 states are also planned. For further information, please contact Margaret McNabb at DFAIT, Tel.(613) 944-9441; Fax (613) 944-9119.



The InfoCentre of the Department of Foreign Affairs and International Trade provides counselling, publications and referral services to Canadian exporters. Companies interested in obtaining trade-related information are invited to contact the InfoCentre at 1-800-267-8277 (toll-free) or 944-4000 or by fax at (613) 996-9709. Trade information is also available by a fax machine) at (613) 944-4500, the Department's round-the-clock faxback s

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CANADEXPORT

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Fostering Partnership

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Award for Canadian-American Business Achievement to be Presented Annually

Canadian companies are invited to compete for the first annual **Award for Canadian-American Business Achievement**. The new award, announced recently by the Canadian Ambassador in Washington, Mr Raymond Chrétien, has been created to commemorate the centenary of Canada's Trade Commissioner Service and its contributions to Canada-US trade.

The award will be presented to two companies, one American and one Canadian, which through, but not limited to, a cooperative venture, partnering, or strategic alliance, have forged a track record of business success.

Individuals, associations, businesses and governments may nominate firms for the award. Firms may also nominate themselves for

consideration.

The award is sponsored by FHS International, a high technology firm with US headquarters in McLean, VA, in conjunction with the Canadian-American Business Council in Washington. The Council is made up of members drawn from business and government agencies in the US and Canada who have an interest in trade, policy and business development between the two countries.

The winners will be selected on criteria that include:

- introduction of innovative products, technologies and/or services.
- innovative use of current technologies or resources.
- impact on the market place.
- success in overcoming obstacles or barriers.
- sustained growth and profitability over a three-year period.

Judges include representatives from Harvard Business School, the US and Canadian Chambers of Commerce and the Innovation

Continued on page 12 – Business

Being Partners Helps Break into Lucrative U.S. Informatics Market

Partnering with a U.S. firm is proving to be one of the best ways to break into the lucrative U.S. information technologies market — one in which the U.S. federal government alone spends in excess of Cdn \$38 billion annually!

More than 80 per cent of that expenditure passes through the hands of the top 100 U.S. systems integrators, many of whom make extensive use of team members

and sub-contractors.

Breaking into this market has been made much easier for Canadian firms — thanks to a very successful program designed by the Commercial Office of the Canadian Embassy in Washington and Foreign Affairs and International Trade (DFAIT), Ottawa.

Now entering its fourth year, the **Technology Partnership**

Continued on page 10 – Partnering

Tourism is BIG Business

It may come as a surprise, but Canada's fourth-largest source of export revenue is tourism!

Generated by both business people and vacationers, tourism in Canada is a \$28-billion industry — and one to which the government is committed in its efforts to help Canadians seize the opportunities

offered by export markets.

That commitment was evidenced last October when Prime Minister Jean Chrétien announced the creation of a **Canadian Tourism Commission** and increased the federal government's annual tourism marketing budget to

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SHARING TRADE SECRETS

Motivated Employees One Key to Success

Canadian Fracmaster Limited (CFL) has achieved national and international recognition for application of advanced technology to enhance the recovery of petroleum from depleted reservoirs. CFL's success in the export market has been pronounced in Russia where it has become the major foreign producer and exporter of petroleum in only six years since its first joint venture, UganskFracmaster, commenced operation.

Fracmaster has over 2,000 employees, mostly citizens of the Russian Federation, in its four West-Siberian ventures. All four involve Russian enterprises; two also include Canadian partners. In all four, however, CFL as operator, has responsibility for day-to-day operational management, and for strategic thinking and planning of future activities. CFL's Russian operations contribute heavily to the company's total revenues, and are the prototype for initiatives being pursued in Asia, Eastern Europe, the Middle East and Latin America.

Fracmaster's success is based on widely understood secret ingredients — leadership, exemplary entrepreneurship, state-of-the-art (and often proprietary) technology, plus highly-trained, powerfully-motivated employees in all operations. CFL uses expatriate employees as trainers and start-up staff in host countries, with rapid incorporation of local staff into all managerial and operational spheres. All staff, expatriate and local alike, may expect to grow and develop globally as continuing success creates expanded opportunities.

Focus on local employees

Fracmaster's really not-so-secret approach to its overseas activities is to view local employees as part of the continuum of required experience represented initially by expe-

rienced Canadian expatriates. Local employees with their own traditions of excellence, albeit often learned under very different social, economic, and political conditions, have the potential initially to offer powerful skills to each overseas undertaking, and then to apply their expertise to an increasingly wider domain. As local employees successfully grow, develop and rise within CFL's foreign joint ventures, they become eligible to join the international Fracmaster family that embodies so much of CFL's relations with its staff.

Agreements between Canadian companies like Fracmaster and foreign partners such as those found in transformation economies like Russia explicitly address the demand that technology transfer and technological training be pro-

vided in Canada to citizens of the host country. Fracmaster views this requirement as offering multiple benefits, most of which are not included in the legal documents governing relations between CFL and its foreign partners.

Additional benefits are not mandated but are equally important, especially for individual employees and Fracmaster itself. A melding is encouraged between the Canadian and foreign cultures represented by CFI and its local employees which enhances the pool of talent available to Fracmaster anywhere.

The Fracmaster Institute

These activities have been deliberately made operational by Canadian Fracmaster through a division called The Fracmaster Institute (TFI), located in the headquarters of the company's main international business unit, Canadian Fracmaster Offshore (Cyprus) Limited (CFOCL). CFOCL is based in Nicosia and its twenty-plus employees are responsible for Fracmaster operations in countries of the CIS and the new emerging democracies in Eastern Europe.

The mandate of TFI is to ensure that key employees throughout Fracmaster's global operations apply common business principles

Continued on page 10 — Motivation

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Send this card to interested exporters and business-oriented people. For address changes and cancellations, please send this card to: (613) 992-5791. Allow four to six weeks.

For more information, contact: (613) 992-5791, Department of Foreign Affairs and International Trade, Ottawa K1A 0G2.

OPPORTUNITIES IN SPAIN

The following potential business opportunities have been provided by the Canadian Commercial Office, Barcelona, Spain.

- A company is seeking offers from Canadian manufacturers/exporters of **fresh fish** (sole, hake, dory, squid, anglerfish and sea-bass). Contact Araceli Herrero, Troll Fisheries, S.L., Calle Federico Torroba, I-Esc 2 B-F, 28007 MADRID. Tel.: (341) 501-5515. Fax: (341) 501-5502.
- A company is seeking offers from Canadian manufacturers/exporters of **Electrosoldered fences and rounded construction steel**. Contact Félix Ruiz Carbajosa, Ferricos Hispnicos, S.A., Calle Fernandez de los Ríos, 3, 28015 MADRID. Tel.: (341) 446-4500. Fax: (341) 448-9644.
- A company is seeking offers from Canadian manufacturers/exporters of **heating and air conditioning products**. Contact Miguel García, Dercosa, S.A., Calle Luis I, 27, 28031 MADRID. Tel.: (341) 380-3210. Fax: (341) 380-3660.
- A company is seeking offers from Canadian manufacturers/exporters of **morgensen sieves; vibrating feeders; vibrating separators; dry densimetric separation tables; mobile crushing, straining and washing equipment; packaging presses for paper and cardboard waste; and rotating vertical storage**. Contact Franck Ligonie, Gosag, S.A., Avenida Menéndez Pelayo, 6, 28009 MADRID. Tel.: (341) 577-6277. Fax: (341) 575-7495.
- A company is seeking offers from Canadian manufacturers/exporters of **ball bearings of all types**. Contact Ignacio Medina, Medinabi Rodamientos, S.A., Calle Méndez Alvaro, 11-13, 28045 MADRID. Tel.: (341) 580-1334. Fax: (341) 580-1313.
- A company is seeking offers from Canadian manufacturers/exporters of **radioactive isotopes; nuclear medicine; radiochemicals; irradiators; radiation protection devices; radiation detectors; and radiology equipment**. Contact Carmen Rueda, Nuclear Iberica, S.A., Calle Pintor Rosales, 36, 28008 MADRID. Tel.: (341) 542-1803. Fax: (341) 542-7701.
- A company is seeking offers from Canadian manufacturers/exporters of **electromedicine equipment**. Contact Anouk Tarella, Anko Europa, S.A., Calle Fernandez Caro, 19, 28027 MADRID. Tel.: (341) 408-7785. Fax: (341) 407-1960.
- A company is seeking offers from Canadian manufacturers/exporters of **seal testers; thickness programmers; quality control equipment; control boxes; and programable automats**. Contact Herpogas, S.A., Calle Caunedo, 50, 28037 MADRID, Tel.: (341) 304-3447/754-0590. Fax: (341) 754-5702.
- A company is seeking offers from Canadian manufacturers/exporters of **hammocks and wooden garden furniture**. Contact José Antonio Gayoso, Financial Technology, Calle Caminos, 7-A, 28043 MADRID. Tel.: (341) 388-0195. Fax: (341) 759-7212.
- A company is seeking offers from Canadian manufacturers/exporters of **consumer goods**. Contact León Israel, Reinalsa, S.L., Calle Orense, 11-2⁰ C, 28020 MADRID. Tel.: (341) 556-0209. Fax: (341) 556-0356.
- A company is seeking offers from Canadian manufacturers/exporters of **all types of seafood** (live, fresh, or frozen on board: fish, schrimps, shellfish). Contact Andrés Umbria, Hispamar, Calle Sndalo, 5-4⁰ B, 28042 MADRID, Tel.: (341) 741-1141. Fax: (341) 320-4422.
- A company is seeking offers from Canadian manufacturers/exporters of **medicines and drug store articles**. Contact Federico Cancho Ma:a, Carretera Madrid-IrDn Km. 11, 8, 28049 MADRID. Tel.: (341) 358-9040. Fax: (341) 358-8843.
- * A company is seeking offers from Canadian manufacturers/exporters of **cellulose toilet paper; large and small paper towels; and cellulose towelettes**. Contact Sr. Fernandez, Castilla Mathi, S.A., Pol. Ind. El Olivar, Traversera Sierra de Gata, N-8, 28500 ARGANA DEL REY-MADRID. Tel.: (341) 871-6813. FAX: (341) 870-1698.



Win Export-Looking for Export Opportunities?

Make sure you are registered in the WIN Exports database which will showcase your company's capabilities to foreign buyers. To register, fax your request on your company letterhead to 1-800-667-3802 or 613-944-1078.

Bulletin Board Becomes "New Kid" on the Block

Canadian companies looking for potential partners in South Carolina now have another tool to guide them.

The computerized electronic bulletin board (BBS) introduced by

the Canadian-American Society of South Carolina (CASSC) will help promote trade, tourism and investment between Canada and South Carolina. Provisions are made for other southeastern states to join at a later stage.

The BBS will provide rapid identification of potential partners in the following sectors: high tech, consumer products, industrial products, technology transfer, tourism, investment and services. These sectors can be expanded as

needs dictate.

The BBS will be available to CASSC dues-paying members, as well as on a limited-access basis to non-members. CASSC annual membership is US\$100.

For further information, please contact the Canadian-American Society of South Carolina (CASSC), 700 Blue Ridge Terrace, Columbia, South Carolina 29203. Tel: (803) 737-9348. Internet: Walley@america.net

CCC's Payment Program Enhances Export Sales

A joint effort of the Canadian Commercial Corporation (CCC) and Canada's financial institutions, the **Progress Payment Program** aims at enhancing export sales financing for small- and medium-size enterprises (SMEs). The program will assist SMEs to meet the working capital demands of an export sale, which usually exceed the credit facilities normally available to SMEs.

The program will offer the following advantages:

- Improved access to pre-shipment financing.
- Increased ability to complete and perform contract.
- Potential to increase sales and profits in global markets.

Under the program, banks will advance funds in the form of progress payments to an approved exporter based on the progress of the work as monitored by CCC. When the project is completed, CCC collects from the foreign customer and remits those payments to the financial institution.

This program is targeted at firms with less than \$10 million in annual sales, although applications will be considered from firms doing up to \$50-million per year.

To find out more about the program, contact Patricia Smith of the CCC in Ottawa. Tel.: 613) 996-0034. Fax: (613) 995-2121.

Slovak Republic Issues Tender

The Slovak National Property Fund of the Slovak Republic, ensured by Banque Paribas, has issued a tender (bid closing date March 31, 1995) for the sale of 51 per cent shares of Hydrostav a.s., Bratislava.

The scope of activities for this public tender include: hydro construction; civil engineering; industrial, civil and house construction.

Documents are available in English and Slovak languages and must be submitted in the same. As well, the bidder's signature in the agreement must be legally certified.

Tenderers will be informed of the results no later than May 31, 1995.

To obtain documents, bid costs or further information, contact the Authorized Organization: Banque Paribas, Claus Hochgrebe, Privatisation Group ref. 828, 3, Rue d'Antin, 75 002 Paris, France. Tel.: 00331-4298-1064. Fax: 00331-4298-1194.

European Bank Meeting, Seminars Explore Central, East Europe Interests

Business persons interested in Eastern Europe and the countries of the former Soviet Union will be the focal point of presentations and seminars at the **Fourth Annual Meeting of the European Bank for Reconstruction and Development (EBRD)** being held April 8-11, 1995 in London, England.

In addition to the seminars (*listed later), senior EBRD representatives will publicize the merits of their respective countries as sites for business and investment.

As well, staff from the various EBRD countries and sector teams will be accessible for meet-

Continued on page 7 – European

PARTNERING OPPORTUNITIES IN CALIFORNIA

A strategic alliance with a Northern California firm might be the ideal way to gain access to the huge California market as well as improve your global competitiveness.

Over the last decade, the number of strategic alliances has drastically increased, touching virtually every industry, from large to small companies, from sunrise to sunset industries, and from manufacturing to services. Today, competitive abilities are increasingly based on the leveraging of internal capabilities through relationships involving the pooling or sharing of capabilities, technology, costs or risks with other firms. Many California firms are on the leading edge. The California market is one of the largest and most sophisticated in the world. Wouldn't your firm benefit from a strategic alliance with a California firm?

As the latest in a series of promotions by the Trade Offices in the territory of the Los Angeles Consulate General, the Canadian Consulate Trade Offices in San Francisco and San José, in cooperation with the Provinces of Quebec, British Columbia and Alberta, recently sponsored three events in the San Francisco Bay area, which attracted 50 companies interested in possible alliances with Canadian firms. The interests of some of the firms are summarized here.

To obtain a copy of the interview report, which provides contact and background information, send a fax request (making reference to the California firm(s) of interest) to: **Canadian Consulate Trade Office, 50 Fremont Street, Suite 1825, San Francisco, CA 94105. Fax: (415) 512-7671.**

ENVIRONMENT

Emcon

Emcon is a full-service environmental consulting firm active in waste management and prevention or remediation of environmental contamination in soil, water and air.

This company would like to purchase a Canadian firm that has a staff of approximately 50 and annual revenues of \$5 million and is privately held, i.e., no shares on a stock exchange. The owners of the Canadian company would receive payment in Emcon stock or cash. Emcon will not flatten the structure of the acquired Canadian organization. Technology is of less interest than marketing synergy. Emcon is interested in geographic market access, primarily in British Columbia and Ontario. It's not interested in financially weak firms or turn-around business, nor in municipal waste water management consulting firms.

COSMETICS

Global Aromatics

Global Aromatics is a producer of fragrances and aromatic oils for perfumes, soaps, detergents, personal care products, and janitorial and sanitary products.

This company could be interested in a joint venture to produce fragrances for the Canadian and eastern U.S. markets. A logical match would be a company that is manufacturing flavours and wishes to get into the fragrance business.

INVESTMENT/TRADING HOUSES

Eden Express Trading Company

Eden Express is a trading house involved in com-

modity imports from Eastern block countries and export to Vietnam and India with some sales to Indonesia and China. Eden is interested in hearing from any sources of sugar, fertilizer, cement, structural steel, and steel wire and is also interested in selling textile dyes and coffee beans to Canada.

Rumah Corporation

Rumah is a small investment house that invests in promising companies as silent partners.

Rumah is interested in acquisition of manufacturing rights, or equity investments in solid Canadian firms. It would also be interested in hearing about any quality manufacturing facilities that are for sale.

COMPUTER SERVICES & SOFTWARE

Affiliated Computer Services

ACS's activities include outsourced data processing and systems integration as well as software development.

Affiliated Computer Services is interested in exploring opportunities in Canada to franchise some of its systems to a software developer, publisher or systems integrator in Canada. It is specifically interested in a company in the \$10-\$50-million yearly revenue range that would have the resources to support the product. In return, ACS could work with them on U.S. representation of their products.

Cache Computers Inc.

Cache Computers manufactures PC mother boards and specializes in producing dual microprocessor

Continued on page 6 - Strategic

Strategic Partnering in California — Continued from page 5

boards using two Pentium P54C 100 mhz micro-processors.

This company would like to promote its PC boards to Canadian OEMs. Cache is also interested in any utility software from Canadian firms that would increase the performance of its PC mother boards.

CSP, Inc.

CSP is marketing software for the legal professional and has a network of 300 sales agents in the U.S.

CSP is interested in hearing from firms that could help it sell its product in Canada. This company would also be interested in talking to Canadian software firms that have developed complementary software for legal professionals — two areas of possible interest are litigation support and case management.

Experience in Software, Inc.

Experience in Software, Inc. is a software publishing company, supporting business planning and decision-making processes as well as project management.

It is interested in a possible partnership with a small, French language software developer and publisher to perform co-operative marketing and work on future translations of its software.

Experience also is interested in Canada-wide distributor or reseller opportunities. The Company is specifically interested in resellers handling non-competitive financial and business software.

Galaxy Advanced Engineering Inc.

Galaxy is a growing systems integration and custom software development company.

This company would like to license proprietary code to Canadian systems integrators and software developers. The firm is too small to develop a Canadian office.

ICMS Int'l

ICMS is a small company specializing in computerized cash management systems for Fortune 100 size companies.

This company is interested in an alliance to integrate foreign exchange transactions. ICMS could also be interested in partnering with a software firm involved with bank relationships or executive systems for larger companies.

Spot Systems

Spot Systems is a software developer and publisher.

This company is looking for a partner to handle distribution in Canada. Spot Systems' specific interest is in distributors, resellers and systems integrators already working with the financial services markets but would consider a partnership with a developer or publisher with the right kind of complementary product. In return, this company might be interested in a cross market of its products in the U.S.

TELECOMMUNICATIONS

Conway Engineering, Inc.

Conway specializes in small communications test equipment for telecommunications and utility companies.

It is interested in cooperation on marketing and distribution with a Canadian company producing complementary products for the telecommunications and utility markets. Conway is seeking electronic instrumentation or test equipment to manufacture under license, and is interested in teaming on large projects where it can supply its technology or equipment.

Future Labs, Inc.

Labs is a company specializing in multimedia communications and network protocols.

Labs has alliances with ITI Singapore and the Chinese Electronics Ministry on the development and integration of communications and conferencing software. It is interested in other partners to continue development of applications and to expand its market. The ideal partner is probably already in the communications services market.

Multipoint Networks

This company produces point-to-multipoint microwave radios capable of high data transfer rates.

This firm is already working with SPAR and Gandalf on third country projects, but could be interested in teaming with other firms. Of particular interest are telecoms, cable and VSAT providers, and, developers of communications software.

Multipoint Networks would also be interested in working with a VAR or manufacturer of complementary products in Canada that is familiar with RF technology and the above-mentioned applications. This relationship could allow for coverage of some outside Canada markets.

Continued on page 7 — Strategic

Strategic Partnering in California — Continued from page 6

ELECTRICAL/ELECTRONIC POWER PROTECTION

Panamax

Panamax produces a range of electronic and electrical power protection products.

This company has a distributor in Canada, but would be interested in any bundling or brand label opportunities. It would also be interested in teaming on any project with a power protection dimension. Panamax is particularly interested in working with Canadian firms with good connections in Asia.

Panamax representatives also indicate interest in the sale or licensing of technology or manufacturing rights or an equity investment in a Canadian firm.

MANAGEMENT CONSULTING

Sverica International

This company specializes in acquisitions and mergers as well as sales, marketing and management consulting.

Sverica is looking for Canadian companies offering similar services and of comparable size with whom it could form business alliances. The alliances can entail loose affiliations or complete mergers and will allow each company to better serve customers with an international presence who would like local representation in Canada or the U.S. and lead to increased business for all.

MEDICAL

Greenleaf Medical

This biomedical company manufactures products for the orthopaedic and rehabilitation market. It manufactures three products: Eval System, Eval SoloSystem and Greenleaf Dataglove.

Greenleaf Medical requires a Canadian distributor of biomedical products that is well entrenched in the therapy and rehabilitation market. This company is also interested in the co-development of new products.

MISCELLANEOUS

Caral Manufacturing

Caral is a large machine shop specializing in close tolerance large fabrics. Its specialty is cryogenic sputtering chambers for chip fabrication and the manufacture of machine tool arbours.

Caral is interested in taking on the manufacture of proprietary products, or contract work from larger companies that wish to contract out the large, small-volume items. It has been looking for mining or secondary industries, sludge mixers, anything vacuum

related, manufacture under contract or license of small volume large precision machines.

China Connection

International Trading Company

This trading company promotes exports of specific products to China. China Connection International Trading Company is working on exporting out-of-date equipment and manufacturing facilities to China.

This company is interested in partnering with a company that can help identify purchasing opportunities as well as offer assistance in the financing of these moves.

The Department of Foreign Affairs and International Trade recently published a brochure titled *Building Successful Strategic Alliances* which goes into considerable detail on selecting partners, negotiating the agreement and implementing a successful relationship. To obtain a copy, please contact: InfoCentre, 125 Sussex Drive, Ottawa, Ontario K1A 0G2. Tel.: 1-800-267-8376 (from Ottawa 944-4000). Fax: (613)-996-9709.

European Bank Meeting

— Continued from page 4

ings with business people wishing to discuss project opportunities.

Presentations/Seminars

- EBRD financial operations and results;
- How the EBRD can work with you;
- Investing in Central and Eastern Europe—case studies;
- Trade and transition: Achievements and challenges;
- Building sound banking in transition economies;
- Regulation of capital markets and collective investment vehicles; and
- The importance of securities markets in providing capital to Central and Eastern Europe.

Persons interested in taking advantage of this business-oriented program and wishing further information may contact Duncan MacDonald, International Finance Division, tel. 613-944-0910 or René Wassail, Central and Eastern Europe Trade Development Division, tel. 613-996-7701. Foreign Affairs and International Trade, Ottawa.

Canada, U.S., Mexico

North America Chambers of Commerce Intent on Big Business in Texas

Houston — This Texas city is the place to be March 27-29, 1995.

These are the dates for the **Fourth Trilateral Meeting of North American Chambers of Commerce**. Evolving from the success of the third annual meeting (held last June in Banff, Alberta) this year's event is anticipated to draw the largest participation ever. Expected attendance is estimated at more than 750 businesses, chambers of commerce and government representatives from Canada, the United States and Mexico.

Billed as **The 1995 Trilateral Business Conference and Super Show Exposition**, the fourth annual meeting, as its name suggests, will focus on business.

It is an ideal forum for Canadian companies to meet with high-level government representatives from all three nations, to network with NAFTA counterparts and, ultimately, to forge business deals and alliances.

The Conference also offers an unparalleled opportunity for Chambers of Commerce and Boards of Trade from all over North America to meet with their counterpart organizations and explore mutually beneficial ways of working together.

As an added feature, the **Sixth Annual Super Show Exposition**, an annual business-to-business trade show that attracts nearly 400 exhibitors and 7,500 buyers, will run concurrently with the Trilateral Conference. It provides an outstanding venue to meet qualified purchasers, display and demonstrate products and services to decision-makers, and

develop new business contacts.

The full Conference price, including meals, is U.S. \$250. A special rate of U.S. \$115 per night has been negotiated for participants at four local hotels.

The Conference is sponsored by the Canadian Chamber of Commerce, the U.S. Chamber of Com-

merce, the U.S. Hispanic Chamber of Commerce, and CONCANACO and CONCAMIN, two of Mexico's leading business organizations.

Contact, Sandra Morrison, Canadian Chamber of Commerce, 55 Metcalfe St., Suite 1160, Ottawa, Ontario. Tel.: (613) 238-4000. Fax: (613) 238-7643.

Cuba Trade Show Hot on Tourism

Havana — Canadian companies have an opportunity — through the display of product literature at Canada's information booth or through their own stand — to get in on Cuba's burgeoning tourism market.

All they need do is participate in **Tecnotur'95**, being held in Cuba's capital May 23-28, 1995.

Tourism and the development of its infrastructure continues to be a high priority, with substantial purchases being made in this sector. What's more, say trade officials, Cuban state enterprises are prepared to pay on a confirmed letter of credit basis for such imports.

Officials also note that opportunities exist not only in new hotel construction and renovations, but in the ongoing sales of food products and consumer goods for tourists and to stock the country's "dollar" stores.

Tecnotur traditionally has been an excellent venue for Canadian exporters, entrepreneurs and investors to establish direct, personal contact with officials from Cuba's various tourism organizations. It is also a low-cost means for exporters with no experience in the market to introduce their products and/or services.

Currently, Canadian firms sell a wide variety of items to Cuba, including, among others: glassware, dishware, cutlery, swimming pool equipment, furniture, kitchen and refrigeration equipment, air conditioning systems, plumbing fixtures, communications and hardware items.

Companies wishing to send product literature should forward — before April 17, 1995 — 30 brochures, posters, promotional items and, if possible, product samples, to: Commercial Division, Canadian Embassy, P.O. Box 500 (HAVAN), Ottawa, Ontario K1N 8T7.

Companies planning to have their own stand (minimum size 9m² at U.S.\$135/m for a mounted stand) may contact directly: Pabexpo. Fax: 33-1657; 21-9065; 22-8382. Samples should be consigned to Pabexpo, Feria Tecnotur'95, Havana, Cuba.

Timberrrr! DownUnder

Melbourne —The Canadian Consulate General in Sydney is organizing an information/ technology display at **Austwood'95**, Australia's major international logging equipment conference and exhibition, which will take place March 29-31, 1995.

The event, to be held concurrently with the **Australian Logging Council's Second International Logging Conference**, will attract key players in the industry from Australia and the region.

Canadian companies interested in forwarding brochures or videos for distribution and display at the show or in obtaining further information should contact Helen Rowell, Canadian Consulate General in Sydney, Level 5, 111 Harrington Street, Sydney, NSW 2000, Australia. Phone: 61 2 364 3049. Fax: 61 2 364 3098.

Multimedia Toronto

Toronto — New technologies are scheduled to be presented to a global marketplace during a conference (May 31-June 3, 1995) and trade show (June 1-3, 1995).

Multimedia™ 95 Exposition and Forum, endorsed by the United Nations Association of Canada, is inviting delegates from 130 developing countries. These delegates primarily will be educational and training programs decision-makers who are interested in exploring the potential of multimedia in their countries.

Complete details are available from Reuben Lando, Multimedia Trade Shows Inc., Concord, Ont. Tel.: (905) 660-2491. Fax: (905) 660-2492.

UNIDO Techmart to be Held in India

New Delhi — Foreign and Indian investors, technology sellers and buyers will meet at Pragmati Maidan March 24-27, 1995 to discuss the opportunities for joint collaboration on 90 industrial investment proposals.

The invitation to publicize/participate in what is called **India Intechmart** was received by CIDA INC from the United Nations Industrial Development Organization (UNIDO) in Vienna — from which a compendium of

technologies being sought by Indian companies is available.

Canadian companies wishing to participate and submit technology offers for inclusion in the compendium or to obtain more information, may contact: Mr. J.M. De Caldas Lima, Technology Acquisition Section, Investment and Technology Promotion Division, UNIDO, P.O. Box 300, Vienna, Austria. Tel.: 43-1-21131 ext. 3693. Fax: 43-1-232156 & 209-5332.

Telecommunications the Topic in Belgium

Brussels — The next edition of the **TMAB** fair will take place May 22-24, 1995. Canada, as in previous years, will have a booth.

Belgium has succeeded in attracting the world's largest producers of telecommunications equipment and has carved for itself an important niche on the European market, exporting 50% to 60% of its total production, which experienced growth of 36% between 1988 and 1992.

The country's telecommunications sector is recognized worldwide for its technological innovation. On average, Belgian companies invest between 10 and 15 percent of their proceeds in research, development, engineering and training.

Canadian companies working in telecommunications or data transfer and processing and wishing to participate in the Canadian booth may contact Freddy Dutoit, Embassy of Canada, Avenue de Tervuren 2, 1040 Brussels, Belgium. Tel.: (322) 741.06.21. Fax: (32-2) 741.06.06.

April Trade Missions to Vietnam

Capitalizing on economic reforms in Vietnam and the fact that the country is becoming a market of major potential for western business, The Vietnam-Canada Trade Council is organizing two missions to Vietnam in April.

The missions will follow on the heels of the April 5-9, 1995 Annual Vietnam International Trade Fair which, last year, attracted in excess of 200,000 visitors.

The first mission (April 9-19) will be of interest to the general business sector, while the second mission (April 18-28) will focus on the mining

sector.

The Trade Council also welcomes inquiries from companies that may not wish to take part in the missions but that would like information on the market possibilities for their products and/or appropriate Vietnamese partners for their business.

The Council recently increased its capabilities to deal with increasing inquiries and the unprecedented business interest in Vietnam.

For further information, contact Mr. Tran, The Vietnam-Canada Trade Council, Ottawa. Tel.: (613) 231-6369. Fax: (613) 235-1515.

Partnering the Correct Combination — Continued from page 1

Program with the U.S. (TPP) educates Canadian companies on the partnership process and introduces them to potential markets and clients, setting up a strong match between Canadian supply and U.S. demand.

TPP Briefing in Calgary

Interested Canadian firms can learn all about the TPP on May 3, 1995 in Calgary. That's when a special TPP briefing will be held prior to the conference of the Canadian Advanced Technology Association (CATA).

The briefing will present the profiles of 35 new American partners in information technology and 10 in geomatics. As well, Tim Karney, publisher of *Washington Technology*, will discuss what's hot in Washington.

Judy Bradt, Commercial Officer at the Canadian Embassy in Washington, will introduce the 1995 program and tell participants how they can meet Washington partners. (By the way, at last year's program in Washington, 50 pairs of partners involving 17 Canadian firms were matched. Ten expect to close agreements with their partners over the next eight months.)

Washington is rich in informatics partnership opportunities. These

include telecommunications, network and systems design and management. Also particularly hot are client-server technologies and object-oriented code; multimedia is a rising star, along with image and document management systems.

But the opportunities are not confined solely to Washington. Partnership programs in the information technologies field also are being planned this year elsewhere in the U.S., for example, in Silicon Valley; in Chicago; and in Boston.

TPP Experience

The program has shown that teaming or partnering, whether the company be large or small or dealing with U.S. government or commercial interests, is the most effective and economical way to pursue large informatics projects in the Washington area. Indeed, insiders say, it may be the only way to participate in many U.S. federal government contracts!

What's more, it is essential for Canadian companies to bring opportunities as well as leading edge technology to the table. In this extremely competitive market, American partners say, first-class products and services, superior value, and outstanding customer

support are the minimum criteria for market entry. *The Canadian partner who brings along ideas for projects to work together is the one who is going to get in the door.*

As for market intelligence, it is everywhere — for a price. Companies are well advised to decide what they need, how much they are willing to pay and get the best value they can.

At the Embassy in Washington, the market intelligence database of federal, state and local government informatics contacts provides a good starting point for firms seeking partnerships.

Local technology association members, industry forecast conferences and customer calls are still among the best sources. Beyond those, there is a wide range of commercial market research firms offering their services in the territory.

These key success factors are among the subjects to be discussed at the **TPP Calgary** briefing — for which companies wanting more information or a registration kit should contact Pat Molson, Marketing Officer, United States Trade and Tourism Development Division, Foreign Affairs and International Trade, Ottawa. Fax: (613) 944-9119.

Motivation Key to Success — Continued from page 2

to achieve success throughout the company's global activities. Foreign employees, soon to be joined by expatriate Canadians too, come to Nicosia and the state-of-the-art facilities at CFOCL for training in office systems, financial management, business language, computer applications and a host of engineering and other topics related to the company's major business activities. TFI has a Canadian-designed high-

tech simultaneous translation facility, advanced computers, and all the audio-visual aids required in a first-class teaching environment.

TFI seeks to develop new approaches and conceptual bases of understanding without denigrating trainees' existing skills and patterns of comprehension. The company's goal is to win converts and send away ambassadors for Fracmaster in the form of each

alumnus. Fracmaster and TFI keep their eyes on several balls, the immediate one being to enhance the bottom line through greater individual productivity. Other objectives sought by TFI are to develop and enhance the quality of management available to Fracmaster from its global pool of employees, and to enable all employees to contribute to the company's global success through their local endeavours.

Tourism is BIG Business — Continued from page 1

\$50 million.

Chrétien challenged other tourism partners to double that amount to \$100 million — a move that would vitalize Canada's presence in the global tourism industry!

Tourism, to be successful, must have access to timely and accurate market information — on customers' interests, the competition, market trends and opportunities — if it wants to maintain its competitive edge.

Helping to maintain that edge is just one of the functions best done by the Department of Foreign Affairs and International Trade (DFAIT), which has a network of resources and programs to pave tourism's way into the international marketplace.

The Strategy

Canada's tourism strategy focuses on three markets: business travel; leisure travel; and media.

Programs that target these markets have been developed in collaboration with tourism industry partners (provincial governments and the private sector) across Canada. The strategy *within* Canada is co-ordinated by Industry Canada, while DFAIT delivers the programs *abroad* — through its staff at embassies, consulates and trade offices.

Trade Offices and Tourism

All Canadian commercial offices abroad can help the tourism sector. However, 23 posts have personnel dedicated to tourism promotion.

Fifteen of these offices are in the United States; major offshore offices are in Paris, London, Dusseldorf and Tokyo. There are also tourism contacts at posts in The Hague, Seoul, Sydney and Taipei. All told, there are 56 officers and more than 25 support personnel in DFAIT's tourism opera-

tions abroad!

This team can, among other forms of assistance, provide information on market trends, distribution channels and Customs regulations. As well, it can identify and provide qualified leads on potential business opportunities and distribute information on new Canadian tourism products and services.

Marketplaces/Programs

Canada's tourism programs also include promotional events or "marketplaces". These events bring together Canada's tourism suppliers and potential local buyers and distributors.

Cases in point: **Spotlight Canada** promotes leisure travel; **Dateline Canada** focuses on the media; **ShowCase Canada** highlights business travel to this country. There also are other elements: educational seminars and workshops; and site/product-inspection tours in which customers can visit Canada to see first hand what this country has to offer.

Through its posts and Canadian regional offices, DFAIT also offers three export development programs. **New Exporters to Border States (NEBS)** and **Export Development Missions** are for the U.S. market; while **New Exporters to Overseas (NEXOS)** is aimed at Western European markets.

Account Systems

Identifying and qualifying leads for business meetings, conventions and incentive travel to Canada is provided by tourism personnel in the U.S. market through a "key account" system. It identifies those organizations that are most important to Canadian industry in each territory.

This system also outlines a service pattern to ensure that these

key accounts are given the greatest amount of attention — all of which makes the tourism officers strategic links between the Canadian industry and its clients.

Being introduced this year is a Tourism Profile Account System for use by tourism officers in the U.S. missions. This customized computer program will help manage information about contacts and will track leads in the marketplace.

Given that nearly two-thirds of the corporate meetings held in 1993 were booked in 90 days or less, this new system allows tourism officers to respond faster to developments and sales opportunities — and will help ensure that Canadian business travel suppliers also can react quickly.

Market Profiles

Tourism market profiles for the U.S. and overseas markets, as well as lists of upcoming events (constantly updated), now are available through DFAIT's FaxLink system which is accessible 24 hours a day, seven days a week by dialling (613) 944-4500 from your fax machine's handset.

Tourism Tip

When contacting tourism officers abroad, companies seeking marketing assistance should be prepared to describe fully their product or service and to explain their reasons for targeting a particular market segment. It also is helpful to provide a list of any marketing support (familiarization tours, audio/visuals, or display material) that you are willing to offer.

Contacts

For more information or to reach tourism officers abroad, contact DFAIT's InfoCentre. Tel.: 1-800-267-8376 (Ottawa Region: 613-944-4000). Fax: (613) 996-9709.

PUBLICATIONS

LATVIA MEANS BUSINESS

Doing Business in Latvia is a definitive, up-to-date guide for companies contemplating entering this market. Produced by the Canadian Embassy in Riga, the guide is designed to meet the growing number of requests from Canadian business for information on the Latvian market.

The country, says the guide, has emerged this year as a promising market for Canadian exports; it is successfully undergoing economic reconstruction and it recently concluded a trade and commerce agreement with Canada. A free trade agreement between Latvia and the European Union was to have come into effect January 1, 1995.

Copies of the guide may be obtained directly from H. Jacob Kunzer, Trade Commissioner, Canadian Embassy, Doma laukumus 4, Riga LV-1977, Latvia. Tel.: (011-37-1) 883-0141. Fax: (011-37-1) 883-0140.

TRADING TRILINGUALLY

Companies have an opportunity to advertise in two publications being prepared by *Canexport*, a privately-produced buyers' guide that promotes the export of Canadian goods and services.

The first trilingual (English, French, Spanish) publication will focus on environmental products and services. The production run of 5,000 copies will be distributed to

industry and used by the Departments of Environment Canada and Industry Canada in export promotions, trade fairs and exhibitions.

The second publication, equally trilingual, is an international directory of Canadian industries and services. The press run of 60,000 copies will be distributed to national chambers of commerce, export associations, Canadian embassies, consulates and trade organizations in more than 100 countries.

Each company advertisement in the directories will include a short trilingual text describing its products and services, together with addresses and contact information.

For costs and other information, interested participants may contact Joseph J. Vella, Canexport Publications Inc., 955 Boul. St. Jean, Suite 203, Pointe-Claire, Quebec H9R 5K3. Tel.: 1-800-644-5865 or (514) 426-5865. Fax: (514) 426-5864.

MINING IN EGYPT

Companies interested in the development of Egypt's non-metallic minerals and wanting more information may find useful a series of booklets prepared by the Egyptian Ministry of Industry and Mineral Resources.

The booklets, which cover such non-metallic minerals as bentonite, gypsum, silica, ornamental stone and kaolin, are available

from Mrs. Safeya El Shayal, Commercial Counsellor, The Egyptian Embassy, Ottawa. Tel.: (613) 238-6263. Fax: (613) 238-2578.

HEALTH IN BRAZIL

Prepared by the São Paulo Canadian Consulate General, the *Brazilian Market for Health Equipment and Devices Hospital & Home Health Care* provides, among other information, a market overview, sources of supply, the business environment, promotional activities, marketing channels and Brazilian contacts. To obtain a copy of the study, code number 128LA, contact the InfoCentre. (see box at bottom of this page).

Business — from page 1

Reserach Centre at MacMaster University in Canada, as well as delegates from the business and legal communities.

The closing day for the nominations is April 17, 1995. The award winners will be announced at a Canadian Embassy event in June 1995.

For further information, or to request a nomination kit, contact the Foundation for Canadian-American Business Achievement, c/o Ms. Judith Allen, 7 Heather Glen Court, Stittsville, Ontario, K2S 1L4. Tel.: (613) 831-7713. Fax: (613) 831-8695.



The InfoCentre of the Department of Foreign Affairs and International Trade provides counselling, publications and referral services to Canadian exporters. Companies interested in obtaining trade-related information are invited to contact the InfoCentre at 1-800-267-8376 (Ottawa Region: 944-4000) or by fax at (613) 996-9709. Trade information is also available by calling FaxLink (from a fax machine) at (613) 944-4500, the Department's round-the-clock faxback service.

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Ottawa, Ont.
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Canada in the World

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Trade Top Priority of Canada's Foreign Policy

On February 7, 1995 Foreign Affairs Minister André Ouellet and International Trade Minister Roy MacLaren tabled the Government's response to recommendations made last November by the Special Joint Parliamentary Committee that reviewed Canada's foreign policy. Summarized below are highlights on the trade aspects of the Government Statement.

The predominance of trade on the Government agenda should come as no surprise to Canadian business which has been following the Prime Minister on his trips from China to South America.

The Government has identified three key objectives that will guide its activities on the international scene in the years to come:

- to promote jobs and prosperity;

- to promote our security in a stable international framework;
- to share our values and our culture.

In his House of Commons's

Canada in the World

This recently published bilingual government statement on this country's foreign policy details many objectives and covers many issues. As *CanadExport* is a trade-oriented newsletter, it has decided to publish extracts, in the special supplement on pages I to IV, from the section that deals specifically with trade — a sector that has been given a high priority.

speech, Minister Ouellet said that, with regard to the first objective, the Government is committed to implementing a foreign policy that promotes access of Canadian goods and services to foreign markets.

The Government recognizes the growing importance of the major international financial institutions and will discuss this with its foreign partners during the G-7 Summit in Halifax this June.

Minister MacLaren indicated that the foreign policy review identifies two main objectives for Canadian trade policy.

First, the Government will seek the further liberalization of trade in services and the removal of tariffs and non-tariff barriers, on a reciprocal basis, for all manufactured and resource-based products. At the same time, it will work for further liberalization of trade in agriculture products, including the elimination of barriers to Canada's important agricultural exports and a prohibition of export subsidies.

Second, the Government has re-evaluated its trade development programs with a view to increasing

Continued on page 3 — Trade

GLOBE 96 "THE" Place to Be

Vancouver — Developing the business of the environment is what it's all about at **GLOBE 96**, the fourth in the biennial series of international trade fairs and conferences being held here March 26-29, 1996.

The only major international event in North America for the environment industry, the corporate sector, and the finance and investment community, **GLOBE 96** offers exhibitors access to the Asia-Pacific, North American and Latin American marketplaces.

GLOBE 96 attracts, among others, environment industry technol-

ogy and service companies; environment industry business leaders; corporate environment managers; finance and investment professionals; government and corporate procurement officials; engineers responsible for environmental management; international development agency representatives; and government decision-makers from around the world.

Exhibitor Benefits

The more than 400 exhibitors at **GLOBE 96** — all of whom are interested in expanding their

Continued on page 7 — Globe

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SHARING TRADE SECRETS

Trade Fair, Missions the Door to Malaysian Market

Attendance at GLOBE 94, Canada's major environmental trade fair, and being part of two missions to ASEAN organized by the GLOBE Foundation of Canada and Industry Canada gave two Canadian companies, Gartner Lee and Keir Consultants (now the consortium Gartner Lee Keir Asia Inc.) the opportunity to pursue their goals in the Malaysian market. This consortium subsequently joined forces with Malaysia's HITECH, a division of HICOM Berhad, to form the joint venture, HICOM Environmental Sdn Bhd. This is the story:

HITECH specializes in manufacturing engineering and process design and management, turnkey project design, and civil, mechanical and electrical engineering. With large holdings in manufacturing and engineering industries, the HICOM Group has a workforce of more than 12,000, and total gross assets exceeding Cdn \$2.6 billion.

Gartner Lee Keir Asia Inc. has extensive expertise in such areas as geographic information systems (GIS) for property and facility management and linear corridor environmental assessments (rail, highways, etc.), waste management, radioactive waste disposal, environmental management and planning, and socio-economic impact assessments.

HICOM Environmental will provide specialized GIS as well as comprehensive environmental management consulting services. The company will service HICOM

Holdings' multi-sectoral industry environmental needs and go after national and international environmental contracts and projects.

Intensive market research and persistent presence

The successful establishment of HICOM Environmental is the result of months of research, meetings, planning and negotiations. During a second Industry Canada /Globe Foundation environmental mission to ASEAN in April 1994, the two Canadian companies met with HICOM Holdings Bhd, which was looking for a way to address environmental issues within its subsidiaries and broader environmental opportunities with the ASEAN region. Negotiations for a joint venture began immediately.

To build their networks and profile in Malaysia, Mr. Anderson, Mr. Keir and other senior staff members visited Malaysia regularly. According to Mr Anderson, such a

consistent presence in the market was very important to success and demonstrated to Malaysian government and industry circles that "we are very serious about Malaysia and committed for the long term."

"The technical and engineering capabilities of Malaysians are tremendous but they have not had the opportunity to use these skills because of the lack of development" Mr. Keir says.

"What they really need in Malaysia is the experience and training with respect to doing environmental projects."

Mr. Anderson continues: "We chose Malaysia because the environmental market is emerging very strongly, the country is financially very stable and uses English as a common business language."

Other keys to success

A key to the Canadian companies' success was that each have Malaysians in their head offices. These employees provided market research, cross-cultural business skills and information on government and business contacts. Another important decision was to enlist a Malaysian law firm to provide Malaysian legal expertise.

Throughout their market-access efforts, the Canadian companies worked closely with Enterprise Malaysia Canada (EMC) and the Canadian High Commission in

Continued on page 4 - Market

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Mail to: **CANADEXPORT** (BCT), Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2.

BUSINESS OPPORTUNITIES

Before entering into a contractual agreement with a company, readers are advised to verify the bona fides of the companies listed here.

ARGENTINA — A local petrochemical company, Atanor, will purchase a burner for disposal of industrial waste (chemicals). Estimates indicate that purchase and installation of burner will mean an investment of around U.S. \$ 4 million. Companies interested in pursuing this opportunity should contact: ATANOR, COMPAÑIA NACIONAL PARA LA INDUSTRIA QUIMICA S.A., Sarmiento 329, (1041) Buenos Aires. Phone: (54-1) 328-4022/5394. Fax: (54-1) 328-3015.

PORTUGAL — With a view to being the exclusive agent/distributor, a company with offices and warehouses in Oporto wishes to contact manufacturers of chemical products for the following sectors: glass and ceramics; cellulose and paper; pharmaceutical and cosmetics; fertilizers; agrifood; paint and varnishes; and plastics. Contact E. Maia-Pinto, Manager, Miguel Oliveira, Sucessores, S.A., Rua D. Joao de Mascarenhas, 90, 4100 Porto. Tel.: 351-2-618-7251. Fax: 351-2-618-3412.

TAIWAN — A Canadian supplier of portable X-ray units is being sought by a Taiwanese company. Contact Ms. C. Chen, Trio-Aurorus Industries Inc., 13 floor, #202, Section. 5, Nan-King East Road, Taipei, Taiwan. Tel.: 886-2-7468078. Fax: 886-2-7468079.

“GO U.S.A” with CATA

The Canadian Advanced Technology Association is targeting Canada's largest export market, the USA. The tool is its new **Go USA** program.

Go USA aims at helping Canadian technology companies extend their reach into the US in order to: identify partnership opportunities with US technology companies; assist companies in finding sources of investment capital and business expertise; search for distribution channels, strategic partners and alliances; and boost awareness of product innovations.

Using its networking tool, the CATALyst, a 1-800 Info-Line faxback, as well as its internet service, the CATAnet, CATA will help Canadian-based technology companies respond to a quickly evolving global marketplace.

CATA will work closely with the American Electronics Association (AEA) and Industry Canada (IC) in offering participants access to a wide array of market intelligence and knowledge of third-party resources. More than 4000 small, medium and larger companies are part of the CATA/AEA business network.

For more information about the program, call Shirley Ann George, CATA, Ottawa. Tel.: (613) 236-6550.

Trade Top Priority — Continued from page 1

their impact and relevance.

To move towards these two objectives, the Government intends to: work with Canada's trading partners to deepen the international rules governing trade, investment and technology to discipline practices that disadvantage Canada; and to widen Canada's network of free trade partners to improve market access.

The Government will redouble its effort abroad to ensure that all Canadian firms receive timely, relevant market information, access to foreign decision makers, and the effective defence of their interests when authorities in other countries do not comply with their international trade obligations.

The Government also will focus more human resources on developing high-growth markets in Asia-

Pacific and Latin America, while targeting its efforts in Western Europe more sharply on investment, technology and strategic alliances.

To obtain more information, contact:

- The InfoCentre: for hardcopy publications (inside Canada only) and to speak directly to an individual, phone 1-800-267-8376 or (613) 944-4000;
- The FaxLink system: for publications by fax, dial (613) 944-6500 from a fax machine;
- The InfoCentre Bulletin Board (IBB): for electronic publications dial (613) 944-1581 from a computer modem;
- The Foreign Policy Bulletin Board (FPBB): for electronic publications via INTERNET (<http://gsro.carleton.ca:4001/>).



Win Export-Looking for Export Opportunities?

Make sure you are registered in the WIN Exports database which will showcase your company's capabilities to foreign buyers. To register, fax your request on your company letterhead to 1-800-667-3802 or 613-944-1078.

*Mexico City***Canadian Business Centre a Business Hub**

Canadians doing business in the growing Latin American market are getting a head start at the Canadian Business Centre in Mexico City.

The Centre is a new user-pay business and meeting facility that offers companies a unique opportunity to establish a foothold in Mexico.

"Since we opened for business in late September we have consistently been busy, whether it be a major tourism trade show, an Atlantic food products event, a product launch, or individual businesses using the executive office space," said Roger Chan, the Centre's Director.

"In the first quarter we held 19 events. Canadian companies are extremely pleased to have a business centre to use, where they know they can depend upon the facilities and the services."

Corel Corporation, a Canadian technology firm, chose the Business Centre as its site to launch the new Corel Draw products into the Mexican market.

Delia Schneider, Corel's Product Marketing Manager for Latin America, said: "We invited distributors, resellers, large store chains, architects, designers and media, to name a few, to this launch. It was a huge success, thanks to the Centre's staff and facilities.

"We expected 300 guests. By noon, 700 people had confirmed their attendance. The management and staff turned the Centre upside down and with professional flair, they had us ready to greet our guests. We used all the Centre's facilities. For Corel, the Business Centre made the difference and helped us successfully launch our product."

The central location in downtown Mexico City affords easy access to the business district and the Canadian Embassy. It also provides the support Canadians need to feel comfortable pursuing opportunities in Mexico. Debora Grice, Area Manager for Canadian Airlines, feels that the Centre serves as a familiar home base in what can be an intimidating environment.

"The tourism show was my first time in Mexico City — it is quite overwhelming to arrive in such an enormous city and not know anyone, and not know where to begin," she said. "It was comforting to have that starting point."

The Business Centre has superior translation services, as well as up-to-date telecommunications systems to allow users to stay in touch with their Canadian offices. The information centre provides a valuable resource for first-time visitors who can also directly link into the resources of the Canadian

Embassy and the Canadian Trade Commissioner network.

Roger Chan hopes that the Business Centre will become a model for similar initiatives in other international markets.

"As a user-pay facility, it is providing invaluable support, particularly to small and medium-sized businesses, as they pursue opportunities in Mexico. For many companies, their experience in Mexico is serving as the field test for further ventures into Latin America," Chan said.

The Centre is one element of the fully-integrated trade initiative, Access North America, a partnership program which joins the private sector and the public sector in the successful pursuit of business opportunities in the expanding North American market.

For more information about the Canadian Business Centre, contact Roger Chan in Mexico City. Tel.: (011-525) 580-1176. Fax: (011-525) 580-4494.

Market in Malaysia — *Continued from page 2*

Malaysia. They also received financial support for EMC and Ontario International Corporation (OIC) for market research, structuring proposals and travel costs.

OIC loans covered 50 per cent of the costs for the preparation of project proposals — they are repayable if firms win contracts. The GLOBE Foundation of Canada and Industry Canada also provided valuable organizational support for the two environmental business trade missions which led to the joint venture's successful completion.

"These Canadian organizations made us 'street-wise'," says Keir.

"They told us how to approach the market and enter negotiations and provided tremendous business-support services."

Grant Anderson's advice to other Canadian environmental companies interested in entering Malaysia: "Pick a niche and go over and research opportunities, meet with the Malaysian government and private sector to find out where the opportunities exist."

Have you a success story and/or tips on entering export markets? CanadExport will consider them for publication.

Canada in the World

Trade a Priority in Foreign Policy

Canada's prosperity depends on more than sound domestic economic policies, although these are essential. It depends as well on wider global prosperity and on our ability to take full advantage of the opportunities this presents.

Economic growth and job creation in Canada require a stronger focus on domestic initiatives, including getting our fiscal house in order, so as to encourage investment and the export of competitive goods and services. They also require a healthy, rules-based international economic system

AN EVOLVING INTERNATIONAL CONTEXT

The Multilateral Trade System is critical to Canada's prosperity.

The World Trade Organization (WTO), formerly the General Agreement on Tariffs and Trade (GATT), extends international rules much more comprehensively than before. The new rules will now cover trade in goods (now including agriculture, textiles and clothing) and services. The new rules also constitute important first steps to underpin fair competition for direct investments.

Growth creates new players in the global economy.

Canada is one of the major world trading powers, along with its key partners, the US, the EU and Japan, all members with us in the G-7 and the Quadrilateral Group. Our trading, investment and technology relationships are the most intense with these partners and, above all, with the US. We must continue to ensure that these relations are managed with care.

Globally, the leading exporters now also include Korea, Taiwan, China, Mexico, Brazil and others. Moreover, economies such as Taiwan, Korea and Hong Kong have emerged as important sources of overseas direct investment. On the other side of the ledger, developing countries attract about one-third of foreign direct investment flows, with the bulk directed to the larger countries of Asia and Latin America. These new players compete with Canada for market share and quality investments, while providing increasingly attractive markets for the export of Canadian goods and services. We must build relationships with them and with other dynamic developing economies.

New trade policy issues in the global economy.

Emerging international players share with Canada an interest in seeking improved and more secure market access to the US, the EU and Japan, and like Canada, they attach importance to international rules that adequately discipline pressures for the unilateralism and protectionism found in many economies.

We will need to ensure that new rules promote Canadian growth and job creation, and that they work more generally in the interests of small, open economies that need investment.

DIRECTIONS FOR CANADIAN POLICY

The Government intends to pursue the following priorities related to the international trade and payments system:

Managing our economic relationship with the United States.

Canada's economic relationship with the United States remains the most complex and substantial among any two countries. Of Canadian exports, 80% are destined to the US, and the US accounts for 65% of foreign direct investment in Canada. Good management of that relationship is our overriding priority.

The Government plans to secure and enhance our economic partnership with the US in a variety of ways. We will deepen and broaden NAFTA by negotiating further reductions in trade and investment distorting practices and by expanding NAFTA membership to other countries in the hemisphere.

We will continue to encourage outward-looking and cooperative US economic policies, for exam-

Continued on page II – Trade

Trade a Priority in Foreign Policy — *Continued from page I*

ple: by advancing trade liberalization in our hemisphere through NAFTA expansion and by encouraging the work now underway on a Free Trade Agreement of the Americas; by intensifying the scope of continental environmental cooperation; by encouraging creative US engagement in the prompt and dynamic launch of the new WTO; and by strengthening the trade and investment links being developed through APEC.

We also will accelerate efforts to manage sectoral irritants through an active advocacy program in Washington, D.C.

Working towards an open international trading system.

Multilaterally, we will accord the highest priority to the full and effective implementation of the WTO. Our intra and inter-regional efforts will all have as their objective the reinforcement of the global trading system.

Strengthening economic ties with Europe.

Our mature trade and economic relations with Europe continue to be of great importance. We will ensure that they are supported at the bilateral level, especially with our major partners. However, we will devote particular attention to the EU. In consultation with the business community, we will explore the possibilities of reducing or eliminating barriers to trade between Europe and North America for the full range of Canadian export interests (particularly agricultural exports), including through a free trade agreement between the EU and NAFTA.

BUILDING RELATIONSHIPS IN NEW MARKETS

Asia-Pacific

The Government intends to pursue APEC's call for freer trade in the Pacific Rim region and is prepared to participate in phasing out barriers to trade within APEC. The Government will build on the "Team Canada" approach that it employed so effectively in Asia last year.

Latin America

We will devote close attention to Mexico and to other major Latin American countries. Both countries have a common interest in using NAFTA as a vehicle to extend free trade in the hemisphere, commencing with Chile. The Government is committed to expanding our economic relationship with the region — witness this year's "Team Canada" visit.

Promoting foreign direct investment and rules to control anti-competitive behaviour.

Canada will seek improved and more transparent international rules governing foreign direct investment and anti-competitive practices. We will also pursue the development of a Multilateral Investment Agreement through the OECD and the WTO, and through future accessions to NAFTA.

Ensuring a positive relationship between international rules for the sustainable management of the environment and the economy.

The Government will promote internationally agreed rules on the sustainable management of **high seas fishing**.

The **forest products industry** is both the largest net contributor to Canada's balance of trade and a major source of employment. We will pursue internationally agreed rules on sustainable forest management. This will assist Canada to ensure and to expand its access to forest product markets.

The Government will also implement the recently-approved Environmental Industries Strategy, aimed at increasing these industries' growth rates and exports. The Strategy will support Canadian industry, fund new initiatives to develop and commercialize innovative environment technologies, and improve access to domestic and global market opportunities for environmental companies.

Canada has a particular role in defending and developing the **Arctic environment**. We will

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Trade a Priority in Foreign Policy — *Continued from page II*

explore means of improving international **governance on environmental issues.**

Bringing the developing world into the international economic system.

Canada will fully implement its undertakings under the Uruguay Round of multilateral trade negotiations to liberalize market access into Canada. This includes measures with regard to the phase-out of the import quota system under the Multi-Fibre Arrangement, the reduction of import duties on goods of interest to many developing countries, and further limits on subsidy practices that distort the trade of many developing and developed countries alike.

We intend to reform Canada's General Preferential Tariff to provide better access to the Canadian market, particularly for the least developed countries, and will press our partners to do the same. We will be mindful of the impact of such action on a number of domestic economic sectors that would be affected.

Debt relief will also assist many developing countries to become greater participants in the world economy. Canada has long pushed for more debt relief, especially in sub-Saharan Africa. These efforts recently paid off in the Paris Club (the group of major international lender governments), which has agreed to a higher level of debt relief on the whole stock of debt of eligible countries.

INTERNATIONAL BUSINESS DEVELOPMENT

The Government has consulted widely with Canadian businesses of all sizes and export experience, and has carefully considered the recommendations of the Special Joint Committee and those of the International Business Development Review, on how best to facilitate the participation of Canadian businesses in the international economy.

Selectivity is vital given tight fiscal circumstances. To provide these value-added, focussed services, we will further concentrate our resources abroad. We will scale back domestic

operations and make greater use of locally-engaged staff. Support for trade fairs will be limited to major fairs that are important to particular sectors. There will be less emphasis on providing commercially available information, and more on the exercise of our international trading rights and on state-of-the-art market intelligence gathered through Canadian embassies and consulates abroad.

Government, Private-Sector Priorities:

1. Increasing the participation of Canadian businesses in the international economy. The Government will continue to work closely with all firms to open doors to foreign governments and to key economic agents. It will target its direct financial trade promotion support on small- and medium-sized enterprises (SMEs). The Program for Export Market Development will be concentrated on firms with sales of less than \$10 million or with fewer than 100 employees. We will work with the private sector, the provinces and other government bodies to identify and assist "export ready" companies, and to provide timely, opportunity-specific market intelligence on sectors and markets that offer the greatest growth potential, including service sectors.

We will work with provinces to develop programs and services to help shape businesses' attitudes towards foreign cultures. The Canadian Foreign Service Institute will work to expand its programs to other federal government departments, provincial governments and the private sector in order to contribute to this effort to build our international business culture in Canada. We will also work with the Export Development Corporation and the commercial banks to improve export finance availability, particularly for SMEs.

2. Diversifying International Business Markets. While recognizing the critical importance of the US market for Canadian prosperity, we will also encourage incremental growth in other promising markets by:

Continued on page IV — Trade

Trade A Priority In Foreign Policy — *Continued from page III*

- working with the private sector to help companies build on their success in the US and expand into offshore markets;

- focussing more resources on high growth markets in Asia-Pacific and Latin America and, in Western Europe, targetting our resources on investment, technology and strategic alliances. We will encourage Canadian companies to test the potential of emerging African and Middle Eastern markets, including post-apartheid South Africa. We will rely more on locally-engaged staff in the US and Western Europe and redeploy Canadian personnel resources to Asia-Pacific and Latin America. New trade offices will be opened in selected countries in these regions, with costs to be financed through a reallocation of resources;

- working to maintain competitive export finance and insurance, and foreign investment insurance services on the basis of a financially self-sufficient system with a modest ability to subsidize credits in priority markets in response to subsidies from our major competitors. We will also seek more intense and effective cooperation with Canada's private banking system to reach SMEs and share repayment risks; and

- promoting Canadian culture and learning abroad as a way of creating an identifiable image for Canada and its goods and services. It will be important to continue to develop new export markets for the products and services of our cultural industries. We will provide foreign service officers with better tools needed to sell Canada abroad, including Canadian culture and learning.

3. Attracting International Investment and Assisting Science and Technology. Sound domestic economic policies will continue to maintain and improve the investment climate in Canada. We will also work hard to achieve greater certainty and predictability in Canada-US trade relations, especially in the area of trade remedy laws. Such predictability will be important to investors wanting to reach the NAFTA market.

As one instance, the Government will provide company-specific briefs to the chief executive officers and to the boards of directors of international companies located in Canada, making the case for new investments and product mandates for Canada. DFAIT will introduce Canadian SMEs to international investment partners as sources of capital, technologies, management skills and access to markets. We will also develop initiatives to facilitate greater access to and acquisition of international technologies by Canadian firms in cooperation with other organizations, such as the National Research Council (NRC).

Canada's full participation in the global knowledge-intensive economy is vital. Our science and technology will help us to achieve this goal. To that end, the Government will foster:

- acquisition by industry of the newest best practice technologies;
- awareness by foreign investors of Canadian science and technology capability;
- participation of Canadian business in international research and development alliances; and
- an international framework of rules that allows unfettered access to international technology opportunities.

4. Building partnerships and a "Team Canada" approach. The Government will strengthen partnerships and build an international business "team" on three fronts: within the federal government, with the provinces and with the private sector, including both larger firms with export experience and SMEs. The Government will work with provinces to ensure export preparation for companies seeking new markets.

In 1994, tourism was Canada's fifth-largest source of export earnings. Here too, the Government is committed to a "Team Canada" approach, working with public and private sector partners to promote Canada as a prime international travel destination.

*Winning Contracts in Developing World:***International Financial Institutions Seminars**

The Honourable Robert de Cotret, P.C. will chair a series of seminars being held in five Canadian cities between March 20 and March 24, 1995.

Entitled *Winning Contracts in the Developing World*, the seminars will provide Canadian businesses with an updated and exhaustive appreciation for the markets generated by the lending of International Financial Institutions (IFIs).

IFIs annually lend billions of dollars to countries around the globe, financing and leveraging capital for projects across the sectoral spectrum.

The seminars will focus on procurement practices used to award contracts under IFI-financed projects. Through a case study approach, seminar participants will be invited to roll up their sleeves and pragmatically focus on the nuts and bolts of the IFI procurement process.

New and experienced Canadian exporters are invited to attend, and take advantage of this excellent opportunity to learn about the growing IFI market, to meet the international decision-makers who are involved in its operation, and to assess the strategies necessary for winning IFI-related contracts.

The seminars are sponsored by the Canadian Construction Association (CCA), the Canadian Exporters' Association (CEA) and the Canadian Manufacturers' Association (CMA). They are being organized by the CEA under the auspices of the Department of Finance.

The locations, dates and telephone numbers for those wanting further information, or to register, are: **Halifax**, March, 20 tel.: (902)

494 - 1574; **Montréal**, March 21, tel.:(514) 499 - 2162; **Toronto**, March 22, , tel.: (416) 325 - 6396;

Calgary, March 23, tel.: (403) 297 - 8915; and **Vancouver**, March 24, tel.: (604) 665 -2743.

Canada, Japan Explore China

Unique benefits are likely to accrue to Canadian companies that participate in **The 10th Canada-Japan Third Country Cooperation Conference** to Beijing and Shanghai April 2-5, 1995.

Target China, essentially a match-making of Canadian and Japanese companies interested in co-financing and working together on third country projects, will explore potential markets in China.

It will give Japanese and Canadian companies the opportunity to access each other's financing and supply strengths, enabling them to enhance existing projects in China and to develop new projects.

Canadian firms likely to benefit will be companies already established in China and those that are looking to enter the market.

The Japanese participants are manufacturers and trading companies that are well established in China and other Asian markets and that are totally familiar with the business culture in these regions. They can secure Japanese official development assistance financing for Japanese and Canadian partners in developing countries.

The Canadian Exporters' Association (CEA) will lead the mission, organized jointly with the Japan Machinery Exporters' Association and the Department of Foreign Affairs and International Trade.

For registration and other pertinent details, contact the CEA, 99 Bank Street, Suite 250, Ottawa K1P 6B9. Tel. : (613) 238-8888. Fax: (613) 563-9218.

Mexico City World Trade Centre

Mexico City — Presidents and delegations of the more than 260 World Trade Centers are being invited to attend the spring meetings of the **World Trade Centers Association (WTCA)**, being held here April 23-27, 1995.

What's more, a Canadian trade mission is being organized to attend this important event! Similar missions from the Americas and the rest of the world also will participate.

The venue, say organizers, is the perfect place to make contact with companies from all over the world,

but especially with companies from Mexico.

The **WTCA**, known globally for more than 50 years, is dedicated to the development of better and more efficient business relationships in the international community.

Information packages and registration kits may be obtained from the event's Canadian organizers. Contact Antonio Lara, Caesa International, P.O. Box 8822, Ste-Foy, Quebec G1V 4N7. Tel.: (418) 658-9096. Fax: (418) 658-3572.

The Pan-European Software Market

While opportunities exist, several factors should be considered by companies trying to make it in the fragmented Pan-European software market.

The distribution process of a software package, says a report from Brussels, traditionally involves four players: the vendor (publisher or the software house); the distributor; the local channels (dealers); and the customer.

Big European vendors are almost absent on the European scene. The major 10 PC software houses that are active in Europe are North-American and they control 75 per cent of the market. Most vendors position themselves locally.

Major distributors seem to follow a Pan-European policy but, in fact, their strategy appears to be strongly regionalized. Actually, only a few distributors could be considered as being Pan-European. These major distributors also appear to follow a regional strategy.

Moreover, Canadian exporters of software packages should not neglect the essential role played by distributors. The vendor must provide continuous support and follow-up to the distributor. In this respect, appropriate lobbying work could be most fruitful. Should the vendor neglect this, he could run the risk of disappearing from the foreground — to the benefit of more aggressive competitors — and of dashing the sellers' enthusiasm for this product.

Various arguments can be put forward to explain this weak European presence and the regionalized policy.

- One could be regional differences (e.g. linguistic and cultural phenomena, different legislations).
- The harsh policy of North-American vendors is also often

mentioned. Their policy for proprietary operating systems know-how is negatively appreciated in Europe.

- Another possible reason is the absence of potential for economies of scale, which is probably one of the most important factors for the success of North-American companies as well as of the marginal role Europeans keep playing.
- In the context of a fragmented Europe, software houses cannot create large markets without constantly adapting their products. U.S. companies succeed in first creating a continuous cash flow on their home market before tackling the European market.
- Finally, a lack of venture capital (a problem which also applies to Canadian vendors) has a negative effect on the growth prospects of European software houses.

What about local dealers? The strategies of major local distributors differ from one country to another. There is no dealer network that holds a leading position on a Pan-European level.

Insiders insist, nevertheless, on the essential importance of the

right choice of a local dealer network. The local players are the leverage in your market strategy.

Canadian exporters must not neglect regional differences. Consequently, beware of dealers who claim to occupy a strong position in various other European countries. This is mostly not the case.

Then there are the customers, probably the most European-oriented of all. The customer buys "international". He knows the prices which he has read in well-known international magazines. This implies, for instance, that actions that are being carried out in the U.S. will be immediately locally asked for.

You might, on your next visit to the European market, pay a short visit to a newspaper shop to see the offer in terms of information technology publications.

The one-liner "think globally, act locally" could be read as "act globally, think locally". Define your goals and objectives globally but know your customers and look for the appropriate channels.

Contact Freddy Dutoit, Canadian Embassy, 2 Tervuren Avenue, 1040 Brussels, Belgium. Tel.: (011-32-2) 741.06.20. Fax: (011-32-2) 741.06.06.

International Letters of Credit

A reference tool for companies doing business internationally, *Rules Applicable to International Letters of Credit in Matters of Conflict of Laws: Comparative Study*, has been prepared by Audy Gozlan of Montreal-based Amar Elhadad & Associés. This rather detailed Corporate Finance Law Report, ideal for insertion into a binder, deals with, among other topics, the various systems of law — in Canada (English and French rules); the United States; Europe; and other markets — and what to look for when choosing the one most appropriate to a business person's specific transaction. For copies of the series or for more information, contact Audy Gozlan, Montreal. Tel.: (514) 878-1532. Fax: (514) 878-4761.

BUSINESS AGENDA

Calgary — March 29, 1995 — **Security and Risk Assessment-Doing Business in Russia & Kazakhstan** is a one-day conference organized by the Canada-Ukraine Business Council (CUBC). This seminar features Canadian and international experts who will discuss risks, problems which Western firms are facing while doing business in Russia or the Former Soviet Union, as well as security and crime prevention. For registration or information, contact CUBC, 330 Bay Street Suite 812, Toronto M5H 2S8. Tel.: (416) 862-2821. Fax: (416) 862-2820.

Montreal — April 12, 1995 — Visiting and local experts will be featured at **Partnership with Taiwan to Expand Your Business to Asia**, a seminar that will discuss Asian market characteristics, trends and business opportunities; explain Taiwan's unique position in the region and how strategic alliances with Taiwanese firms can be an effective way to penetrate these markets; and introduce the services of the Taiwan Trade Centre, describing how it ensures foreign businesses are matched with the right Taiwanese partner. Targeted participants are companies engaged in, among other fields, telecommunications, information technology, electronics, avionics and aerospace, pollution control, industrial machinery and automation, high-tech, medical and pharmaceuticals, and high-quality consumer goods. Contact Cindy Huang or Ines Tewfik, Far East Trade Service, Inc. (Taiwan Trade Centre), Montreal. Tel.: (514) 844-8909. Fax: (514) 844-9246.

Toronto — May 2, 1995; **Montreal** — May 3, 1995 — **Foreign Contracts and International Financing** is the topic of this one-day conference organized by Montreal-based The Corporate Finance Law Report. Business people, attorneys and bankers will speak on, among other subjects, international and domestic transactions; enforce-

ment of contracts; preparing contracts to maximize protection; the importance of financial guarantees and paying instruments; documentary and stand by letters of credit; problems of fraud; performance bonds; and conflicts of laws in matters of contracts and letters of credit. Eastern European and Asian experiences also will be reviewed. Contact at tel.: (514) 486-9662.

Globe 96 — Continued from page 1

international markets — are those companies that are engaged in such sectors as: water and wastewater management; energy efficient technologies; pollution prevention technologies; solid waste management; information systems; air quality management; hazardous and toxic material management; and environmental services.

Exhibitors also will connect with buyers and potential joint venture partners from around the world. In fact, **GLOBE 96** will feature incoming buying groups from some 20 countries, from Argentina, Brazil and Chile to Singapore, Thailand, Vietnam — and many countries in between.

Essentially, through **GLOBE 96's** setup, exhibitors have the opportunity to meet key buyers, tap into new markets, form strategic partnerships, identify new technologies, and gain access to investment capital.

Benefits of Conference

With delegates attending from 20 key markets in Europe and other regions, the conference program will provide up-to-date business intelligence that a company

requires to capitalize on the high-growth, global environmental marketplace. It also will provide networking opportunities with senior decision-makers who are at the centre of international environmental business.

Hands-on working sessions, workshops and interactive seminars will cover such subjects as Pacific Rim market updates; export-readiness workshops; financing and capitalization strategies; emerging technologies; environmental policies and regulations; and pollution prevention techniques.

GLOBE Success Story

Two Canadian companies that participated in **GLOBE 94** now are active in the Malaysian market. They share their trade secrets in a related article on page 2 of this issue.

Contacts

Companies wanting further information on **GLOBE 96** may contact GLOBE Foundation of Canada, Suite 504-World Trade Centre, 999 Canada Place, Vancouver V6C 3E1. Tel.: (604) 775-1994. Fax: (604) 666-8123.

May 15, 1995 Deadline

Canada Export Awards: Call for Entries

The Canada Export Award program, now in its thirteenth year, invites successful Canadian exporters to enter the 1995 competition. The Award, presented by the Department of Foreign Affairs and International Trade (DFAIT), is highly regarded by the business community as a symbol of success in the increasingly competitive world of international trade.

Who is eligible?

Applications to the Canada Export Award program are open to all firms or divisions of firms resident in Canada that have been exporting goods or services for a minimum of three years. Trading

houses, financial institutions, transportation, market research, packaging and promotion firms are also eligible.

How are the winners chosen?

The Canada Export Award Selection Committee, made up of experienced business people from across Canada, consider the following criteria, among others, in choosing the winning companies:

- the extent to which the firm (over its latest three fiscal years) has shown significant increases in export sales;
- success in breaking into new markets;
- success in introducing export

products into world markets.

What can the Award do for you?

The Canada Export Awards are presented annually by the Minister for International Trade at a special ceremony attended by key members of the export and business community. Firms receiving the Award can use the Canada Export Award logo on letterhead, advertisements and other promotional material for three years. National and local publicity and promotion campaigns also support the presentation of the Award.

Winning companies report that the recognition they have received from the Award has been an important marketing tool, raising the company's profile at home, attracting new foreign customers, and giving a real boost to employee morale. The Canada Export Award logo, coupled with the company's name, identifies the firm as an outstanding export achiever and serves to remind all Canadians of the importance of trade, particularly exports, to the country's economic well-being.

Applications for this year's Canada Export Award program must be received by *May 15, 1995*.

To receive an application or for more information, businesses should contact the InfoCentre, Department of Foreign Affairs and International Trade, toll-free at 1-800-267-8376, or mail or fax the coupon at left.

To obtain a Canada Export Award application, send this coupon to:

Canada Export Award Program
Trade Development Operations Division (TOO)
External Affairs and International Trade Canada
125 Sussex Drive, Tower C, 5th Floor
Ottawa, Ontario K1A 0G2

Telex: 053-3745 Facsimile: (613) 996-8688 Telephone: 1-800-267-8376

Name: _____

Title: _____

Company: _____

Tel.: _____ Fax: _____

Address: _____

City, Province: _____

Postal Code: _____

INFOCENTRE

The InfoCentre of the Department of Foreign Affairs and International Trade provides counselling, publications and referral services to Canadian exporters. Companies interested in obtaining trade-related information are invited to contact the InfoCentre at 1-800-267-8376 (or 944-4000) or by fax at (613) 996-9709. Trade information is also available by calling a fax machine) at (613) 944-4500, the Department's round-the-clock faxback service.

Return requested
if undeliverable:
CANADEXPORT (BCT)
125 Sussex Drive
Ottawa, Ont.
K1A 0G2



CANADEXPORT

Vol.13, No. 5

March 20, 1995

Perseverance Pays

The China Conferences: Building Team Canada

Recently, these seminars were held in six Canadian cities, from Halifax to Vancouver.

Their intent was to build on the very successful — in fact, unprecedented — trade mission which Prime Minister Jean Chrétien led to China in November, 1994.

The November Team Canada Mission, described as “the most ambitious in the history of Canadian trade development”, included, in addition to the Prime Minister, nine premiers, two Territorial leaders, and executives from nearly 400 Canadian companies.

Equally, if not more significant from a results-oriented, concrete

business point of view: the Mission signed \$9 billion in agreements!

Even before the Team Canada Mission, Canadians were involved in more than 1,500 investment projects in China, with related contracts valued at \$1.8 billion. That's one reason China is Canada's fifth-largest trading partner: Two-way transactions, in 1993, totalled some \$4.77 billion.

If there were a question of Canada's making its presence more fully known in this burgeoning economy/marketplace (which, today, has one of the fastest-growing national economies), then the Team Canada Mission was

the answer.

But the Team Canada Mission was a beginning, not an end, in Canada's efforts to participate more in a country which, as those in the know say, in 25 years will be the world's largest economy.

That's where The Canadian Chamber of Commerce and the Canada China Business Council came in: they organized **The China Conferences — Building Team Canada**, one of which *CanadExport* attended in Montreal on February 10, 1995.

The Conference: reviewed the Team Canada Mission results; discussed opportunities in China; viewed ways of expanding the membership of Team Canada to include many more small, mid-size and large organizations; and suggested developing strategies for sustained initiatives in the China market.

CanadExport, in this basically China-oriented issue, highlights some aspects of **The China Conferences — Building Team Canada**.

Revised PEMD Benefits Small Business

Smaller businesses will benefit as a result of a number of improvements to the Government's international business development programs announced recently by International Trade Minister Roy MacLaren.

The changes respond to some of the recommendations made in the final report of the **International Business Development Review (IBDR)**, released last October by a private-sector steering group. The Committee examined the Government's international business development programs in light of increasing global competitiveness and current fiscal restraints.

The improvements, effective April 1, 1995, include:

- Financial support under the

Department of Foreign Affairs and International Trade's (DFAIT's) **Program for Export Market Development (PEMD)** will be focussed on smaller enterprises, companies with annual sales of less than \$10 million and/or less than 100 employees for a manufacturing firm, and less than 50 employees for a services firm. Before, it was given to companies with annual sales of up to \$50 million.

- The component of **PEMD** that provides financial assistance to firms bidding on capital projects will also be limited to small businesses under the same criteria.
- Companies will now be able to

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SHARING TRADE SECRETS

Key Factors Prevent Floundering in China

The following is the executive summary of a report entitled "Key factors affecting the performance of Canadian firms doing business in the Peoples' Republic of China", which was prepared for Industry Canada by the Simon Fraser University. The recommendations it contains are derived from the experience of seventy-six firms doing business in China that were obtained through two surveys. These findings were supplemented with in depth interviews with ten firms. All three studies were conducted at Simon Fraser University in 1993.

The studies identified the following factors related to increased performance by Canadian firms in China:

1. Larger firms with greater amounts of international experience had higher performance in China than smaller firms with less experience. The Chinese market did not seem to be the best opportunity for firms just beginning to do business internationally. These firms should concentrate on easier markets, like the United States or the United Kingdom, that are more similar to Canada.
2. Firms should use Canadian-based salespersons to enter the Chinese market if they have limited experience in China or limited resources. Firms with greater experience should consider either equity joint ventures with Chinese partners, or equity joint ventures in combination with wholly-owned subsidiaries. Canadian firms should avoid China-based distributors and especially contractual joint ventures (including licensing and franchising).
3. The following key performance factors have been found to significantly increase actual sales performance in China. Firms should:
 - a. change and update their marketing practices frequently;
 - b. set clear policies and procedures for their Chinese product representatives: joint Canadian - Chinese problem-solving groups hurt performance;
 - c. be on their toes and regard the Chinese business environment as stressful, exacting and hostile;
 - d. not vary far from normal practices for negotiating and operating an international business operation despite Chinese pressure; and
 - e. not attempt to resolve conflict or disagreement by forcing the Chinese to listen, confronting the problem, or smoothing over the differences. Compromising with the Chinese seemed to be more effective.
4. Firms should hire Chinese market experts. Firms that hired Chinese to sell, provide after-sale service or to manage local Chinese operations had significantly higher sales performance.
5. Firms should learn constantly about China. Firms had to learn to distinguish between normal Chinese cultural behaviours and Chinese strategies for dealing with foreign business people. This allowed firms to develop effective Chinese business strategies and to achieve higher performance.
6. Firms should prepare carefully for negotiations. Firms that identified the goals of the Chinese negotiators and took steps to satisfy them had higher performance.
7. Firms should use intermediaries to identify opportunities, make

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Continued on page 7 – Key Factors

BUSINESS OPPORTUNITIES

Before entering into a contractual agreement with a company, readers are advised to verify the bona fides of the companies listed here.

SAUDI ARABIA — A Riyadh-based company is interested in sourcing a variety of **paper and medical products** from Canada. The paper products include: woodfree (750 tons); art paper (150, 200 and 400 tons); and eggshell paper (500 tons). The diverse, small, portable medical products being sought include, among others: electronic apparatus for pulse, blood pressure, temperature and oxygen blood levels; apparatus for blood analysis (blood glucose level, blood urea, blood uric acid); electronic thermometers; and electronic syringes for insulin dosages. Contact Skamsir Incorporation, P.O. Box 3218, Riyadh 11471, Saudi Arabia. Telefax: 4646102 Riyadh.

VENEZUELA — A reputable dealer in high-quality **office furniture, social-area house furniture, office accessories and decorative items for office and home** is interested in representing Canadian manufacturers of same in Caracas. Contact Diego Correa, Sales and Operations Manager, Design Center, P.O. Box 68280, Caracas 1062, Venezuela. Tel.: (011-58-2) 904-8494/904-8506. Fax: (011-58-2) 904-8493.

Key Results of Clinton Visit to Canada

Key results were achieved when U.S. President Bill Clinton made his first officials visit to Canada February 23-24, 1995. Among the developments were:

Trade

- Leaders stressed the positive impact of the North American Free Trade Agreement (increase of US\$40 billion/C\$50 billion last year for total two-way trade of US\$270 billion/C\$371 billion).
- Leaders affirmed the need to better manage trade disputes. They reviewed a range of trade irritants, including agricultural and cultural issues.

Air Agreement

- The air agreement will generate new economic activity and thousands of new jobs in both countries.
- The agreement will result in lower air fares, increased tourism, and new business in Canadian and U.S. cities.

Borders/Customs

- Leaders agreed to improve border services to continue expansion of trade and tourism.
- A binational steering committee has been tasked to develop, within six months, an action plan to make cross-border travel, trade and tourism easier.

Environment

- Leaders stressed importance of regular high-level meetings to address common environmental concerns.
- Plans were made to convene a meeting of G-7 Environment

Ministers in Hamilton in April.

Fish

- Leaders made the successful completion of the Pacific Salmon Treaty a priority and pledged their negotiators' continuing efforts to overcome outstanding differences.

Global Economic Issues

- Leaders discussed the G-7 Economic Summit which Prime Minister Chrétien will host in Halifax in June.
- Leaders agreed to work together in the reform of international financial institutions and for the success of the World Trade Organization.

Western Hemisphere

- Leaders discussed implementation of a Free Trade Area of the Americas by 2005 and the desirability of Chile's early accession to NAFTA.

Arctic Council

- Leaders agreed to pursue the establishment of an Arctic Council by early 1996 to promote regional cooperation and sustainable development in the North.

Other Issues

- Leaders held productive discussions on European security architecture, Russia and Ukraine, and the former Yugoslavia and China.



Win Export-Looking for Export Opportunities?

Make sure you are registered in the WIN Exports database which will showcase your company's capabilities to foreign buyers. To register, fax your request on your company letterhead to 1-800-667-3802 or 613-944-1078.

Opening Doors, Building Bridges: Six Steps to Success in the China Market

Following are excerpts from a speech and brochure presented by Neil Tait, Senior Vice-President, Asian Banking, Bank of Montreal. Mr. Tait was speaking at The China Conferences — Building Team Canada, one of a series of cross-Canada conferences, this one held in Montreal February 10, 1995.

Chinese legend has it when the world began it resembled the inside of an egg. The white part became the sky. The yolk formed the earth. Little less miraculous has been the transformation of China from an underdeveloped nation to what promises to be — in the next quarter century — the world's largest economy. And with China's growth, links between our two nations have grown steadily, culminating with the hugely successful Team Canada Mission....

My remarks are particularly directed to small and medium-sized businesses.

I'd like to suggest six steps that Canadian firms should take to increase their business with China.

Build on the Special Relationship Between Canada and China

First, I'd recommend that companies build on the special relationship that exists between Canada and China. As a Canadian firm you have a head start in dealing with China — but you must know how to make use of this advantage....

There are warm political ties between the two countries. Canada was one of the first countries to recognize China in the 1970s...

Canadian firms have another advantage: we can tap an impressive pool of Chinese talent in our own country....

Research the Opportunities

Let me turn to the second key strategy: to succeed in China you must carefully research the opportunities available for Canadian firms.

Investigate the Chinese market, and you'll find that it's divided into major regions. China is an enormous country, not just in terms of population, but also geographically.

My advice: take a "niche" approach to the Chinese market. And realize that the demand is not only for necessities....

Find a Chinese Partner

The third key strategy is to find a Chinese partner. Doing business in China can be difficult, complex and time-consuming. A joint venture enables you to have more control over your own destiny....

In China, you can't get too far without what the Chinese call "guanxi" — a special relationship. A joint venture gives you access to the Chinese workforce. And better marketing opportunities....

Find a Banking Partner

Your fourth strategy is to find the best banking partner for your Chinese venture. The bank can help you develop a sound business plan that reflects adequate financing and cash flow. But your banker in China is not simply a source of funds. That individual is also an adviser, and an important source of contacts.

Canadian enterprises are well advised to choose a Canadian institution. This bank can help you both in China and at home.

Obtain Canadian Government Support

The fifth winning strategy for doing business in China is relying on programs provided by the Canadian government. There are several government agencies and initiatives that can help small businesses enter the Chinese market....

The **Export Development Corporation** assists small and mid-size firms that enter the global market. EDC programs now include long-term loans, equity financing for overseas projects, comprehensive insurance, and support for leasing arrangements....

There is also CIDA — the **Canadian International Development Agency**. CIDA's mandate is to stimulate increased participation by the Canadian private sector in the growth of developing countries. It does this through joint ventures and other forms of collaboration with business....

Learn the Local Customs

Finally, if you want to succeed in China, learn the customs, the culture, the language, and the traditions of the country. I recognize that that's a tall order, but the more you know, the easier doing business will be.

Even a rudimentary knowledge of Chinese will show the people you meet that you care about them....

Learn the local customs. For example, business cards are exchanged more often in China than they are in Canada. Yours should be printed in your own

Continued on page 5 — Steps

Of China and Pieces of Pie

In 1994, China was Canada's fifth-largest trading partner. At the same time, Canada was China's tenth-largest trading partner. Two-way trade amounted to about \$5 billion.

When Prime Minister Jean Chrétien led the historic November 1994 Team Canada Mission to China, he issued a challenge: to increase that trade figure to \$20 billion by the year 2000.

"Clearly, much more work has to be done," Ambassador of China, His Excellency Zhang Yujun, told **The China Conferences - Building Team Canada** session held in Montreal February 10, 1995.

"The conference today will certainly help push us toward that goal."

His Excellency said: "There are many opportunities. Enthusiasm is high on both sides — not only for big companies, but for small and medium companies. China has many small companies wanting to upgrade their skills."

Traditionally, Canada's major exports to China have been, among others, electrical and mechanical

equipment, wheat, wood pulp, fertilizers and plastics, steel, industrial machinery, and telecommunications and sound recording apparatus.

But that trend now is changing.

Today, the key element in Canada's trade growth with China is in manufactured products which, in 1994, represented over 40 per cent of Canada's exports to China.

As well, there are new opportunities in: telecommunications, transportation, hydroelectric energy, oil and gas, architectural services, construction, agricultural technologies, and environmental technology.

Other new and exciting opportunities exist in such areas as nuclear energy, the financial sector, engineering, educational programs, and trade in services.

In fact, trade in services represents an area of great growth potential for Canadian firms, with a number of Canadian companies now offering engineering, architec-

tural and financial consulting services.

Considerable opportunities, for small and medium-size companies, also exist in China's burgeoning construction industry — a priority in Canada's export promotion activities in China.

The trend toward private home ownership in China opens the door not only to Canadian architectural and major construction firms, but to the suppliers of such building materials as fabricated wood products, steel, concrete technology.

The point is, it's not essential to be a major conglomerate to get into the China market. Being a small part of a larger group also opens doors to lucrative markets.

"Some piece of the pie is better than no piece at all," Sam Wan, Manager, International Sales-China, Babcock & Wilcox, told the Conference. "Pieces of a different pie can be bigger than the whole pie."

China has many small companies wanting to upgrade their skills.

Steps — Continued from page 4

language as well as in Chinese...

Conclusion

The Chinese market is one of the most dynamic in the world. It's a market that presents remarkable opportunities for small and medium-sized Canadian businesses...

As a financial adviser, let me underscore that vigour, determination, and flexibility are needed to win in China.

Above all, realize that doing business in China is not like doing business in Canada. Those of you who have experience with the Chinese markets know about the need for the two P's: patience and perse-

verance.

There are enormous opportunities. But I also don't want to minimize the challenges.

We need to work together the same way Team Canada did. Most importantly, we must work together in the spirit of co-operation.

To succeed in the vast Chinese market, we need the power of one. One Canada. One team. One goal: Success!

To receive a copy of the full speech, please contact Bank of Montreal, Asian Banking Headquarters, 302 Bay Street, 9th Floor, Toronto, Ontario Canada M5X 1A1.

ALL'S FAIR IN CHINA

Conference Board Group is China Bound

Business executives of medium-size companies are being invited to participate in a 10-day (May 18-29, 1995) international study tour to China.

Organized by The Conference Board of Canada in collaboration with Canadian Airlines International, the study tour is designed to:

- orient companies to the Chinese market by providing insights based on a 2 1/2-year research program;
- provide contacts with key government officials in Beijing, Tianjing and Shanghai; and
- conduct on-site visits to potential business partners in the transportation, energy, building products, information and communications sectors.

Companies wanting more information on this business study tour may contact Qi Lie (Chee Lee) or Joanne Warren at The Conference Board of Canada, Ottawa. Tel.: (613) 526-3280. Fax: (613) 526-5385.

CHINA ELECOMM'95: The Place to Make Connections

Shanghai — While selling rapidly, exhibition space for Canadian companies interested in attending **CHINA ELECOMM '95** still may be purchased from the show's Canadian representative — *to which applications should be made no later than March 31, 1995.*

Being held June 14-18, 1995 in the burgeoning Chinese city of Shanghai, **The 6th International Telecommunications & Computer Show** provides an excellent venue for companies anxious to access the opportunities offered in this vast China market.

And vast it is, currently rated as the world's largest telecommunications market!

In 1993, China invested \$4.6 billion in telecommunications and, in 1994, another \$6.16 billion. Recently, the government embarked on a programme to expand and improve telecommunications, with planned investment of about \$25 billion between now and 1997.

What's more, a China Ministry of Post & Telecommunications blueprint indicates that the country will increase its total telephone exchange capacity to more than 100 million lines by the end of this century — most of them programme-controlled and digital.

At the same time, to meet the exploding demand for mobile phones, the Ministry plans to increase the total number of

mobile phone users between 900,000 and 1,000,000 by the end of this year, with the aim of reaching 5,000,000 by the end of the century!

China also hopes to construct 22 major fibre optic cable lines and the construction of adequate satellite ground stations is underway.

This rapid expansion in telecommunications is expected to continue to benefit overseas firms as China will be more active in using foreign investment and loans — and in importing advanced equipment and technology.

CHINA ELECOMM '95, whose motto is *Your Access to Business Success*, has invited more than 50,000 visitors from throughout China. They are mostly end-users, potential buyers, decision makers, engineers and technicians.

Exhibits cover the gamut in the telecommunications/computer field: from antennas, towers and earth stations, telephone sets, and microwave equipment, to fibre optics, satellite communications equipment, mainframe computers and electronic simulation and training systems.

For further **CHINA ELECOMM '95** information or to purchase exhibition space, contact Louise Enterprises Inc., 1242 Bowmount Street, Gloucester, Ontario K1J 8T6. Tel.: (613) 749-1495. Fax: (613) 749-0714.

ALL'S FAIR IN CHINA

China's Building Fair More than Decoration

Tianjin — Canadian companies interested in entering the Chinese building material and decoration commodity markets have an excellent opportunity to do so through exhibits at the **China International Building and Decorating Commodities Fair Tianjin '95**. The fair, being held June 8-12, 1995, will be an annual event.

Representing the largest trade fair in China on such commodities and hosted by China's state and municipal governments, the fair will attract manufacturers and traders from around the world as well as Chinese companies and the general public.

Its intention is to accommodate the great demand for building materials and decoration commodities and for overseas advanced technologies.

China's investment in construction and building installation was forecast to increase from US \$ 90 billion in 1993 to US \$ 200 billion by year 2000, and residential areas in cities and towns will increase by 180 million square metres a year on average.

Companies requiring interpreters can obtain language assistance from the organizer.

Contact Dr. Liming Sun, Red Sun Research Consulting, 15 Eastwood Place, Suite 7, Ottawa, K1L 6X1. Tel.: (613) 741-8666. Fax: (613) 741-2106.

Investment Opportunity Fair Can be Key to Trade in China

Beijing — Space for overseas companies is rapidly being filled, but there still is an opportunity — on a first come, first serve basis — to participate in the **1st China Township Products Exhibition and Investment Opportunity Fair** being held here August 3-7, 1995.

Hundreds of selected township enterprises from throughout China will be displaying their products and manufacturing capabilities. As well, organizations will be negotiating import/export deals, forming strategic marketing alliances and partnerships, and discussing investment opportunities with attendees from around the world.

Among the wide range of products/equipment to be displayed at the fair are: agricultural machinery, equipment and supplies; rural hydro-electric installations and energy technology; forest products, including harvesting/processing machinery and equipment; cereals and oilseeds; packaging equipment; environmental protection equipment and technology; and consumer products for rural township residents (electrical appliances, auto accessories, prepared foods and beverages, sporting goods, clothing, health and beauty products).

The fair is being organized by various Chinese government ministries and organizations. The fair organizers have authorized Gold Fair Marketing & Development (Hong Kong) Ltd. as the sole overseas booking agent and information source.

Exhibitors, visitors, negotiators, agents wanting further information are asked to fax, at their earliest convenience: Gold Fair Marketing & Development, Suite 110-2268 No. 5 Road, Richmond, B.C., Canada V6X 2S8. Fax: (604) 731-8958/(604) 270-8684.

Key Factors — Continued from page 2

contacts, and expedite negotiations. Firms that used intermediaries had higher performance.

8. Firms should avoid common misconceptions about doing business in China. Managers believed that increased trust between themselves and the Chinese would improve their firms' performance but it did not. Managers also believed that establishing cooperative work relationships between

their firms and their Chinese product representatives would improve their firms' performance. It also did not. These factors may provide competitive advantages doing business in Canada and the United States but did not in China.

*Have you a success story/tips on entering foreign markets? **Canad-Export** will consider them for publication.*

The China Conferences — Building Team Canada ... Quotable Quotes ...

The China Conferences — Building Team Canada — recently were held in cities across Canada, from Halifax to Vancouver. The following are comments which **CanadExport** gleaned at the February 10, 1995 conference in Montreal.

"The doors are open and Canada is welcome....The giant has awakened....Our strategy is to keep the momentum of the Team Canada approach.... The emphasis is on economic partnership — but not to the exclusion of human rights." Colin Russel, Director, China Division, Department of Foreign Affairs and International Trade, Ottawa.

"There are many opportunities. Enthusiasm is high on both sides — not only for big companies, but for small and medium companies. China has many small companies wanting to upgrade their skills." His Excellency Zhang Yujun, Ambassador of China.

"At present, explore, develop new areas of opportunity. Visit China — on business or to look around. Discuss business opportunities." His Excellency Zhang Yujun, Ambassador of China.

"A joint venture/partnership needs understanding of trust and working together — the greatest form of doing business in China." Neil Tait, Senior Vice-President, Asian Banking, Bank of Montreal.

"Some piece of the pie is better than no piece at

all. Pieces of different pie can be bigger than the whole pie." Sam Wan, Manager, International Sales-China, Babcock & Wilcox.

"You have to think internationally if you want to succeed internationally." Sam Wan, Manager, International Sales-China, Babcock & Wilcox.

"At present, foreign money doesn't just talk — it screams." J. Anthony Boeckh, Chairman and Editor-in-Chief, BCA.

"If we are to break open new markets for Canadian companies, we will have to marshall our forces — collectively and effectively." Prime Minister Jean Chrétien, Luncheon Speaker at The China Conferences - Building Team Canada, Montreal, February 10, 1995.

"The job is not finished when the trade mission comes home. Hence the importance of seminars — to ensure we build on these agreements with new initiatives. It's smart economics, not patriotism." Prime Minister Jean Chrétien, Luncheon Speaker at The China Conferences — Building Team Canada, Montreal, February 10, 1995.

"We can benefit best when we benefit together. That is what Team Canada is all about." Prime Minister Jean Chrétien, Luncheon Speaker at The China Conferences - Building Team Canada, Montreal, February 10, 1995.

PEMD — Continued from page 1

receive **PEMD** financial assistance for the implementation of a two-year marketing plan. Before, firms received assistance for only a one-year plan.

- Participation in government-sponsored trade fairs will be cost-shared for smaller businesses, based on a sliding scale formula (67% for first participation; 50% for second participation; 33% for third participation; and 0% beyond). All other companies will participate at their own cost.
- Participants in government-sponsored outgoing business missions will pay for all their own costs.

"Taken together, these modifications will enhance the efficiency and cost-effectiveness of our programs and will focus the government's support on smaller businesses, where it is most needed," Mr. MacLaren said. "They will also ensure that our trade programs fit better with Canada's fiscal realities."

The Minister said that other recommendations made in the **IBDR Report** are being examined, such as better export financing support, particularly for smaller firms and strengthening of the Trade Commissioner Service.

PUBLICATIONS

With a Chinese Touch

China in Your Pocket

China: A Guide for Canadian Business (Code 111CA) is a convenient, pocket-size booklet which, among other relevant matters, outlines some basics on the Chinese business environment and provides guidance on obtaining more detailed assistance and support. Topics covered include: a fact sheet; information on the country; China's foreign policy, trade and investment; business opportunities in China; services for Canadian exporters; a map of China; and an appendix that includes useful contacts and key factors for success in China. The publication was prepared by the Asia Trade Division of the Department of Foreign Affairs and International Trade (DFAIT) in cooperation with the Canada China Business Council. Copies, quoting the code number above, may be obtained from the DFAIT InfoCentre, Ottawa. (See box bottom of page 12).

All You Need to Find is in China Almanac

Edited by the Ministry of Foreign Trade and Economic Cooperation of the People's Republic of China and published annually since 1984, the *Almanac of China's Foreign Economic Relations & Trade (1994/95)* is considered the country's most authoritative and comprehensive source of information on a variety of topics. These include: China's Economic and Trade Policy (use of foreign capital,

technology imports, multilateral economic ventures, technical agreements and collaboration); China Economy Vis-a-Vis World Economy (world economic and trade data, finance and foreign exchange, local economic relations and trade, foreign economic aid); Laws and Regulations (customs and taxation, commodity inspection, special economic zones); and Organization (China's top 500 foreign trade firms, China's top 200 exporters, directory of local foreign economic relations and trade departments, commissions and bureaux). For further information, contact Linda Lu, Office Manager, China Info Globe Inc., Suite 300, 4002 Sheppard Avenue East, Scarborough, Ontario M1S 1S4. Tel.: (416) 298-2298. Fax: (416) 292-9627.

References on China

Briefly summarized below are several China-related publications recently prepared and released by the Ministry of Foreign Trade and Economic Cooperation of the People's Republic of China. To obtain copies, please contact Pacific Rim Consulting Services, 170 Woodpark Way, Nepean, Ontario K2J 4C8. Fax: (613) 823-6958.

Directory of Chinese Enterprises for Foreign Economic Relations and Trade lists nearly 4,000 state-owned import/export companies and enterprises, including their addresses, registered cap-

ital, business scope and main import/export commodities. It is published in English and Chinese. The cost, including shipping and handling, is \$150 plus GST.

Directory of China Corporations, in an effort to ensure authority, accuracy and practicality, contains only corporations which are established with the approval of the State Council and its 500 subsidiaries. Published in English and Chinese, the directory, including shipping and handling, costs \$70 plus GST.

Directory of Chinese Manufacturers with Import & Export Rights is the first large-sized reference book with detailed data on Chinese enterprises engaged in dual operation of production and foreign trade. It includes approximately 2,000 entries of old and new Chinese companies, empowered by the Ministry of Foreign Trade and Economic Cooperation, to engage in import and export business. The cost, including shipping and handling, is \$150 plus GST.

The Bulletin of the Ministry of Foreign Trade and Economic Cooperation focuses primarily on the present situation in China and on foreign and economic/trade developments. Also included are related policies and measures, laws and regulations likely to be adopted in China. The cost, including shipping and handling, is \$65 plus GST.

Canadian Housing Hot on Lots in Japan

by Wayne House, Japan Division, DFAIT

The Japanese market for building products and manufactured housing offers exciting export opportunities for those Canadian companies able to provide high-quality value-added building products at competitive prices.

Consistent demand

Housing starts are running consistently at annual levels of 1.5 million, as Japan continues to update and replace its aging and inferior housing stock.

Since the Japanese building code was changed in 1973 to permit 2X4 house construction, Canadian-style 2X4 housing has received a broad level of acceptance from Japanese builders and home-buyers. For many years now, Japan has been Canada's number one overseas market for softwood lumber for use in the construction of both traditional post-and-beam houses and 2X4 homes — thanks largely to some 20 years of promotional effort and technical assistance from the Council of Forest Industries (COFI).

Canada, a major supplier

Japan now finds itself increasingly short of skilled carpenters and other tradespeople needed to construct houses; the result has been sharply-increased demand for pre-engineered, manufactured housing, either produced in Japan or imported from Canada, the United States and Western Europe.

As a result, the Department of Foreign Affairs and International Trade's (DFAIT's) promotional efforts for this sector are being focussed more intently on value-added products, including manufactured housing in its many configurations.

Concurrently, Canada and Japan are engaged in efforts to facilitate the export of such products from Canada to Japan by seeking mutual recognition of product standards. One of the first steps — and an important one for Canadian companies — is to have product testing carried out in Canada rather than in Japan, thereby speeding up the approval process while at the same time reducing the cost significantly.

Over the last six months, Canadian manufactured housing companies have participated in seminars across Japan to make potential buyers more aware of their products, to appoint agents and to increase their own knowledge of the market. Results have been immediate, with on-the-spot sales resulting for a number of our companies.

Exports of Canadian manufactured housing to Japan in 1994 doubled to exceed \$50 million for the first time, and could well double again this year. Our active companies feel that, to date, they have only "scratched the surface" of the demand which exists for this type of housing.

Canadian-style housing standing firm

On January 17, 1995, the "Great Hanshin Earthquake" caused major damage and severe loss of life in the Kobe area of Japan. Damage estimates have ranged as high as US\$ 80 billion, and some 90,000 buildings were destroyed within 20 seconds.

This disaster has created in its wake an immediate need for some 50,000 emergency shelter units, and a similarly large number of new, permanent housing units

later; Canadian manufactured housing companies have thus been presented with two potentially significant export opportunities.

It is noteworthy that Canadian-style 2X4 housing came through the earthquake with little or no damage, including Kobe's "Vancouver Village" housing development and the three-storey Maple Court project in nearby Osaka.

The fact that little or no damage resulted is due to the inherent strength and flexibility of 2X4 housing, coupled with its light-weight (commonly, pre-finished steel) roof covering, compared to the very heavy clay tile roofing used on traditional Japanese houses.

Reports from Canadian earthquake engineers who visited the affected area state that there was a higher than usual vertical movement during the earthquake, which collapsed the older Japanese houses under the weight of their heavy tile roofs. In some severely affected areas, only 2X4 houses were left standing. This has not gone unnoticed by the Japanese authorities, and Canadian suppliers of this type of housing can expect increased interest from Japanese buyers of their product as a result of its earthquake performance.

Interested Canadian companies that feel they are capable of supplying products to Japan for either the ongoing housing market across Japan or, more particularly, for the Kobe rebuild effort which should commence later this year, are invited to contact Wayne House, Japan Division, Foreign Affairs and International Trade Canada, 125 Sussex Drive, Ottawa K1A 0G2. Tel: (613) 995-1678. Fax: (613) 943-8286.

Cars Count in Caracas

Caracas — Canadian suppliers have an opportunity to become better acquainted with Venezuelan automotive aftermarket distributors at a popular automotive trade fair being held here May 26-28, 1995.

The Caracas Automotive Aftermarket Show, which has been taking place yearly since 1973, normally attracts a large number of North American, Japanese, Italian and German exhibitors.

Stands are still available from 7.5 to 37.5 square meters.

The show is organized by CANIDRA, the Venezuelan Association of Importers and Distributors of Automotive Parts.

For further details contact, Oscar Sanchez, CANIDRA, Av. Este 2, No. 215, Edif. Camara de Comercio de Caracas, Piso 8, Caracas, Venezuela. Tel.: (011-58-2) 571-0265/575-3361. Fax: (011-58-2) 571-2824; or contact Ricardo Espinoza, Canadian Embassy, Caracas, Venezuela. Tel.: (011-58-2) 951-6166. Fax: (011-58-2) 951-4950.

Canada, Korea Get Mutual

Fulfilling a commitment under the Canada-Korea Special Partnership, a Memorandum of Understanding (MOU) on Investment Co-operation was signed recently between the Department of Foreign Affairs and International Trade (DFAIT) and the Korea Development Bank (KDB).

Under this agreement, DFAIT and KDB have undertaken to promote and facilitate Korean direct investment in Canada and Canadian direct investment in Korea.

The MOU outlines a range of activities to help achieve these objectives such as information dissemination, presentations to potential investors, seminars and investment missions. The two organizations will also seek to identify investment opportunities and potential investment partners.

Japan, Canada Tie The Knot

Canada's Ambassador to Japan, Donald Campbell, has appointed Mr. Teruyuki Akema as Honourary Commercial Representative for Canada in the Tohoku region of Japan. Mr. Akema is Chairman of Tohoku Electric Power Co. Ltd., one of Japan's nine regional electric power companies. He is based in Sendai, the Tohoku region's commercial centre. The appointment was made February 6, 1995.

Major Agricultural Equipment Show Sited in Saskatchewan

Regina — Already the ground is being cultivated here for one of the world's major agricultural equipment shows. Potential buyers are being recruited internationally.

The Western Canada Farm Progress Show (WCFPS), being held June 21-24, 1995, focuses on highly successful North American technology and techniques for rain-fed/dryland grains, oilseeds and livestock agriculture.

The more than 600 exhibitors and 40,000 qualified attendees, along with 200-300 agents, distributors and others from around the world make the WCFPS a "one-stop shopping centre" of agricultural and light industrial equipment.

Western Canada alone boasts more than 200 manufacturers of agricultural equipment. Their combined sales exceed \$1 billion

annually, with exports by the 15,000 employee-strong industry, amounting to \$300 million per year.

At the 1994 event, some 400 international buyers and Canadian exporters registered at the show's International Business Centre (IBC). A special feature of the WCFPS, the IBC is designed to enhance trade opportunities by fostering meetings between international buyers and Canadian exporters.

Events at the WCFPS also include field demonstrations, such as direct seeding, fertilization, crop/weed spraying, conservation tillage and harvest/residue spraying.

For further information, contact Lynne Tait, International Trade Centre, Regina. Tel.: (306) 780-6325. Fax: (306) 780-8797.

BUSINESS AGENDA

Toronto — March 28, 1995 — Organized by the Canadian Exporters' Association (CEA), **New U.S. Border Regulations: Learning the Ropes** is a seminar for exporters of consumer goods. It is sponsored by the Department of Foreign Affairs and International Trade (DFAIT) and is a good opportunity to learn how to use the Customs Modernization Act and Regulations, how to comply with new standards in administration and responsibility, how to access DFAIT market access services, the NAFTA Rules of Origin, and the New U.S. Customs Country of Origin Marking Requirements. Contact the CEA, Ottawa. Tel.: (613) 737-9247. Fax: (613) 736-9604.

Cross Canada — April 4 to 13, 1995 — **ExportVision '95-Environmental Technologies and Services**, is an annual event designed to help Canadian firms to export their products and services. By meeting Canada's trade commissioners from abroad and the sectoral specialists from various government departments, your company can obtain useful information and advice on how to penetrate foreign markets. The event is organized by the Department of Foreign Affairs and International

Trade (DFAIT). You can meet the trade commissioners in the following cities: **Saint John's**, April 4; **Fredericton**, April 5; **Halifax**, April 6; **Montreal**, April 7; **Toronto**, April 10; **Winnipeg** and **Saskatoon**, April 11; **Calgary**, April 12; and **Vancouver**, April 13. Contact your regional International Trade Centre or Monique McGrath, DFAIT, Ottawa. Tel.: (613) 996-8709.

Montreal — April 6, 1995 — **Profitable Business Opportunities in the U.S.A.** Canadian and American economic developers and business professionals, in a half-day seminar, will focus on Gaining Successful Access to the U.S. Marketplace and Three Investment/Trade Hotspots: Vermont, Florida and Michigan; and The Legal, Tax and Visa Implications of Doing So. To register, contact Dr. Richard Soare, Soare, Lewis & Associates. Tel.: (514) 847-8317. Fax: (514) 931-0252.

Ottawa — April 9-11, 1995 — Defence procurement opportunities, technology partnering, and government procurement strategy are among the topics to be discussed at the **Thirty-Third Semi-**

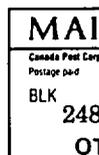
Annual General Meeting of the Aerospace Industries Association of Canada (AIAC 33). Key speakers scheduled/invited include: Minister of Finance Paul Martin; Karel Ledebuer, Senior Director (Technical), International Air Transport Association; and the Honourable Maurice McTigue, High Commissioner to Canada for New Zealand. For further information, contact Sandra Sutcliffe, AIAC, Ottawa. Tel.: (613) 232-4297. Fax: (613) 232-1142.

Sudbury — May 28-June 1, 1995 — **An International Mining and the Environment Conference (Sudbury'95)** is expected to attract 400 delegates who will discuss the integrated approaches being developed around the world to help the mining industry apply the best available mine rehabilitation technologies while also giving top priority to environment sustainability. **A trade show** will run concurrently to the conference proceedings. Co-sponsors include the Ontario Ministry of Northern Development and Mines, Falconbridge Limited, Inco Limited, the Sudbury Regional Development Corporation, Laurentian University and Natural Resources Canada. Contact Tom Hynes (CANMET). Tel.: (613) 943-0524.

INFO CENTRE

The InfoCentre of the Department of Foreign Affairs and International Trade provides counselling, publications and referral services to Canadian exporters. Companies interested in related information are invited to contact the InfoCentre at 1-800-267-8376 (944-4000) or by fax at (613) 996-9709. Trade information is also available by calling a fax machine) at (613) 944-4500, the Department's round-the-clock faxback service.

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CANADIAN EXPORT

Vol.13, No. 6

April 3, 1995

Back in Lebanon

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Canadian Embassy in Beirut Open for Business Today

After having been closed for 10 years, the Canadian Embassy in Beirut now is open for business. Foreign Affairs Minister André Ouellet officially inaugurated Canada's Embassy in Beirut on January 26, 1995. The Embassy will be operational effective today, April 3, 1995.

The Embassy will provide consular and trade services. The

reopening, as indicated by Mr. Ouellet, marks a turning point in Canada's relations with Lebanon. We now are in a better position to assist more effectively in the reconstruction of the country and to develop closer social, political and economic ties, particularly between the people of Lebanon and Canadians of Lebanese background.

Strong ties

Canada and Lebanon enjoy a truly special relationship that dates back to the arrival of Lebanese immigrants in Canada at the turn of the century; and it

SUPPLEMENT ON FRANCE PP. I-VIII

has grown since then, Mr. Ouellet indicated at the inauguration ceremony. The winds of change are blowing in Lebanon. The most spectacular sign of change is the impressive reconstruction effort launched by the people of Lebanon and their government. This and many other reasons made it imperative for Canada to return.

Mr. Ouellet was joined by a large delegation of business people, led by Mac Harb, Parliamentary Secretary to International Trade Minister Roy MacLaren. The presence of this delegation shows how deeply Canadian businesses are committed to the Lebanese market. One of the key objectives of the visit was to promote trade rela-

Continued on page 5 - Lebanon

Foreign Investment

Protection Agreement with Indonesia

Canada is expected to negotiate with the Government of Indonesia on a **Foreign Investment Protection Agreement (FIPA)** in the near future.

A **FIPA** is a reciprocal agreement designed to protect and promote foreign direct investment. By establishing bilateral legal obligations and recourse to international arbitration, the **FIPA** increases the confidence of both Canadian and Indonesian investors as they develop their international investment plans in the respective countries.

Once negotiated and brought into force, **FIPAs** establish legally-binding rights and obligations of the host and home governments concerning the treatment of foreign investment — both entering and once established in the host country. As the definition of investment and investor is broad, the **FIPA** ensures that the

full range of commercial activity is adequately covered.

FIPAs have other important provisions including, among others: transparency (of investment laws, regulations and policies); national treatment; most-favoured nation treatment; the entry and sojourn of managerial personnel; expropriation; repatriation of funds; and state-to-state and investor-to-state dispute settlement.

The Department of Foreign Affairs and International Trade would like to ensure that the Canadian negotiating team takes into account the experience of current and potential Canadian investors in Indonesia. The Department invites you to contact it and share your views on investing in Indonesia. You may also wish, for further informa-

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SHARING TRADE SECRETS

Building on Canadian Partnership in Germany

"The toughest part of undertaking this particular initiative was learning the ropes of a new language and culture. I am comfortable now that we'll be able to climb the ropes -- not get caught up in them."
Edwin Tait, President, J. D. Tait and Associates.

With a severe housing shortage in many parts of Europe, countries such as Germany are looking to Canadians to assist them with more efficient housing technology.

In response to this need, South Island Development Corporation and MCF Construction Management Inc., both of Victoria BC, combined their efforts with a group of German business people to form a joint venture called Canstruct Baugesellschaft mbH. The operating German partners, Herr Uli Ansin and Herr Wolfgang Herbert, bring local German presence and expertise to Canstruct. The company was created to introduce high-quality wood frame housing on a large scale to Germany and Eastern Europe.

Canstruct's first project now is underway in Freiburg, near Dresden, in the former East Germany. This project will provide much-needed student housing for Freiburg's University.

Traditionally, German multi-

family housing is built almost entirely of concrete. By comparison, wood frame structures of the same size take much less time to build and cost considerably less.

According to Tait, "the federal, state and city governments are receptive — they see this new housing form as a means to satisfy the incredible demand. The challenging part is actually getting the buildings approved for construction, as no codes exist to govern design or structural requirements. As well, the construction labour force in Germany is not familiar with multi-family wood frame construction techniques, which means we will need to bring a lot of the labour over with us, at least in the beginning until we have trained German tradespeople." Tait adds that the construction crews have been assembled and some are working now — the rest will follow shortly.

Tait is optimistic about the relationship that has been established

and the prospects that lay ahead.

"It took several years to build the relationships necessary for the success of Canstruct. Through the Canadian and German partners, we now have a company that is extremely strong in all the necessary areas — land acquisition, government liaison, financing, planning, construction and marketing. Germany, particularly the former East Germany, has a tremendous need and Canstruct has now begun to deliver."

Canstruct plans to build about 1,000 units a year for the German market and will be offering opportunities to other Canadian firms to supply interior fixtures and fittings for its units. The Freiburg project will use a million linear feet of Canadian lumber.

Have you a success story and/or tips on entering export markets? CanadExport will consider them for publication

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Mail to: *CANADEXPORT* (BCT), Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2.

FIPA — Continued from page 1

tion, to request a copy of the model **FIPA**.

To receive a copy of the model **FIPA** or to provide comments on your company's experience, you may contact Ms. Georgina Wainwright, Trade Commissioner, Indonesia Desk, Southeast Asia Division (PSE), Department of Foreign Affairs and International Trade, Ottawa. Tel.: (613) 992-0959. Fax: (613) 944-1604.

BUSINESS OPPORTUNITIES

Before entering into a contractual agreement with a company, readers are advised to verify the bona fides of the companies listed here.

BRAZIL — A British Columbia company with clientele in Brazil is seeking Canadian companies in the **clothing business wishing to export products at highly competitive prices.** Contact Paulo R.C. Vasco, North Shark International Trade, 4442 Imperial St., Burnaby, BC, V5J 1B3. Tel.: (604) 436-1645. Fax: (604) 436-9510.

VENEZUELA — A Caracas-based company seeks a Canadian partner to **build a sodium bicarbonate plant** in Canada or Venezuela, using a new economical process which it has developed. The plant may complement others that produce carbon dioxide as a result of such biochemical processes as: beer; dry ice; or citric acid. Joint venture terms may be obtained from Carlos Alvarado, Cayena Trading World, C.A., Avenida Circunvalacion del Sol, Centro Profesional Santa Paula, Torre A, Of. 412, Caracas, Venezuela. Tel.: 582-985-0926. Fax: 582-985-1526/238-1705.

Venezuela Under the Umbrella

This year, the Venezuelan government, under its 1995 Umbrella Law (Ley Paraguas), will be seeking outside financing of about Bs. 600 billion, primarily for infrastructure programs and projects.

While Canadian exporter involvement in these projects will be in direct relationship to their ability to raise finance capital, Canadians should know of the law, says a memo from the post in Caracas.

The law, essentially a "wish list", is an annual plan, but this year there are some changes.

Previously, the government would need Congress approval for

each transaction; now the law gets blanket approval for a series of programs and projects. The Ministries that present the best case, get the greatest number of projects. Once Congress approves the project in general, then it is up to the Ministries to find the source of financing.

The law, while not perfect, does act as a guide to certain priorities that each Ministry has.

More information on the 1995 Umbrella Law is available from Robert Turner, Commercial Counsellor, Canadian Embassy, Venezuela. Tel.: (011-58-2) 951-6166. Fax: (011-58-2) 951-4950.

New Zealand Lifts Ban on Canadian Salmon Imports

The New Zealand government is to remove its ban on the import of uncooked, headless, gutted, wild, ocean-caught Pacific salmon from Canada — a move that reopens the New Zealand salmon market to the Canadian fishing industry.

Trade will resume as soon as import health standards have been developed.

The import restrictions on uncooked salmon were imposed in the 1970s because of concerns of possible introduction of disease into the country. Recent analysis concluded such a possibility was negligible.

The announcement was made during International Trade Minister Roy MacLaren's recent visit to New Zealand.

• Numbers to Note •

Effective March 26, 1995, area codes for Beijing changed from 1 to 10. The international dial format (to reach the Canadian Embassy) now is, for telephone: (86-10) 532-3536; and for fax: (86-10)532-4072.

Win Export-Looking for Export Opportunities?

Make sure you are registered in the WIN Exports database which will showcase your company's capabilities to foreign buyers. To register, fax your request on your company letterhead to 1-800-667-3802 or 613-944-1078.



Canadian Business Leaders Express Views

This is a summary of the results of the COMPAS Research survey of top executives in 388 Canadian businesses. The survey was conducted in January 1995.

PROBLEMS FACING CANADIAN BUSINESSES

COMPAS asked respondents – whose percentage ratings are in brackets – to identify the main barrier or impediment to growth presently facing Canadian businesses. Economic issues and problems, such as taxes (29%), government regulation (17%) and public debt (11%), concern executives much more than interest rates (7%) or national unity (5%).

POSITIVE FACTORS

AFFECTING CANADIAN BUSINESSES

Our country's human capital (32%) and the low value of the Canadian dollar (16%) are most often mentioned as factors currently running in favour of Canadian businesses. The FTA/NAFTA (4%) and technology (3%), on the other hand, are mentioned relatively infrequently.

IMPACT OF THE CANADA-U.S.

FREE TRADE AGREEMENT

More than half the respondents (51%) say the FTA has had no impact on their company's activities. A smaller group (31%) say that their company has benefitted from the FTA and only 15% say that their company has been hurt.

LONG-TERM IMPACT OF THE NORTH AMERICAN FREE TRADE AGREEMENT

More than half (58%) of Canadian business leaders believe the North American Free Trade Agreement will benefit their sector in the long-term. While about one-quarter (23%) believe the NAFTA will have no impact, only 17% believe their sector will be hurt in the long-term.

New market opportunities are the most important perceived benefit of the NAFTA. Companies that say they will benefit from the NAFTA mention the following:

- new market opportunities in the U.S. (13%);
- new market opportunities in Mexico (12%);
- bigger market created (5%);
- Canadian sector is very competitive (4%);
- increased sales in the U.S. (3%);
- lower production costs (2%).

Most respondents who believe their industry will be hurt by the NAFTA did not mention any reasons for so responding.

EFFECT OF THE RECENT GATT AGREEMENT

Most respondents (55%) are not able to say whether the GATT will benefit companies in their own industry. A minority (28%) believe that their industry will benefit and only one in twenty (5%) believe their industry will be hurt.

Respondents who say the GATT will benefit their industry cite new market opportunities or general benefits to Canada (although most respondents did not mention any benefits).

OBSERVED EFFECTS OF THE CANADA-U.S. FREE TRADE AGREEMENT

Respondents were asked to indicate what effects the FTA had on their company. One-third (34%) say they have increased sales in the U.S.

For further information, contact Steve Kiar, Compas, 166 Queen Street, Suite 1100, Ottawa K1P 6L1. Tel.: (613) 237-4493. Fax: (613) 234-5210.

Mining in Argentina

Argentina-Mining Investment: Directory of Opportunities, intended for use by the national and international mining community, has been published by the Argentine National Mining Secretariat. It includes a general overview of the legal and fiscal aspects related to investment opportunities, a listing of mining services and consulting companies, and a section on investment opportunities in individual Argentine provinces. This last section includes a geological map and socio-economic report on the provinces and information on the mining potential. To receive a copy of the directory, contact Maria Etchegoyen, Instituto Nacional de Tecnología Minera (INTEMIN), Julio A. Roca, 651, Piso 2, 1322 Buenos Aires, Argentina. Tel.: (011-54-1) 349-3127. Fax: (011-54-1) 349-3273.



One of Canada's Oldest Trading Partners Emerges as a Leading Economy in the Heart of Europe

France has always played a lead role in the building of Europe. How do Canada's traditional ties fit in?

by *Marie A. Stamp,*
Trade Commissioner for France

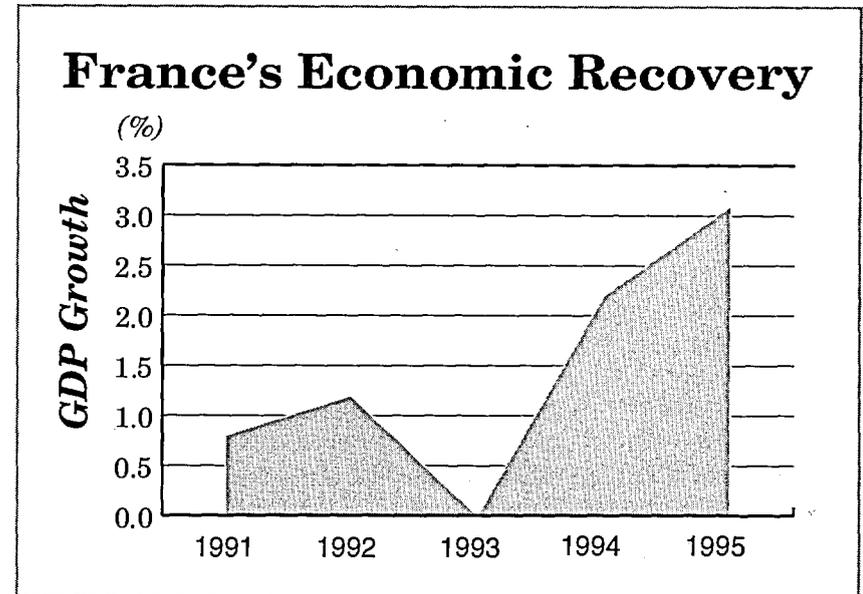
If your company is like most Canadian firms exporting to Europe, you have an eye on France. France is one of our oldest trading partners, and our relationship is growing.

French tourism and French investment in Canada have risen significantly over the last several years, and France is an increasingly important market for finished goods from Canada.

More than 350 French companies are established in Canada, while 100 Canadian firms are established in France and, since 1988, finished products grew from 25 per cent to 49 per cent of the total value of our exports to France. Our bilateral trade is worth \$4 billion annually, making France our eighth-largest international trading partner.

Common language and common interests in the international arena make France and Canada natural trading partners – and competitors.

Leaner profit margins and improved price competitiveness have helped the success of French exports, and France currently enjoys a trade surplus with many



of her global trading partners, including Canada. With an economic recovery well underway in Europe, and particularly in France, Canadians should be prepared for a widening of export possibilities in a multitude of sectors.

Given the trading potential of our two countries, there is much room for growth in the Canada-France business partnership. Each nation's preoccupation within its respective hemisphere (France-EU/Canada-NAFTA) has perhaps

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Canada-France Trade: *from Resources to Research*

Bilateral Cooperation in Science and Technology a Cornerstone

The economic relationship between Canada and France is not limited to merchandise trade. Over the past years, technical and scientific cooperation between both countries has grown, and alliances and partnerships have been established. The growing presence of Canadian firms in France has broadened the growth potential of our industry by opening wide the doors of the European market.

The "Science and Technology" program of the Canadian Embassy in Paris focuses on industrial and scientific cooperation between Canadian and French companies/research centres and facilitates links among them.

The recent inauguration of France's Fifth École des Mines at Nantes (EMN) is an example of the success of the "Science and Technology" program and is a testament to the fruitful cooperative effort in science and technology between French and Canadian partners.

The event provided a regional visibility for Ottawa-based Object Technologies International (OTI) and, accordingly, for Canada as a sophisticated and credible high-technology partner.

EMN will provide specialized training in product development, production, engineering, productivity and maintenance, through horizontal disciplines of informatics, automation and production and energy systems, as well as a specialty in subatomic physics.

Under the agreement signed between EMN and OTI, the latter's "Jules Verne" lab (within EMN) will

undertake collaborative research with EMN in object technologies (software development) as a step to entering the French market. OTI also signed with EMN a two-year research contract valued at Cdn\$650,000. Under the agreement, OTI will provide computers and some staff while EMN will provide facilities and researchers.

Already, OTI has opened three labs in the USA, plus Australia, the UK and Germany. Here it will undertake research in object technology for the development of generic, modular software to which stand-alone components or "objects" can then be linked, shuffled and/or mixed for various applications without the need to reprogram the individual elements. OTI also has a strong research relationship with Université de Nantes.

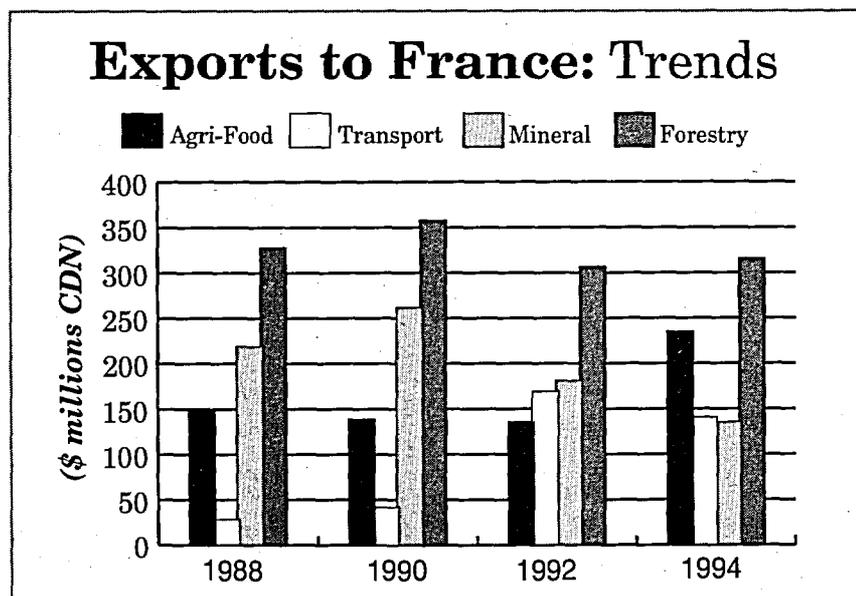
This innovative approach of using an institutional R&D link as a way to access top French researchers and gain entry to the French market could serve as a model for other Canadian small and medium-size enterprises whose main product is technology.

Composition of Trade is Shifting

The traditional export mix of Canadian products to France is experiencing ups and downs, as the graph (left) shows. Exports in high value-added products are growing, such as in the agri-food, machinery and transportation sectors.

The sharp increase in the transportation sector is due chiefly to the sale of aircraft and parts. Another remarkable shift is in the agri-food industries, due to strong successes with oilseeds, increased sales in seafood and the development of new markets for processed foods.

Another growth sector in our trading relationship is in tourism, an area not generally represented in export market figures. French tourism to Canada is increasing by as much as 15 per cent per year.



AGRI-FOOD: A GROWING MARKET

Final figures from 1994 are expected to show that Canadian agri-food sales to France hit an all-time record of \$270 million. That's about double the number from 1992. Increased sales of Canadian oilseeds, processed foods and seafood are the biggest successes, with markets for lobster and maple syrup also progressing very well.

To capitalize on this trend, the Canadian Embassy in Paris is planning several promotional activities this fall. Watch for announcements in future issues of *CanadExport* for information on special campaigns for lobsters and microbreweries.

Indian Summer in Canada will be the theme of a special Canadian food promotion this fall in a dozen restaurants of the SODEXHO restaurant chain in France. Canadian menus will showcase a variety of products, including bison, seafood, wild rice, fiddleheads, and maple syrup.

Companies interested in participating in this promotion should contact Christian Lapointe at the Canadian Embassy in Paris (see address last page). For a list of market reports, available free of charge, see p. VI.

Leading Economy — from page 1

contributed to some neglect of this partnership, yet, at the same time, each country has secured a prominent position within their regional framework. This broader context augurs well for the development of investment and economic cooperation between France and Canada.

Europe is today's market for the development of Canada's technological potential. Communications, environment, pharmaceuticals and biotechnology sectors offer interesting growth perspectives for Canadian companies, and France is a significant gateway for Canadians in Europe.

This supplement provides an "apéritif" of information and services available to help you focus on France. There's plenty more out there than these pages can provide. Look for more information in future issues of *CanadExport*.

Trading Operation in France Helps Promote Canadian Products

Last October 20 to December 31, the Trade and Press & Information Services of the Canadian Embassy began a promotion with CAMIF, France's third-largest mail order house. This group is a cooperative-style purchasing unit initially set up for the benefit of teachers in France, but now encompassing nearly all the civil service, public utilities employees and major professional mutual benefit societies.

In addition to having 5 million members, who receive 12 million catalogues per year, CAMIF operates three department stores in Niort, Toulouse and Lille, along with two large furniture stores in Paris and Lyon.

Its three department stores have been the scene of CAMIF's promotion of more than 420 Canadian goods, tourist products, and folk and cultural demonstrations. In addition, 5,000 meals have been served using Canadian foods in the three brasseries located in the CAMIF stores.

More than 50 Canadian companies have had their products promoted by this major group: 42 by means of the 420 types of goods sold, nine among the suppliers of food for the 5,000 meals, and Air Canada in the tourism sector.

The 42 Canadian companies have sold more than \$750,000 in consumer products, and the nine agri-food companies, nearly \$75,000 worth of their products. The tourism section has provided tremendous visual support for promotion in the three stores.

On its part, CAMIF has invested 1 million francs and has earned a profit of approximately 900,000 francs. The Canada promotion has enabled CAMIF to recruit 6,800 members, representing a yearly business worth more than 30 million francs.

The ALQUEMAR company, which provided the link between the Canadian suppliers and CAMIF, is currently negotiating with the latter to have certain products included in the 1996 edition of its catalogue.

In this context, CAMIF has indicated that from now on, quality and price being equal, it will give preference to Canadian products over those of other countries.

On the strength of the 5,000 meals served in the CAMIF brasseries, ALQUEMAR is now working with SODEXO (supplier for the CAMIF brasseries) in a market study planned for September 1995 in 10 business restaurants, where 40,000 Canadian meals will be served. If the experiment is successful, SODEXO will extend the scheme to its 300 restaurants in the Poitou-Charentes region.

FRANCE



FACTS ON FRANCE

Population:	58 million (1994)
Capital:	Paris (9.2 million)
Main Cities:	Lyon (1.3 million) Marseille (1.2 million) Lille (1.1 million)
Currency:	French Franc (FFr or FF): \$ 1 CDN = FF 3.8
Weights/Measures:	Metric system is compulsory
Government:	Pluralistic democracy, Elected President (Head of State), Appointed Prime Minister (Head of Government)
Inflation 1995:	1.5% (forecast)
Exports to Canada:	\$2.6 billion
Imports from Canada:	\$1.3 billion
Total Imports 1994:	\$320 billion CDN
Total Exports 1994:	\$343 billion CDN
Canadian Direct Investment in France:	\$2.3 billion
French Direct Investment in Canada:	\$4.5 billion

Making a Good First Impression: It's a Matter of Custom in France

France is one of Europe's oldest and most sophisticated cultural centres. The French take great pride in the fact that, for centuries, the western world has studied and admired French literature, French philosophy, French art, French fashion and French cuisine.

Understanding French manners and customs is especially important in making the right impression with potential clients and partners. Don't worry too much, though. Like most Europeans, the French appreciate the friendliness and relaxed manners of Canadians — once they get to know you.

Here are some "cultural hints" to help you make the right first impression:

- If you already speak French, brush up on conjugating verbs with "vous". The French always address strangers with the formal "vous" and usually find the familiar "tu" too uncomfortable for a first meeting.
- Practice a good, honest handshake: it is good manners to shake hands whenever you meet someone, and not just for the first time.
- Be prepared for French mealtime customs.

Breakfast meetings are rare, and business meetings over meals should take place in an appropriate atmosphere. Most businesses close for lunch, which lasts from noon to 2 pm. Evening dining is rarely before 8 pm, and can last for two or three hours.

- Address people by their surname, and use Monsieur or Madame. Businesswomen should always be addressed as Madame, whether or not you know their marital status.
- Canadians are more open than most people on financial issues. Be patient: don't expect to discuss finances "up-front".
- Canadians are generally more eager than other nationalities: don't be discouraged by a typically "neutral" French attitude when you first meet someone. Keep trying!
- Try to have at least a portion of your promotional literature translated into very good French. If it already is in French, make certain that it has been checked by an expert. The French are proud of their rigorous grammar, and will quickly notice any awkward mistakes.

Environmental Markets Show Growth

Environmental protection opens a large sector of new activity in which there will be many opportunities for innovative technologies. That's because products and manufacturing processes are being re-thought. This is especially true of the automotive sector, where automobiles are beginning to be designed with a view to how they eventually will be disassembled and their parts recycled.

Canada has a solid reputation for technologies and processes (eg. treatment of industrial waste, restoration of contaminated sites) in the environmental sector, and our companies could certainly take advantage of this in France. The French market is not affected by any particular trade barriers and the low rate of the Canadian dollar should stimulate imports of Canadian products.

Foreign investors are welcomed by the French economic development agencies and may be eligible for subsidies or other incentives. National and regional authorities also strongly encourage scientific co-operation and strategic alliances between French and foreign companies.

Telecommunications a Partnership

The fastest growth in these new markets is anticipated in high-range voice terminals, voice messaging, LAN equipment, multi-functional ISDN sets and intelligent videotext terminals.

The "electronic highway" will trigger demand related to the digital storage, retrieval and distribution of multimedia images, and to the anticipated second generation Minitel which will include multimedia screens. The French industry is highly dependent on imported electronic components.

Canadian companies — if they hope to succeed in France — need to consider the political and regulatory side of the telecommunications industry and how to overcome existing brand loyalty. The ability to offer European-wide service and equipment is increasingly important as buyers look to expand beyond their borders. Best chances for success come with products that are superior and less expensive than those available in Europe.

Most successful foreign-based telecommunications companies operating in France are affiliated with a French partner. Canadian companies that have this kind of local presence in France are well-received in the marketplace and are meeting with increasing success.

Data Processing No Soft Deal

There are few Canadian data processing companies in France, at least in the hardware sector. On the other hand, software companies have generally achieved more success and Canadian expertise is much better known in France. Canadian software has been successful in data and file transfer, educational scientific applications, and integrated systems or networks.

In this highly-competitive sector, Canadian companies cannot afford to simply offer products — they have to package their products in offers that include training, associated maintenance, and installation assistance. Increasingly, the latter must take into account the user's specific business needs.

There are some particular niches where the French market offers attractive opportunities for Canadian companies, namely software for personnel management, maintenance management and purchasing management. Small and medium-size companies (fewer than 500 employees) are currently the most inviting targets.

Forest Products

France must import about 45 per cent of its pulp and paper-cardboard needs, and 25 per cent of its softwood and tropical lumber to supply a processing industry that is important to the country's general economy.

In contrast to some countries in northern Europe, France has practically no criticism of Canadian forest management practices. Canadian wood products have an excellent reputation.

Canadian exports of forest products to France increased regularly between 1986 and 1991, reaching nearly 30 per cent of our total sales to France. Sales slid in 1993 to only 19 per cent of our total exports to France, due partly to the general economic situation in France, currency devaluations of our competitors, steep decline in construction and furniture industries, and the new European phytosanitary regulations for softwoods.

The main economic indicators show a general recovery in France. This should have a favourable effect on the forest products market. All signs indicate that the French market for Canadian woods will strengthen in 1995. It would be best if our exporters took advantage of this to offer dried or heated wood and products with higher added value.

FREE FOR THE ASKING ...

Ask, and you shall receive these publications about France:

France: Annual Economic Review (1994). Released by the Commercial and Economic Division, Canadian Embassy, Paris, this report provides an overview of the Canada-France trading relationship, detailed analysis of the French economic recovery, and of France's particular strengths within the European Union. Other sections focus on Direct Investments between Canada and France, France's Privatization Program, and Bilateral Cooperation in Science and Technology. It also provides a description of the services offered by the Canadian Embassy and provides names and addresses of the officers who can provide additional information.

France: Guidelines for Canadian Fish Exporters 1995. This report provides small to medium-size Canadian fish and seafood exporters with basic information on the French market, identifies opportunities and provides data on the French economy, imports, market access, and consumption habits. Lists of the major fish and

seafood importers/distributors/users are also identified.

Sector Profiles:

- Aerospace and Defense
- Automotive Parts and Accessories
- Cable Television
- Data Processing
- Electrical and Electronics Industries
- Energy
- Environment
- Farm and Agri-Food Products
- Fishery Products
- Forest Products
- Medical Equipment
- Space Industries
- Telecommunications

These are available through the InfoCentre and the FAXLINK system (see box bottom page 8).

Soon to be available through the Canadian Embassy in Paris: **Study of the Lobster Market in France**, (France is the number one market for Canadian lobster in Europe, and offers unexploited potential), and **The Market for Maple Syrup in France**, a complete study which covers all regulations applicable to this product.

French Alliance Seeks Exporters

A French organization is looking for partners that want to export to and establish in France.

Alliance Logistique Bourgogne (A.L.B.), is located in Dijon Burgundy, an area considered the most important road and rail link in eastern France and one that is strategically positioned on the main European trade routes.

Essentially, what A.L.B. offers its clients are experience and logistic expertise in distribution, stocking and ordering of products, stock management, and efficient delivery to customers.

For more information, contact Alliance Logistique Bourgogne, Résidence St. Bernard 9, C rue des Rotondes, 21000-Dijon, France. Tel.: (33) 80.63.84.55/(33) 80.29.82.39.

TRADE FAIRS: France 1995-1996

The following is a list of fairs at which an official Canadian presence is planned:

- **June 10-18, 1995: Paris Air Show '95**, the world's largest international aerospace show. Contact Louise Cameron, DFAIT, Ottawa. Tel.: (613) 996-3607. Fax: (613) 944-1008.
- **June 19-23, 1995: Vinexpo** in Bordeaux. Contact Christian Lapointe, Canadian Embassy, Paris.*
- **September 13-16, 1995: SPACE** (Salon des Productions Animales Carrefour Europeen) in Rennes. Contact Christian Lapointe, Canadian Embassy, Paris.*
- **October 3-6, 1995: Pollutec** (environmental technologies) in Paris. Contact Linda Bernard, Canadian Embassy, Paris.*
- **November 6-11, 1995: Batimat '95**, in Paris (largest construction materials show in Europe). Contact Gaston Thompson, DFAIT, Ottawa. Tel.: (613) 992-7001. Fax: (613) 944-1008.
- **November 21-24, 1995: Millipol**, in Paris (France's largest military and security equipment show). Contact Claude Charland, Canadian Embassy, Paris.*
- **February 7-10, 1996: IT FORUM**, in Paris (France's largest information technology show). Contact Musto Mitha, Canadian Embassy, Paris.*

For a free complete listing of trade fairs in France, contact PROMOSALONS in Toronto at 1-800-565-5443; or in Montreal at 1-800-387-2566.

*The telephone and fax numbers for the Canadian Embassy, Paris are: Tel.: (011-33-1) 44.43.29.00. Fax: (011-33-1) 44.43.29.98.

Opening Doors ... Successfully!

For many Canadian exporters, most of whom are active in familiar U.S. markets, France probably seems a long way from home.

Distance was no deterrent to Patrick Calliari of Calliari Import and Export Ltd., Vancouver, BC. Patrick has built a successful export business selling berries and mushrooms in France.

You might think that shipping berries across nine time zones couldn't be profitable. The reality, as Calliari well knows, is that French consumers are very demanding when it comes to food quality. They are prepared to pay the price for a truly superior product — just what Calliari offers.

You might also think that Canada is not the only producer of high-quality goods, and that French buyers could find good suppliers in Europe. Correct. But Calliari also knows how important personal relationships are to European buyers.

With the help of Yannick Dheilley of the Canadian Embassy in Paris, he learned as much as he could about the market's "who's who". When he began to make contact with potential customers in France, he realized that Canadians are well perceived and, that as a foreigner, key company decision-makers were prepared to meet him. He capitalized on this and cultivated as many personal relationships as possible. Patrick returns regularly to France to maintain his contacts, and to stay on top of new developments.

Patrick Calliari's recipe for success: take the time to get to know your customers, speak to them in person or on the telephone; don't expect a fax to take your place. Don't expect to walk out of a meeting with an order in your pocket: the quality of your follow-up, not only the quality of your product, will determine whether you make the sale.

Store Promotes Canadian Fare

The Royal International Food Company is seeking food products for its speciality store in Monte Carlo (strategically located in the Casino Zone) and for regional distribution to such outlets as restaurants, hotels and ships. It is looking for foreign specialties in delicatessen meats, biscuits, fine groceries, diet products, jams, and fine wines and alcohols. Contact Luigi Frateschi, 8 quai Antoine, 1ER, Monte Carlo 98000, Monaco. Tel.: (011-33-92) 16-88-20. Fax: (011-33-1) 93-25-46-39.

French Company Offers Multi Services to Canadian Firms

Comintes, a multi-service company offering integrated logistic and commercial services, is willing to put its expertise at the service of Canadian companies interested in the French market.

Comintes offers a fully computerized orders and administration network and 3,000m² of offices and warehouses near Paris.

The company's services include: equipped offices for rent; legal, administrative and financial services; order taking, billing; receiving, storage and delivery of shipments; assembly, repair and follow-up.

For information, call Gérard Gay, Comintes, in France. Tel.: (33-1) 39-33-04-60. Fax: (33-1)39-33-01-79.

Opportunities in Rhône-Alpes

The City of Lyon is at the centre of the Rhône-Alpes region, an area known as one of the industrial "motors" of Europe. Exchanges between business partners in Canada and the Rhône-Alpes region are developed and supported by the ERAI (Entreprise Rhône-Alpes International), which has offices in Montreal, Toronto and other world centres.

One way to tap into this network of contacts is to subscribe, free of charge, to ERAI's newsletter. *Rhône-Alpes Infos* is published every two months, and includes numerous advertisements of French businesses looking for commercial partners.

Canadian companies doing business in Lyon can also obtain information and assistance from the Lyon Chamber of Commerce and Industry.

The Chamber's information service can help you find specific answers to questions about the market, your competition, potential distributors. For companies that wish to set up offices in the region, the Chamber can provide a full range of services, including helping you find office space or living quarters. (See relevant addresses, page VIII.)

Recovery of the French Aeronautical Market

With the resumption of orders in the world aeronautical market and the resurgence of air transportation, international airlines announced a return to a profit situation in 1994. Fleet renewals will be on the increase. Boeing and Airbus have predicted that new aircraft will be purchased and order cancellations will end.

In 1994, Airbus recorded 121 orders and 60 cancellations, compared with 111 orders and 44 cancellations at Boeing. Between 1993 and 1998, the European consortium expects to deliver some 3,500 aircraft to airlines throughout the world. However, only the most diligent suppliers with ISO 9002 certification and with the ability to innovate technologically, are able to penetrate this extremely

competitive market.

The next **Paris-Le Bourget Air Show (PAS 95)** will be held June 11- 18, 1995.

This event provides an excellent opportunity for Canadian exhibitors to meet new clients and to make themselves known internationally. It is also an opportunity to support one's local representation, explore new partnership possibilities, and obtain market information by evaluating the competition.

For further information on PAS 95, contact Louise Cameron, DFAIT, Ottawa. Tel.: (613) 996-3607. Fax: (613) 994-1008; or Claude Charland, Embassy of Canada, Paris. Tel.: (011-33-1) 44.43.28.09. Fax: (011-33-1) 44.43.29.98.

AT YOUR SERVICE ...

Department of Foreign Affairs and International Trade (DFAIT)

Western Europe Trade, Investment and Technology Division
125 Sussex Drive, Ottawa K1A 0G2
Fax: (613) 995-6319

Robert Collette, Deputy Director
(613) 995-6439

Marie A. Stamp, Trade Commissioner for France (613) 996-2363

Khawar Nasim, Investment and Technology Officer (613) 943-0893

Paul Connors, Deputy Director: Fairs and Missions (613) 996-5555

Embassy of Canada

Economic and Commercial Division
35, avenue Montaigne
75008 Paris, France
Tel.: (011-33-1) 44-43-29-00
Fax: (011-33-1) 44-43-29-99

Consulate of Canada

74, rue de Bonnel
6903 Lyon, France
Tel.: (011-33) 72-61-15-25
Fax: (011-33) 78-62-09-36

Useful Addresses in France and in Canada:

Embassy of the French Republic

Economic Development Division
42 Sussex Drive
Ottawa, K1M 2C9
Tel.: (613) 789-5681
Fax: (613) 789-8997

French Representatives Across Canada:

Montreal: Tel.: (514) 878-9851. Fax: 3677

Toronto: Tel.: (416) 977-1257. Fax: 9671

Vancouver: Tel.: (604) 684-1271. Fax: 2359

Chambre de Commerce France-Canada

9, avenue Franklin D. Roosevelt
75008 Paris, France
Tel.: (011-33-1) 43-59-32-38
Fax: (011-33-1) 42-56-25-62

French Chamber of Commerce in Canada

360 St-François-Xavier
Montreal, H2Y 2S8
Tel.: (514) 281-1246
Fax: (514) 289-9594

Chambre de commerce et d'industrie de Lyon

Stéphane Wibaux
Direction internationale
20, rue de la Bourse
69289 Lyon (Cedex 02) France
Tel.: (011-33) 72-40-58-58
Fax: (011-33) 72-40-57-61

ERAI (Entreprise Rhône-Alpes International)

Jean-Marc Durano
630 René-Lévesque Ouest
Suite 2860
Montreal, H3B 1S6
Tel.: (514) 871-2222
Fax: (514) 871-2200



Back in Business in Lebanon — Continued from page 1

tions between our two countries.

Canadians can help

Work on the rehabilitation of Lebanon's infrastructure can be seen everywhere. This offers experienced Canadian companies unique opportunities to join the reconstruction effort and team up with the Lebanese private sector.

Daniel Marchand, Canada's Ambassador-Designate to Lebanon, said that while Canadian companies are late, they are still ahead of their American counterparts. He believes that they are well positioned to grab a good share of the more than \$25 billion in public and private spending expected over the next decade. The needs are great and cover virtually everything.

As Mac Harb indicated in an interview in the *Ottawa Citizen*, there are areas where (Lebanese) need everything, literally from a door to a keyboard. When you have those opportunities before you, you should take a look at them and move on it.

A successful mission

The Canadian Embassy in Amman reported that this largest Canadian business delegation ever to visit Lebanon was comprised of 35 companies/organizations covering several priority sectors of interest to Lebanon (construction, health, power, telecom, environment and consulting engineering).

The delegation met with more than 380 Lebanese business persons, and 12 ministers and senior government officials. The visit occurred at a most opportune time — as Lebanon was just beginning the reconstruction and rehabilitation process in earnest.

The meetings with seven key ministers were extremely benefi-

cial and provided the group with an assessment of the current outlook of the Lebanese economy and a greater understanding of the numerous specific projects and opportunities available in several priority sectors of interest.

A meeting with the Council for Reconstruction and Development (CDR) provided delegation members with an opportunity to learn about the large infrastructure projects which have been awarded and those which are planned or under consideration. The Vice President of CDR stated the Council's desire for greater Canadian participation in the reconstruction efforts and offered delegation members a comprehensive project update of the Council's activities.

Market information

The most active and promising sectors for Canadian exporters are:

Construction: In Beirut, work on the old town centre has started, with \$2 billion capital investment, primarily in infrastructure and underground networks. Other construction projects are being executed for hotels, hospitals, commercial complexes and shopping centres.

Transport: A coastal 170 km railway line is expected to be tendered for construction on BOT basis to connect Tyr in the south with Tripoli north via Beirut. Beirut port soon will be tendered for rehabilitation and upgrading of basins, piers and container handling and storage facilities. Beirut airport control tower will need air traffic control equipment and ATC Radar. Packages should include supplier credit/financing.

Power: Requalifications have been received for construction of substations 220/150/66/20kv, supply of 50 kms underground cables

220kv, and 300kms of overhead lines 220kv. CDR is the responsible authority.

Environment: A great volume of services, systems and products are required by the Lebanese Ministry of Environment, particularly in water and sewage treatment, waste disposal, and the cleaning and upgrading of the Lebanese coastline and natural water sources. The government is looking for financing packages for the execution of many of these projects.

Telecommunications: The Ministry of Post and Communications has welcomed proposals made by certain Canadian Telecom companies to provide studies on operation and spectrum management, data communication and remote automated monitoring systems. An outstanding telecommunications mission of 11 company representatives visited Lebanon last October.

Trade and industry: Lebanon still imports about 90 per cent of the raw materials used in industry and finished commodities consumed by the market. Aluminium, chemicals, pharmaceutical products, cosmetics, wood and paper, resins, automotive products, ready-made clothing and industrial and construction machinery are in demand. Major sources for Lebanese imports are West Europe, Turkey, Greece and the Far East with considerable share for Chinese and Taiwan products.

Health: Several Canadian companies are active in the medical sector as a result of a recent visit by a Canadian medical and health delegation.

EDC Credit and Insurance

It should be noted that EDC is back on cover for Lebanon, and the country is eligible for CIDA Inc. support.

TRADE FAIRS AROUND THE WORLD

Project Lebanon '95

Beirut — Canadian companies willing to participate in the reconstruction of Beirut, a gigantic effort for which an estimated US\$10 billion has been allocated, should consider attending **Project Lebanon '95**.

Hosted by the city of Beirut, the show will be held May 16-19, 1995 at Beirut Exhibition Centre, a modern, all-purpose exhibition complex, equipped with central air-conditioning, lighting, electric outlets, partitioning, and furniture of international standards.

This international exhibition will feature construction equipment and technology, building and industrial materials and machinery, telecommunications equipment and systems, security control systems, automotive and auto parts, tools, office equipment and consumer goods.

Space rental fees are US\$375.00/sq.m., payable in advance, to International Fairs & Promotions S.A.R.L., Beirut, Lebanon.

For further information and assistance, please contact the Commercial Section, Canadian Embassy, P.O. Box 815403, Amman, 11180, Jordan. Tel.: (962-6) 666-124. Fax: (962-6) 689-227.

U.S. Mid-Atlantic Healthcare

Congress Recruiting Canadians

Atlantic City — Companies that could benefit from additional exposure in U.S. healthcare markets are invited to participate in the Canadian National Stand at the **Mid-Atlantic Health Care (Congress) MAHC** trade show being held May 17-18, 1995 at the Trump Taj Mahal.

Space is limited at what is the largest such show on the U.S. East Coast, so potential participants should let their interests be known immediately.

Last year more than 4,000 professionals from the health care suppliers industry — including original equipment manufacturers (OEMs) — attended **MAHC** to source a broad spectrum of products and services.

These, to name but a few, included: traditional bedding; dressings; wheelchairs; automated patient

lift devices; high-tech patient monitoring instrumentation and associated software programs; and architectural services.

The majority of **MAHC** attendees are decision makers with specifying and purchasing authority. The show also attracts numerous distributors and sales representatives — making it an excellent venue both for prospecting for orders and cultivating distribution channels.

The Canadian Stand is being organized by the Trade Division of the Canadian Consulate General, New York City (CCGNY).

For more information on this marketing opportunity, contact Don Garretson, CCGNY. Tel.: (212) 596-1656. Fax: (212) 596-1793.

Space is limited, so please call today; arrangements are expected to be finalized by 5 May 1995.

Plastics Institute Processed for 21st Century

Niagara-on-the-Lake — The Canadian Plastics Institute (CPI) will be sponsoring a two-day symposium (May 3-4, 1995) to give Canadian processors a window on developing world technologies.

The **International Symposium on Developing Plastics Technologies** will give Canadian processors a "first hand" look at the latest innovations in plastics processing in hopes that the messages delivered will plant a seed of opportunity in the minds of plastics industry leaders.

A number of high-profile, international speakers have been invited to present papers on new technologies, quality, global competitiveness, mechanisms of technology transfer and business opportunities. The Symposium will also encourage an exchange of ideas and information about technologies that will promote sustainable development into the 21st century.

Contact Karen Wolfe, Director, Public Relations and Communications. Tel.: (416) 441-3222. Fax: (416) 441-1208.

CANADA SITE OF CONFERENCES, SEMINARS

"World Markets"

Export Opportunities Trade Shows

Montreal — The first in the second series of these successful manufacturer/trading house networking trade shows and seminars is staged to get underway here May 4, 1995.

More than \$50 million in new export sales was reported expected by manufacturers in all sectors from the first five shows which were held in Halifax, Montreal, Toronto, Edmonton and Vancouver.

Over 752 manufacturers and 500 trading houses took part in these events, which were structured to

give — in one location — Canadian suppliers access to the extensive networks, contacts and experiences of a large number of trading houses.

Some 250 Canadian manufacturers and more than 200 trading houses are expected at the Montreal event.

If you have not received your

invitation, please contact "World Markets at Your Doorstep" at tel. 1-800-465-9615, fax: 1-800-839-9615; or Mike Reshitnyk, Foreign Affairs and International Trade, Ottawa. Tel.: (613) 996-1862. Fax: (613) 996-1225.

The next event is scheduled for Calgary, December 5-6, 1995.

Virtual Trading

Montreal — May 3, 1995 — "ISO Accreditation for Trading Houses" and "High Technology in the Trading Office" are just some of the workshops being held at the **2nd International Convention of Trading Houses**.

Global traders will gather in this forum for networking and discussion of issues of importance to trading companies.

Over 200 trading company representatives are expected from Canada, the United States, Mexico, Columbia, the Caribbean, Northern Africa and Western and Eastern Europe.

For more information contact Mike Reshitnyk, Services Industries and Transportation Division, Foreign Affairs and International Trade, Ottawa. Tel.: (613) 996-1862. Fax:(613)

Canada-South Africa Food Summit

Toronto — April 10-11, 1995 — The **Canada-South Africa Agriculture and Food Trade Summit** will put participants in touch with the advisors and expertise they need to develop a profitable business relationship in this hot, new emerging market.

Topics range from agri-business opportunities, manufacturing and distribution joint ventures, and franchising in food services to legal aspects and exchange controls, negotiating shipping and freight contracts, and making the most of GATT and other trade agreements.

The conference is sponsored by *Insight* and *The Globe and Mail*, with co-sponsorship by the Ontario Ministry of Agriculture, Food and Rural Affairs. Total conference cost is \$909.50. To register or receive more information, tel.: (416) 777-1242; fax: (416) 777-1292.

Plastics Symposium Part of Plast-Ex '95

Toronto — May 1-4, 1995 — The **International Symposium on Developing Plastics Technology**, coinciding with the **Plast-Ex '95** trade show, is a two-day conference that brings experts in the world of plastics to Canada to

present the latest in plastics processing.

For cost or registration information, contact the organizers, The Canadian Plastics Institute, Don Mills, Ontario. Tel.: 1-416-441-3222. Fax: (416) 441-1208.

BUSINESS AGENDA

EDC's "Let's Talk Risk" Workshops

Cross Canada — April 19-May 4, 1995 — The **Export Development Corporation (EDC)** is organizing half-day "Let's Talk Risk" workshops which will include:

- Critical information on the current economic and trade environment.
- Copy of EDC's *Country Risks & Opportunities Workbook*.
- Speakers on key export

markets.

- Sharing experiences with other exporters.
- One-on-one meetings with EDC personnel.

The workshops will run in the following cities: **London**, April 19; **Ottawa**, April 20; **Toronto**, April 25; **Montreal**, April 27; **Calgary**, May 1; **Saskatoon**, May 2; **Kelowna**, May 3; **Victoria**, May 4.

To register, contact the nearest EDC regional office: Vancouver, tel.: (604) 666-6234; Calgary, tel.: (403) 292-6898; Winnipeg, tel.: (204) 983-5114; London, tel.: (519) 645-5828; Toronto, tel.: (416) 973-6211; Ottawa, tel.: (613) 598-6808; Montreal, tel.: (514) 283-3013; Halifax, tel.: (902) 429-0426.

Canada-India Joint Business Council

Toronto — April 24-25; **Montreal** — April 27-28; **Vancouver** — May 1-2, 1995 — **The Eighth Meeting of the Canada-India Joint Business Council (JBC)**. Organized by the Canada-India Business Council in cooperation with federal and provincial governments and agencies, the seminars and meetings will focus on business opportunities in India for Canadian companies. Invited speakers include International Trade Minister Roy MacLaren and Raymond Chan, Secretary of State, Asia Pacific.

For information, contact Pan Kanagaretnam, Executive Director, Canada-India Business Council, 1160-55 Metcalfe St., Ottawa, Ontario K1P 6N4. Tel.: (613) 238-4000. Fax: (613) 238-7643.

Import/Export Seminars Slated

Toronto — April 22-30, 1995 — Warrington International/Federal Business Development Bank will offer four one-day seminars providing import/export specific information for Canadian businesses:

- **Saturday, April 22, 1995.** Introduction to Canadian Import/Export: Getting Started.
- **Sunday, April 23, 1995.** International Marketing: Sourcing & Selling Imports/Exports.

- **Saturday, April 29, 1995.** International Finance: Sourcing Capital, Payments and Collections.
- **Sunday, April 30, 1995.** Customs, Transportation and Insurance: Documentation and Logistics.

Each day's session costs \$189.75 (including taxes). For more information, contact Warrington International, Toronto. Tel.: (416) 972-1659. Fax: (416) 972-6295.

Canada-Taiwan Business Association

St. Andrews, N.B. — June 4-7, 1995 — **The Ninth Joint Meeting of the Canada-Taiwan Business Association of the Canadian Chamber of Commerce** will be held at this city's Algonquin Hotel.

For details, contact Mrs. Elsie Lee, Events Coordinator, or Diane Orr, Canadian Chamber of Commerce, Ottawa. Tel.: (613) 238-4000. Fax: (613) 238-7643.



The InfoCentre of the Department of Foreign Affairs and International Trade provides counselling, publications and referral services to Canadian exporters. Companies interested in obtaining trade-related information are invited to contact the InfoCentre at 1-800-267-8376 (Ottawa Region: 944-4000) or by fax at (613) 996-9709. Trade information is also available by calling FaxLink (from a fax machine) at (613) 944-4500, the Department's round-the-clock faxback service.

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Ottawa, Ont.
K1A 0G2



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OTTAWA

OUTREACH

Vol. 13, No. 7

CANADEXPORT Special Issue

April 18, 1995

Outreach Program Brings Home 21 Heads of Mission from Asia Pacific Posts

The Outreach program, which brought 21 Heads of Mission (HOMs) from the Asia Pacific region last January on a separate itinerary tour of Canada, provided information about this dynamic region to Canadian business, academia, provincial governments and the media.

CanadExport is pleased to provide, in the following pages, a flavour of what HOMs of Asia Pacific posts told the business community about their respective countries of accreditation. For more details about your country of interest, please refer to page 20 for contacts.

The following are excerpts from a speech given by the Honourable Roy MacLaren, Minister for International Trade, at the Vancouver Board of Trade Dinner held during the Asia Pacific Heads of Mission meeting, which outline the importance of the Asian market for Canada and how Canada could meet the challenge of these increasingly competitive markets.

Last November in Jakarta, the members of the Asia Pacific Economic Co-operation (APEC) agreed to establish free trade among developed economies of the region by 2010 and among developing economies by 2015.

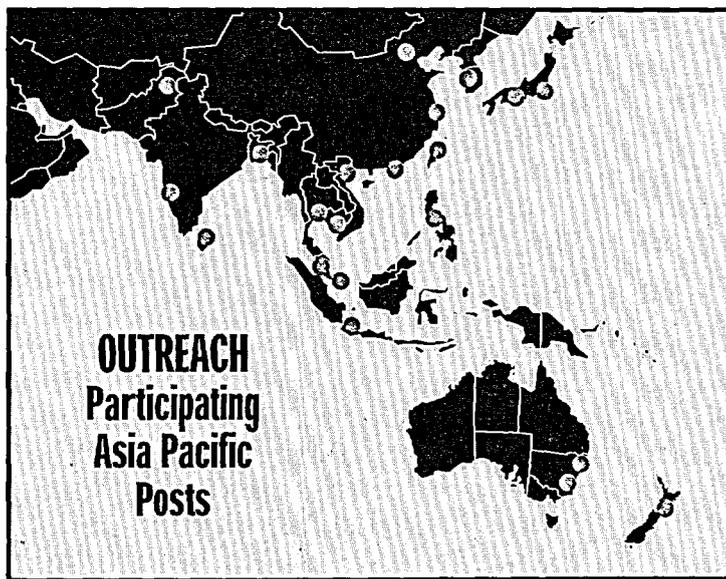
The challenge for Canada is to be prepared for this remarkable transformation. We must set realistic targets,

outline our key objectives, and evaluate dispassionately our results. This means disseminating market intelligence more effectively; it means better co-ordination among federal departments and with provincial governments; and it means involving Canadian business and private-sector organizations in setting objectives and planning operations.

Asia is entering a dramatic and far-reaching process of opening to the world. But Canadian business needs to be present — and to maintain a presence — if it wishes to steal the march on our competition. We need to seek long-term strategic investments and partnerships in key markets in order to weave the webs of production and technology that are so central a feature of today's trade landscape. In short, we cannot succeed as part-time players.

Our success in building strategic partnerships with Asian firms, or in penetrating new markets for Canadian energy, infrastructure, services and manufactured products will help to reinforce — indeed, define — our competitive edge in global markets.

In the same way, our ability to sustain valued markets for traditional agricultural and natural resource sectors in Asia Pacific will help to strengthen these Canadian mainstays in the world at large.



One of Canada's Fastest-Growing Markets

Most Canadian exporters are aware that Japan is Canada's second-largest export market — \$9.6 billion in 1994. Somewhat fewer, however, are aware that Japan is also one of our fastest-growing markets — Canadian exports to Japan rose 13.1 per cent in 1993 (an increase of \$980 million) and a further 13.3 per cent in 1994 (up \$1.1 billion).

Fewer still are aware that the nature of the Japanese market for Canadian products is changing with extraordinary speed. The high Yen, and an increasingly deregulated and open domestic market, are dramatically altering the composition of Canadian exports to Japan in favour of processed and manufactured goods — the sectors which have accounted for essentially all of our increased exports in recent years. These figures do not include the over \$500 million in revenue generated by 570,000 tourists from Japan, our largest overseas

tourist market, who visited Canada in 1994.

Those exporters which do know of these changes, and which have acted on their knowledge, have done very well.

Two examples among many — Labatts introduced ice beer to Japan in 1994 and sold close to 3 million cases the first year. **Spectrum Signal Processing** started investigating opportunities in late 1993 and, by the fall of 1994, had closed two deals for their integrated circuits, the second of which was an on-going contract worth \$10 million per year.

Additional successes, too numerous to count in these and other sectors, including consumer goods, building components, specialized services, computer software and others, all add up to the additional billion dollars we are adding to Canadian exports to Japan each year and make clear that success in Japan these days is not only possible, but can come with startling speed and, often, ease. The most surprising fact of all is that only a small proportion of our exporters have even tried the market. Wait until the word gets around.

Donald W. Campbell
Ambassador

JAPAN IN TRANSITION: OPPORTUNITIES FOR CANADIANS

The present period of transition in Japan is creating significant opportunities which, if acted on quickly and skillfully, will see considerable growth in Canadian exports to what is, and will continue to be, our second-largest trading partner.

Merchandise exports to Japan rose 13 per cent or by over \$1 billion in 1994, to reach \$9.5 billion. This followed on the heels of a \$1 billion increase in 1993. Dramatic growth rates of this sort have strongly confirmed Japan as our second-largest overseas market; in fact, that country now purchases goods and services amounting to a full three-quarters of what Canada sells to the entire European Community.

Canada's recently-updated **Action Plan for Japan** provides a strategic yet practical roadmap for building on the export momentum of the past couple of years. It is based on a clear trend in Japan's import profile — away from raw materials, where we have traditionally enjoyed significant success, and toward value-added products.

Canada's exporters are at the early stages of capitalizing on this shift; last year they sold \$25 million worth of plastic

moulding machinery and \$27 million worth of integrated circuits, products exemplifying our increasing sophistication in the market.

Hidden among the billions of dollars are dozens of success stories showing how Canadians have adapted their products and marketing techniques to suit the customer. Furniture and boats, bottled water and beer, medical equipment and computer software: the inroads achieved by these and other products and services underscore the potential for continuing strong export growth in the years ahead.

This trend is taking place at a time of significant effort by Japanese authorities to deregulate a wide-range of administrative practices that have made business development an often expensive and time-consuming undertaking.

A five-year (1995-2000) *Deregulation*

Action Program, which Canada was provided an opportunity to comment on prior to its official release, promises to ease regulatory restrictions on market entry and enhance price competition. It will also help ensure full transparency and non-discriminatory applications of all regulations, streamline the domestic standards systems in accordance with international norms, and expand public awareness in Japan of the benefits of deregulation.

Together, these developments hold the promise of creating significant new export opportunities, particularly in the seven key sectors identified in **Canada's Action Plan for Japan**: building products, fish products, processed foods and beverages, auto parts, aerospace industries, tourism and information technologies. (Watch future editions of **CanadExport** for a sector-by-sector analysis of these opportunities.)

Investment Opportunities

Japan's economic transition will also benefit Canada by encouraging investment inflows, as Japanese firms move to lower production costs by shifting manufacturing operations offshore.

The extent to which Canada can continue to take advantage of these capital movements will depend on our attractiveness as a base for fully-integrated production to service North American, Japanese and third markets. While our resource base, skilled labour and

economic and social stability remain strong drawing cards, competition from both the U.S. and Japan's Asian neighbours is unlikely to wane.

Keys to Success

Export success in the Japanese market requires a long-term commitment to understand and respond to market needs. Japanese tastes, lifestyle and the country's unique social environment demand careful market research to determine how products are

used and thus how they must be adapted. Yet the extra effort can be well worth while.

Japan often offers greater growth potential, longer-term buyer loyalty, and market cycles which help to offset downswings in the North American economies. Japan's 1995 GDP growth is expected to be double that of each of the previous three years, and inflation should approximate 1 per cent. Persistent trade surpluses and high Yen values will continue to ensure a climate favourable to increasing imports.

THE KANSAI, JAPAN accounts for nearly 20 per cent of Japan's and 3 per cent of the world economy. Annual Canadian exports to the Kansai exceed \$2 billion. Main exports include building products (22%) and food and fisheries products (18%). Growing areas are software, telecommunications, biotech and services. Manufactured goods account for 23 per cent of Canada's exports to the Kansai and, with the high Yen, are expected to increase rapidly.

The Kansai has several features attractive to Canadian firms:

- many small-and medium-size firms (average 30 employees; average sales \$10 million);
- many family-owned firms (leading to often faster decision-making); and
- many direct ways of doing business.

In the wake of the Hanshin earthquake, damage estimates in the region have been dramatic (rebuilding costs are estimated at US \$100 billion). Based on my own experience here during the past four years, I am confident that the pace of rebuilding and recovery will amaze many observers.

There is much Canadian firms can do to help.

Margaret Huber, Consul General

Canada and the Kansai: In Point Form

- The Kansai includes the four large cities of Osaka, Kobe, Kyoto, Nara and the provinces of Hyogo, Wakayama, Mie, and Shiga. The population and the GNP of the Kansai are similar to Canada's.
- About one-quarter of Canada's exports to Japan go to the Kansai.
- Air Canada now flies direct to Kansai International Airport.
- Main Kansai imports from Canada include forest products (22%) and food and fisheries products (18%). Growing areas are software, telecommunications, biotech and services... Manufactured goods account for the 23 per cent of Canada's exports to the Kansai.
- Canadian products enjoy a reputation in the Kansai for having top quality and safety (especially important for food products).
- The dynamic growth in the Kansai offers strong opportunities to Canadian firms. There are over 900 large-scale development projects, with a package of investments over a decade of US\$350 billion.
- Key development projects of potential interest to Canadian firms: Rebuilding in Hyogo, Technoport Osaka, Osaka Bay Area Development, Kansai Science City and Osaka Dome Stadium.
- The Kansai has strong attraction for Canadian and other businesses. The GDP of the Kansai is greater than most other Asian countries.
- The Kansai is the traditional centre or heartland of Japan, politically, culturally and commercially.
- Other attractive features of the Kansai: closer links to other Asian markets such as China; smaller scale, easier to handle; relatively cheaper costs; pleasant place to do business.

Full Speed Towards a Market-Driven Economy

In 1992, China moved full speed towards a market-driven economy. The explosive re-emergence of Chinese entrepreneurial talent has propelled China to centre stage in the world of trade and economics.

Nations strong in technology will compete for contracts and partnerships in the enormous infrastructure building process now underway and which will continue for the foreseeable future. Canadian technology, know-how and organization have a natural advantage for infrastructure work in China. Many of the challenges we have faced in building our

transportation, communications and power networks, as well as our success in urban, port and natural resources development, apply directly to the problems faced by China.

Beyond the infrastructure phase, the Chinese consumer and services market will emerge. This will, however, be a gradual process and one to be approached with caution and thorough market research.

In sum, there are tremendous opportunities in the Chinese market. There are, of course, corresponding risks. In this market, there is a stronger than normal need for research and analysis, a good agent or representative and a long-term viewpoint.

*John Paynter
Ambassador*

CHINA: EXPERTISE FROM CANADA MEETS CHINA'S NEEDS

China is Canada's second most important market in the Asia Pacific and its fifth-largest trading partner in the world, with two-way trade valued at nearly \$6.1 billion in 1994. Since China embarked on an open door policy of economic reforms, Canada-China trade relations have evolved rapidly.

Traditionally, Canadian exports to China have been basic commodities such as wheat, fertilizers and wood pulp. However, in recent years, sales of manufactured goods have gained importance. They have more than doubled over the past two years. In 1994, Canada exported well over \$500 million in value-added goods to China. And these exports are expected to increase as China's modernization drive continues.

Many of China's import and infrastructure requirements correspond to Canada's prime export strengths, especially in areas such as telecommunications, oil and gas, power generation,

environmental technologies and services, transportation, the mining and petrochemical industry, agricultural products and technology.

The World Bank and the Asian Development Bank are working on the development of projects worth about US \$8 billion and US \$30 million respectively, in sectors where Canadian firms have expertise

To encourage technological exchanges and business relations between the two countries, Canada and China have signed a number of agreements in sectors such as agriculture, forestry, telecommunications, transportation, ferrous and non-ferrous minerals, and metals.

The Export Development Corporation (EDC) plays a critical role in

financing our value-added exports to China. In July 1994, Canada's Minister of Foreign Affairs, André Ouellet, witnessed the signing of a \$100-million extension of Canada's line of credit to China. The World Bank and the Asian Development Bank are working on the development of projects worth about US \$8 billion and US \$30 million respectively, in sectors where Canadian firms have expertise: agriculture, health, telecom, railways, and oil and gas. To further support Canadian business pursuing opportunities in China, Minister for International Trade, Roy MacLaren, opened a trade office in Guangzhou Province, during his visit in April 1994.

Furthermore, Canada's development assistance program supports China's effort to put in place the basis of a modern economy that will help it modernize and be further integrated into the global economy.

Canada's Four Pillars Policy on China

Canada-China relations have been enhanced significantly over the past year. Prime Minister Jean Chrétien's visit in November 1994 is the culmination of several high-level visits in 1994.

The overall aim of Canada's foreign policy in China is to engage Chinese leaders on a range of bilateral and

multilateral issues. The pillars of this relationship — economic partnership; sustainable development; human rights, good governance and the rule of law; and peace and security — are strong and are the underpinning upon which the Canadian government intends to base long-term relations.

SHANGHAI, CHINA: In discussions with business groups in Canada recently, I have been saying that Shanghai is the "world city" of the 1990s. Just as everyone was drawn to Paris in the 1920s or London in the 1960s, now the attention of much of the world is focused on Shanghai.

Since 1990, Shanghai has been undergoing a transformation of staggering proportions in an effort to recreate the city as China's principal financial and commercial centre — the locomotive of economic development for the whole Yangtze River basin.

By the year 2010, it is poised to be the centre of the country's biggest megalopolis, composed of 14 cities.

Shanghai has also declared its intention to make the city the centre of high tech research and production, and a manpower pool for highly-trained technical, scientific and managerial personnel.

Canadians should be interested in Shanghai because virtually everything the city needs and wants — telecommunications, mass transit systems, power projects, roads, airports, computer technology and systems, environmental protection systems, architecture, construction materials, education and training — are sectors in which Canadian business and industry are strong.

Richard Belliveau, Consul General

CHINA: DOING BUSINESS IN SHANGHAI

It is not easy. And the competition is fierce.

The intricacies of doing business here are characterized by the importance of having personal contacts.

However, Shanghai is the natural springboard into the East China market, and business will be done. Canadians should actively investigate these opportunities.

They must, however, be prepared to be

in it for the long haul. They have to have the personnel resources, the flexibility of mind and the endless patience to learn the system, cultivate friendships and contacts, and roll with adversity. They have to have the time and the resources to back up the commitment.

They have to listen to what their prospective partners and local officials are telling them (even if they are not saying it). Success

comes only after they have established a relationship of trust and understanding.

Business should do as much advance research as possible on local conditions and the market situation. There are many organizations like the **Canada China Business Council** and the **Asia Pacific Foundation** that can help in the education process. And of course, the Consulate can usually help in setting up meetings and contacts in Shanghai.

Canada's Sixth-Largest Export Market

With a per capita income approaching US\$10,000 per year and the economy growing at a healthy past and projected annual rate of 8 per cent, South Korea is on the threshold of joining the Organization for Economic Cooperation and Development (OECD) comfortably in the bottom third in terms of Gross National Product (GNP) per capita.

Korea, over the past few years, has established itself as Canada's sixth-largest export market at around Cdn\$2 billion

per year. However, Canada is only Korea's eleventh-largest supplier. Australia, by contrast, which has a similar trade basket to Canada's, has double Canada's exports, at Cdn\$4 billion.

There are some impressive export activities involving Canadian companies in South Korea. AECL, for example, has a \$6-billion project with three nuclear reactors under construction at Wolsong — next to an earlier operating 600MW CANDU reactor. Also, Korea, surprisingly, over the past couple of years, has been our largest wheat market.

Clearly more can be done.

*Maurice Hladik
Chargé d'affaires*

KOREA: A SOLID EXPORT TARGET, A CHALLENGE

With two-way trade at \$3.9 billion, Korea is Canada's third-largest trade partner in the Asia Pacific region, larger than all of South America and Africa combined. It is a market of choice for many well-established Canadian firms and a market of increasing opportunity. Korea is the world's tenth-largest trading nation and the thirteenth-largest economy.

Canada's trade promotion over the next two to three years will focus on deepening our trading relationship and identifying new commercial opportunities.

Agriculture/Food

South Korea's food market is valued at Cdn \$10 billion. It is made up primarily of grains and oilseeds, meat and meat products, fish and a range of processed food products, including beverages.

Transportation

The largest potential lies in the aerospace sector, particularly aircraft. In the longer term, the market should open up for automotive products, particularly components.

Power/Energy

AECL's involvement in the construction of four nuclear reactors highlights this sector.

The Korea Electrical Generating Authority has announced a build and operate programme of thermal (gas and coal) power generating plants which may provide long-term management opportunities for Canadians.

Resource Sector

Korea is an important market for coal, aluminum, stainless steel, potash and a wide variety of ferrous and nonferrous ores.

Environment

Considerable emphasis is being placed on this sector. For example, Korea's mid-1994 World Bank loan (total US\$95 million) is to upgrade about 10 environmental institutes over the next five years.

Informatics

The Korean informatics market is expanding rapidly, with many opportunities emerging. Improvements in intellectual property protection enforcement and liberalization of the Korean economy bode well for Canadian informatics companies in the Korean market.

Telecommunications

The telecommunications sector provides

many opportunities. The market (worth Cdn \$4 billion in 1994) is expected to exceed Cdn \$16 billion by the turn of the century.

Consumer Products

The market will grow for quality apparel, footwear, sporting goods, and high-end sports and computer equipment and accessories. The last is worth \$830 million. The jewellery/gift market is estimated at \$900 million. There will be opportunities for both imports and joint ventures with Korean firms trying to upgrade the quality of their production.

Tourism

Between 1992 and 1994 there was a fourfold increase (to 80,000) in the number of Korean tourists travelling to Canada. Industry projections are for more than 120,000 Korean tourists travelling to Canada in 1995.

Investment

Korea is an active outward investor, with Canada ranking number three in total investment after the U.S. and Indonesia. Here the primary focus is on resource industries and to a lesser extent manufacturing. There is potential for incremental tourism projects.

Important Market in Itself, Stepping Stone to Others

As Canadian companies look to Asia for new markets and opportunities, Taiwan's importance is increasingly evident. Taiwan is already Canada's seventh-largest trading partner overall and fourth-largest in Asia. Canada-Taiwan trade reached \$3.6 billion in 1993 and continues to grow rapidly. Although Taiwan enjoys a healthy trade surplus, Canadian firms have realized impor-

tant successes in Taiwan's transportation, communications, environment, construction and agri-food sectors.

Unrecorded in bilateral trade statistics, Canada has achieved impressive results in Taiwan's tourism and education markets, and is attracting increasing numbers of Taiwanese immigrants and investors.

With a good local partner or agent, Canadian firms can do well in the Taiwanese market. They also can use Taiwan as a stepping stone to both China and Southeast Asia.

Ron J.L. Berlet

Director, Canadian Trade Office

TAIWAN: A TRADING PARTNER OF TOWERING IMPORTANCE

Canada's growing activities in Taiwan reflect the island's spectacular post-war development.

In only four and a half decades, Taiwan has transformed itself into a fully-developed, democratic society. Today, Taiwan is the world's thirteenth-largest trading power with a per capita Gross Domestic Product (GDP) of over US \$11,000. Taiwan's 1994 Gross National Product (GNP) of US \$236 billion was larger than over half of the Organization for Economic Cooperation and Development (OECD) countries. At US \$92 billion in 1994, Taiwan's foreign reserves are the third-highest in the world.

To support its booming economy, Taiwan is investing tens of billions of dollars in infrastructure, transportation, communications, environmental protection and high technology — all areas where Canada has world-class expertise.

Taiwan's plan to become an Asia Pacific regional operating centre for manufacturing, sea and air cargo, finance and media also will provide Canadian firms with major opportunities.

Over the next six years, Taiwan will invest more than \$200 billion in civil construction projects, including major expansions for its international airports, a high-speed rail link

for Taiwan's two largest cities, mass transit systems for five cities and large-scale highway construction throughout the island. Canadian firms are pursuing contracts in these sectors.

Plans to transform Kaohsiung port, already the world's third-busiest container

Taiwan is investing tens of billions of dollars in infrastructure, transportation, communications, environmental protection and high technology — all areas where Canada has world-class expertise.

port, into a regional trans-shipping hub will provide Canadian firms opportunities to supply maritime equipment, services, and training.

Taiwan's telecommunications market is growing dramatically. The Taiwanese cellular telephone market has 530,000 subscribers and is growing by 41 per cent per year. The island is pursuing telecommunications infrastructure plans worth \$10 billion between now and 1997, and will spend \$1 billion per year for the next five years on its National Information Infrastructure project. Canada's Northern Telecom recently won a \$150 mil-

lion contract to supply equipment for Taiwan's cellular telephone network.

Taiwan is the largest market in Asia for environmental products and services. Taiwan's *National Infrastructure Development Plan* calls for \$23 billion to be spent on sewage treatment, solid waste disposal, air pollution control and other environmental projects over the next few years. Air and water pollution control equipment offer immediate prospects for Canadians.

Still another area of opportunity is in agricultural products, with Taiwanese imports exceeding \$8 billion in 1993. Canadian firms supplied over \$100 million worth of agricultural products, including wheat, canola, seafood products, beef, bottled water and maple syrup.

Canada-Taiwan commercial links are being strengthened rapidly by a surge in people-to-people exchanges (60,000 visitors in 1994, contributing over \$100 million to Canada's economy; and some 5,000 students, spending nearly \$150 million per year).

Canada has become a leading destination for Taiwanese immigrants (10,000 in 1993, including major investor immigrants).

Canadians seeking to do business in Asia are clearly benefiting from these inter-personal ties.

Great Trading Partners, Friends Since 1895

The year 1995 is a special one for Canada/Australia trade. It is the Centenary of official trade relations and is being marked by a series of ministerial visits and events that began with a visit last month by International Trade Minister Roy MacLaren.

Australia is a more significant market for Canada than is generally realized: in 1994, Australian imports from Canada surged towards \$1.25 billion.

The export mix is comprised of a wide range of fully

manufactured goods such as highway tractors, telephone and information processing equipment and parts, locomotives, aircraft and parts, defence products and processed foods.

Canadian direct investment in Australia is approaching \$5-billion and has recently included a number of enterprises involving the establishment of regional headquarters operations to serve the West Pacific region from an Australian base.

Whether as traders and/or investors, Canadian small- and medium-size enterprises (SMEs) in particular are prominent in the market, not least because of a familiar and welcoming environment.

*L. Michael Berry
High Commissioner*

AUSTRALIA: OPPORTUNITIES CONTINUE TO ABOUND

Many opportunities exist in Australia for Canadian exporters. Among them, in this thumb-nail sketch, are:

Agri-food (highly processed products such as frozen confections).

Forestry (harvesting and sawmilling equipment; \$7 billion in new investments is possible in the next few years).

Rail Equipment/Services (\$3 billion will be spent over the next five years).

Environment (worth about US \$3 billion. Joint ventures and strategic alliances are the keys to success).

Advanced Technology and Telecommunications (market for Canadians estimated at \$23 million annually; new equipment, up-to-date technologies).

Defence (Light Armoured Vehicles, F-18-related equipment, airborne search radar, CRV-7 rockets and sono-

buoy processors).

Mining (continuing opportunities in the medium and long term.)

Directory on Doing Business in Australia

Canadian officials in Australia have produced a *Directory of Canadian Companies Doing Business in Australia*, a publication which includes a listing of their Australian representatives and agents and aiming to promote contacts among Australian and Canadian business people. The directory contains the names of over 1,400 Canadian firms exporting to Australia.

This degree of activity has resulted in two-way trade exceeding \$2 billion in 1994.

SYDNEY, AUSTRALIA: Market opportunities in this country are significant and should not be overlooked.

In efforts to best respond to these opportunities, this mission has determined that the greatest potential for trade expansion lies in the following specific sectors to which we are giving priority: telecommunications and informatics; environmental services and products; mining and forestry equipment; transportation, with the emphasis on railways.

Though Australia is a long way from Canada, the ease of doing business here is such that many Canadian firms are finding very profitable "niche" markets. Several are using Australia as a base from which to serve the Southeast Asian markets — often in joint ventures and alliances with Australian companies.

Reginald H. Dorrett, Consul General

A Driving Force in the World Economy

Asia is the engine of world economic growth and Hong Kong is its starter motor. Hong Kong, the seventh-largest importer in the world, is an important export destination in its own right; the gateway to the rich south China market; and a world centre for finance and investment funds.

Canadian leverage in Hong Kong is impressive: we are known and liked — 50 per cent of all emigrants and 25 per

cent of all overseas students from Hong Kong choose Canada; our universities have about 100,000 alumni in Hong Kong; close to 100,000 Canadian citizens work in Hong Kong's public and private sectors; bilateral trade exceeds \$2 billion and is growing rapidly; investment flows are several billion dollars per year; the Canadian Chamber of Commerce in Hong Kong, with more than 1,000 members, is the second largest in the Territory and the largest outside Canada; the Hong Kong Canada Business Association has more than 3,500 members and chapters in every province.

Garrett C. H. Lambert
High Commissioner

HONG KONG: IMPORT DEPENDENT, EXPORT-ORIENTED

Hong Kong's economy has expanded rapidly over the past decade. The territory has emerged as a major international financial centre and the tenth-largest trading economy in the world.

Its location, small size and lack of natural resources have given rise to a dependence on imports and, consequently, to an export-oriented development strategy.

Hong Kong has a free enterprise economy. It is autonomous in financial affairs and the government's policy is to encourage private-sector growth and to contain the size of the public sector.

While manufacturing used to be the most important sector of the Hong Kong economy, it now employs about only one-fifth of the work force. Light manufacturing industries producing consumer goods predominate.

Trade and Investment

Trade relations between Canada and Hong Kong are healthy. Extensive commercial links include the presence of more than 75 Canadian corporations, all major Canadian chartered banks, and several insurance companies.

In 1994, Canadian exports to Hong Kong

totalled Cdn \$1.1 billion, an increase of 45 per cent over 1993. Imports to Canada from Hong Kong totalled \$1.2 billion.

Cumulative Canadian direct investment in Hong Kong was valued at \$805 million at the end of 1992.

Opportunities for Canadian companies

Opportunities exist in construction (primarily as part of the plan to develop a new port and airport), building materials, environmental protection, security products and processed foods.

exist in construction (primarily as part of the plan for a new port and airport), building materials, environmental protection, security products and processed foods.

In July 1997, Hong Kong will revert to Chinese sovereignty and is expected to maintain its role as the business centre for all of South China.

During his recent visit to China, Prime Minister Chrétien indicated Canada's commitment to supporting Hong Kong during the

transition period and its ongoing interest in Hong Kong's future.

Asia's Premier Financial and Services Centre

Fortune Magazine just named Hong Kong the number one city in the world in which to do business. With a population of about 6 million and a land mass only the size of Metro Toronto, Hong Kong's total Gross Domestic Product (GDP) is fully one-fifth of China's, and its GDP per capita is about to surpass Canada's.

Canada is the world's seventh-largest exporter and eighth-largest importer. Hong Kong is the world's eighth-largest exporter and seventh-largest importer.

Hong Kong has enjoyed 34 straight years of economic growth, a tribute to the enterprise of its highly educated and remarkably motivated inhabitants. Closer economic links with China over the past decade have made Hong Kong and China each other's most important trading partner. The relocation of labour-intensive industries to China in recent years has transformed Hong Kong into Asia's premier financial and services centre.

The 'Best Fit' for Canadian Economic Interests

After 27 years in Canada's foreign service, including assignments in six countries, I find Indonesia offers the "best fit" for Canadian economic interests I have seen. Experiences Canadians have acquired, in building Canada, are exactly what is needed to develop Indonesia. Both are vast, profoundly resource rich — including in energy, and multi-cultural.

The private sector in Indonesia increasingly is being engaged to provide infrastructure. Government planners

readily recognize that their economy is linked to the international community and cannot live in isolation. They know that they must compete for investment dollars. Each year the Government of Indonesia announces further measures to liberalize its economy.

In simple terms, exactly what Indonesia needs is what Canada is good at; for example: power generation, resource exploration/development, transportation, communications, insurance, and such high-tech sectors as information technology and the environment.

The potential for Canada is immense.

*Lawrence T. Dickenson
Ambassador*

INDONESIA: CANADA'S STRENGTHS IN DEMAND

Power generation, transport, ports, airports, roads, and telecommunications have all been earmarked in Indonesia's five-year plan (1994-1999) for special attention by private investors who, in turn, will seek required partners and technologies from abroad. There is also a great need for state-of-the-art technologies in environmental protection and control.

Extensive expansion and development of Indonesia's hydrocarbon, mineral and forestry resources will also offer significant new market opportunities. Eastern Indonesia is expected to see rapid development of key strategic resources such as natural gas, pulp and paper, copper, gold and zinc. These capital projects, taking place beyond Java, are expected to fuel rapid development of needed infrastructure to support resource processing activities. They represent a major area of new opportunity for Canada.

Canada-Indonesia Two-way Trade Exceeds \$1 Billion

Indonesia is Canada's largest export market in Southeast Asia, with almost \$500 million per year in merchandise exports, growing at approximately 10 per cent each year.

Specialized Canadian manufactured products, including electrical power generation and transmission equipment, industrial chemicals, minerals, along with cereal grains, oil seeds and other agro-industrial commodities, account for the bulk of export transactions.

Canadian consulting engineering expertise is valued and respected by Indonesian clients, particularly in the areas of hydroelectric power, environmental technologies, the forestry sector, water resources planning and utilization, as well as transportation, mining and oil and gas. It is estimated that over \$150 million is generated

annually by Canadian service firms active in Indonesia, all the more impressive given tough competition from Australia, USA and Europe.

In 1994, Indonesia's exports to Canada exceeded Cdn \$500 million, a 25 per cent jump from the previous year. Indonesia's electronic and photographic equipment and other housewares and consumer goods, in addition to the traditional footwear, textiles and apparel, are the country's most important exports to Canada.

Indonesia: Canadian Investment Tops \$5 Billion

Canadian firms have been important investors in Indonesia. Over 60 Canadian firms now have at least a representative office in the country, primarily in Jakarta.

Seven Canadian oil companies are actively producing and exploring for hydrocarbons in onshore and offshore acreage. INCO will increase by 50 per cent the capacity of its Sulawesi-based nickel mining operation, which will contribute to regional development in Indonesia and job creation in Canada.

BATA, with two factories in Indonesia, is the oldest producer of footwear in the country. Two Canadian life insurance companies, MANULIFE and SUNLIFE, are among the largest financial sector joint ventures in the country.

It is expected that Canadian investment will grow by an additional \$1 billion within the next two years to reach \$6 billion.

The Indonesia-Canada Business Council (ICBC) and Canadian Business Association (CBA) in Jakarta are working closely with their counterpart in Canada, the Canada-Indonesia Business Council (C-IBC), in promoting heightened understanding and appreciation of this market.

Rapid Economic Progress Breeds a New 'Tiger'

Thailand, "the land of smiles", is smiling even more — as rapid economic progress vaults it into the position of being one of the next "tigers" of Southeast Asia.

Over the past decade, fuelled by foreign investment and competitive wages, the economy has transformed itself from one based on agriculture to an industrial-based powerhouse.

With the economy growing at slightly more than 8 per cent per annum, inflation hovering around 5 per cent and minimal unemployment, all projections indicate that Thailand will continue to prosper through the end of the decade.

This is welcome news for Canadian exporters who have the technologies or the specialized services to complement Thailand's own capabilities.

With bilateral trade over \$1.1 billion per year and grow-

ing quickly, Thailand offers one of the world's best opportunities for expanded Canadian exports. Major infrastructure developments in the telecommunications, power, transportation, environmental and agri-food sectors match Canadian supply capabilities. Private-sector projects in all sectors and of all sizes provide additional opportunities for our firms.

Political support for expanded trade relations is strong, as exemplified during the visit of Prime Minister Chuan Leekpai to Canada in the fall of 1994 when he and Prime Minister Chrétien expressed their wish to double trade over a five-year period.

Canada needs a strong trade component to the economy to ensure continued economic growth and an increasing standard of living. Canadian firms need to develop new markets to ensure their own corporate prosperity.

Thailand offers the opportunity for these two goals to be met, an opportunity not to be missed!

*Manfred G. von Nostitz
Ambassador*

THAILAND: LAND OF SMILES IS SERIOUS ABOUT BUSINESS

Joint ventures and/or technology transfers are two of the best ways to enter this market. Already, more than \$100 million of registered capital is tied up by 30 agreements between Thai and Canadian companies.

The "land of smiles", in addition to having a Gross Domestic Product (GDP) annual growth rate of 7 per cent to 8 per cent, also has a strong demand for consumer goods.

The country, whose economic policies and indicators are sound, also is in need of infrastructure development, particularly in alleviating urban congestion and in improving its communications network.

Private enterprise long has been recognized as essential to Thailand's development, hence, it does not face excessive government restrictions. However, a foreign investor is well advised to register with the country's Board of Investment (BOI) — the principal government agency responsible for providing incentives to stimulate domestic and foreign investment in Thailand.

An attractive trading partner for Canada, Thailand has a strong economy and is rich in natural resources. Joint ventures and/

Private enterprise long has been recognized as essential to Thailand's development, hence, it does not face excessive government restrictions. However, a foreign investor is well advised to register with the country's Board of Investment

or technology transfers are two of the best ways to enter this market. Already, more than \$100 million of registered capital is tied up by 30 agreements between Thai and

Canadian companies. They are involved in such diverse manufacturing/service areas as food processing, metal fabrication and petrochemicals.

In 1993, Thailand was Canada's 24th-largest export market, with total bilateral trade reaching \$1.14 billion. Major Canadian exports included: boilers (power sector); pulp and paper; organic chemicals; wheat; and precision instruments. The sale of transportation, communications and power equipment and services also are on the increase.

Identified as promising sectors for Canadian companies are: power and energy equipment and services; transportation systems and services; environmental products and services; medical equipment and services; and agri-food equipment and services.

Dynamic Economy Demands A Business Commitment

Find Singapore an invigorating environment: the economy grows consistently and quickly, compounding the considerable achievements since the country gained independence thirty years ago. Change is constant and everywhere, in all sectors and all aspects of life.

The stability of Singapore government policies has helped maintain investor confidence, and has resulted in large capital inflows from foreign investors. There is ample scope for Canadian participation.

The government is encouraging foreign investment abroad, through a policy of "Regionalization" or "Developing a second wing" as a means of exporting management exper-

tise (termed managerial software) through overseas business, expanding export markets, and creating a pool of Singapore-owned and controlled multi-national corporations.

Emphasis has been placed on continuous upgrading of skills, higher productivity, the use of labour-saving technology, and incentives to attract capital intensive, high value-added industries.

These are but a few of the examples of Singapore's dynamic economy, chosen to indicate the climate awaiting people with a commitment to developing business operations in Asia. Singapore offers many attractions as a location for a strategic alliance or joint venture with a local company to pursue opportunities in the region.

*Gavin H. Stewart
High Commissioner*

SINGAPORE: TRADE AT HEART OF BILATERAL RELATIONS

A city-state, Singapore consists of the island of Singapore and 54 adjacent islets. The population of 2.7 million is predominantly Chinese (76.4%), while Malays (14.9%) and Indians (6.4%) form the principal minorities. Singapore is one of the most prosperous and politically stable countries in Asia.

Economic growth since 1965 has lifted Singapore's standard of living (GNP per capita) from US\$400 to US\$20,000 — above Greece, Israel, Ireland, Spain and every country in Asia except Japan.

The economy continues to be very strong, with GDP growth of just over 10 per cent in 1994. Financial and business services are the leading sectors, with particular growth in offshore banking and treasury activities. Manufacturing has done well in recent years. These sectors have generated great demand for transport and communication services.

With the exception of a deep-water harbour, an industrious labour force and a vital geographic location, Singapore has no natural resources. The government has focussed

on high technology production in the manufacturing sector, greater economic cooperation between Singapore and its neighbours, and the development of Singapore as a major regional services centre, particularly in finance, transportation and communications, as a means of furthering the country's economic development.

As Canada's 24th-largest export market in the world, and one of its largest export markets in ASEAN, Singapore is a country of considerable importance to Canada. Trade between Canada and Singapore has doubled since 1987 and, in 1993, exceeded Cdn \$1 billion for the first time.

Trade today is at the heart of bilateral relations with Singapore, whose economy is virtually tariff free.

Total commodity trade between Canada and Singapore reached \$1.5 billion in 1994. Canadian exports were \$360 million and imports stood at \$1.1 billion, leaving Canada

with a significant trade deficit. These figures do not include Canadian exports of services, estimated at \$50 million.

Opportunities

Information technology, transportation products (flight simulators, airport and port equipment), defence equipment, agri-food products and environmental technology offer potential for increased trade. Partnerships and strategic alliances are emphasized as the way of doing business.

Canadian economic and commercial relations with Singapore are strengthened by an active Canadian community in Singapore, where approximately 70 Canadian companies are established. Canadian investment is estimated at \$1 billion, mainly in the financial sector.

Singapore direct investment in Canada is estimated to be under \$150 million but the growth potential is tremendous. Portfolio investments are substantial, with the Government of Singapore Investment Corporation having significant sums invested in Canadian Government Bonds and other securities.

Major Canadian Companies Cannot Ignore It

Recent global changes forced India to embrace the new creed of liberalization. When the Congress Party returned to power in 1991, Prime Minister Rao appointed an economic technocrat, Dr. Manmohan Singh, as Finance Minister. Within two years, the macroeconomic numbers had shown considerable improvement. Spurred by hopes of cashing in on one of the largest relatively untapped markets in the world,

foreign investors are rushing to India.

I do not think major Canadian companies can afford to stay out of India, in view of the size of the market; or ignore World Bank and other projections that foresee both India and China emerging as economic giants by the year 2020.

India is an hospitable place to do business, with its widespread use of English as the language of business and its similar judicial system. We should also never forget that almost a half million Canadians have their origin in the Indian sub-continent.

*Stanley Gooch
High Commissioner*

INDIA: A MAJOR MARKET LARGELY UNTAPPED

The market potential is increasingly being reflected in strong economic indicators. Capital inflows have increased from US\$150 million to US\$5 billion in the past three years.

The scope for Indo-Canadian commercial co-operation in the Indian market is large, given that virtually no untapped markets can rival India's size.

At US\$250 billion, India now has the world's tenth-largest Gross Domestic Product (GDP) and a growing middle class of about 250 million people. It also has a highly-trained labour force, including more engineering graduates than any other country. India has a wealth of agricultural and mineral resources. Furthermore, there are enormous infrastructure requirements.

The market potential is increasingly being reflected in strong economic indicators. Capital inflows have increased from US\$150 million to US\$5 billion in the past three years. These developments are a result of ongoing reforms instituted by the Indian government since 1991.

To date, reforms have included the abolition of the restrictive clauses of the Foreign Exchange Regulation Act; the reduction of the maximum tariff rate from 350 per cent to 50 per cent; the elimination of most import licences; automatic approval of foreign investment of up to 51 per cent equity in 36 priority sectors and the approval of many

100 per cent foreign equity investments; as well as a program of partial privatization and the opening of power generation, toll roads and telecommunications services to the private sector.

India's ratification of the Uruguay Round

of world trade talks will enhance access to the Indian market. Furthermore, the Uruguay Round provides for the opening of the service sector for the first time. These improvements bode well for further Indo-Canadian industrial co-operation.

Canada-India Trade

Canada exported \$263 million worth of goods to India in 1994. Traditional exports have included commodities such as wheat, newsprint, potash, sulphur and some equipment and machinery. Canadian high-technology suppliers, including telecommunications and power generation companies, have successfully begun to penetrate the Indian market. Canadian service companies are winning an increasing number of contracts in the consulting sector and are making long-term commitments through an expanded local presence.

There are now close to 120 Indo-Canadian industrial collaborations, in areas as diverse as poultry breeding, aircraft maintenance, educational services, costume jewellery, telecommunications, power-generating equipment, automotive parts, geographic information systems and edible oil processing.

The number of Canadian corporate offices in New Delhi alone increased from only seven a year ago to 23 today.

Business Development in India

The Government of Canada is developing a business development strategy known as *Focus: India*. It will result in a co-ordinated strategic approach by federal and provincial governments, in conjunction with Canadian industry, to increase Canada's commercial profile in India.

This initiative, coupled with the appointment of two additional trade commissioners in New Delhi and Bombay, will offer Canadian business a planned approach to the full range of economic opportunities offered by India.

JOHN BELL'S FIVE SECRETS REVEALED

If we wish to succeed in our endeavours we will need to understand and respond to Malaysia's agenda, which means, among other things, transfer of technology, and training.

Canadian High Commissioner to Malaysia, John Bell, was the featured speaker for the October meeting of the Malaysia-Canada Business Council (MCBC) Vancouver chapter. His address, to a group of some 95 members and guests, was titled "Canada's Five Secret Priorities in Malaysia." The Vancouver chapter appears to have taken the High Commissioner at his word: details of this secret meeting remain sketchy.

It is, therefore, with considerable professional pride, that CanadExport provides — on a strict "need to know basis" — the following synopsis of the High Commissioner's hitherto confidential message:

Canada needs to set priorities: We're all familiar with the comment that while Canada enjoys an overall positive reputation in Malaysia, Canadians should be more active, even more aggressive. This is still the perception at a time when the Canadian presence in Malaysia is increasing rapidly, and as Canadian programs, activities and interests continue to proliferate. Clearly the Canadian government needs to be clear about its key interests, and to focus its energies and activities to address these. It is no secret, however, that if we wish to succeed in our endeavours we will need to understand and respond to Malaysia's agenda, which means, among other things, transfer of technology, and training. These priorities should be at the heart of a Canadian strategy for Malaysia, influencing programs, shaping communications efforts and dominating the agenda of our high-level visitors. A number of obvious choices come to mind:

Infrastructure projects: It is almost a cliché to state that Canadian firms are world leaders in sectors like power generation, transportation and communications. These are also areas of considerable promise in Malaysia, as the country harnesses the energy of its private sector to build the infrastructure necessary to support Vision 2020. We should be clear about our interests and ensure that we are using the support mechanisms available to us — like high level visits and support for training and technology transfer — to attain them.

Education: Opportunities for placing more Malaysian students in Canadian schools and for expanding twinning arrangements in Malaysia are enormous. We have developed

an Education Plan of Action for Malaysia that commits us to doubling the number of Malaysians studying in Canada. Achieving this will involve intensive cooperation with Canadian universities, the provinces and organizations like the Asia Pacific Foundation. It also involves the private sector which should be looking to Canadian universities for help in meeting commitments to transfer technology and train Malaysian staff.

Environment: We are cooperating across a spectrum that runs from multilateral issues, like forestry and sustainable development, to commercial sales and joint ventures. Getting there has involved mobilizing high-level government support (witness a recent agreement for Malaysia and Canada to co-host an important international working group on forests), building a network of contacts within both the public and private sectors, and deploying resources from a variety of Canadian International Development Agency (CIDA) and trade programs to help introduce Canadian technologies.

Coordination: It should be clear by now that if we are serious about raising Canada's image and advancing key interests, we can't waste time, money and energy by duplicating efforts or working at cross purposes. That's the rationale for launching the Team Canada initiative in Malaysia, something that has brought together players from the public and private sectors to focus on common objectives and strategies. This same focus on priorities underpins a successful program of visits from senior federal and provincial leaders. It's also at the heart of a Canada-in-Malaysia media strategy that we recently launched to help provide a common Canadian theme for major events like contract signings, trade missions and cultural events.

Having fun: All of the above takes time and effort, but it would be absolutely un-Canadian, not to mention un-Malaysian, if we didn't try to enjoy ourselves along the way. Events like the Margie Gillis Dance recital, the Terry Fox run, the MCBC golf tournament and regular watering holes are an integral part of the process.

EDITOR'S NOTE: *We stand by our decision to publish these secrets, even the last.*

Opportunities in Sectors in Which Canada Excels

The Outreach I undertook in conjunction with the Heads of Post meeting, taking me to Victoria, Montreal, Toronto, Winnipeg and Calgary, was the third such, if we count my cross-country calls prior to taking up my appointment in Manila.

I strongly believe that Outreach serves one of the most important objectives of a modern head of post, understanding as fully as possible my clients' needs.

My time in the Asia Pacific Foundation in Vancouver, serving a cross-country group of non-governmental achievers, was a great eye-opener to the importance of all our regions

and their differences and similarities.

My Outreach message was, simply, that what the media and the bankers are saying about the Philippines is true: the country is experiencing a degree of economic growth and political stability not witnessed in many years. Many Canadian businesses know this, and my appointment schedule bore this out — my personal best was 17 appointments in one day, in Montreal.

The geography of the Philippines and the developmental challenges are, in many respects, similar to Canada and thus offer opportunities in the very sectors in which Canadian companies have excelled.

Come and have a look.

Stephen Heeney
Ambassador

THE PHILIPPINES: INVESTMENT OPPORTUNITIES IMPROVE

As of 1995, Canadians have invested nearly \$1 billion in the Philippines.

The government is developing programmes, policies and incentives which will make the Philippines even more attractive. The development of a duty-free "special" economic zone in Subic Bay is one example.

Central to these activities is an economic policy which allows for greater foreign participation. The new Foreign Investment Act allows 100 per cent foreign ownership in most areas. This includes telecommunications, informatics, environmental service and supply organizations, infrastructure development projects, particular food groups, and export-oriented enterprises.

Investors may also avail themselves of certain tax holidays and shelters.

Opportunities for the foreign investor and business person are many. A growing economy, a highly skilled and educated work force as well as membership in ASEAN compliment the new Foreign Investment Act and promotion policy of the Philippine government.

BOT Investment

In the Philippines, one of the deterrents

to strong economic growth is the inadequacies of basic public services.

To address this problem, government has developed and implemented the Build-Operate-Transfer (BOT) Law, encouraging the private sector to undertake and operate public infrastructure facilities for public benefit.

The BOT scheme is a contract between the government and private contractors wherein the construction, financing, and operation of an infrastructure facility for an agreed period is undertaken by the contractor and later turned over to the government.

To date, the government has identified several key priority areas under which the BOT law may be implemented: power generation, distribution, electrification, and related facilities; transport-related facilities; telecommunications and related service facilities; tourism, educational, and health infrastructure; property development activities; and agriculture-related infrastructure.

Government is prioritizing the implementation of projects related to the power sector. So far, 18 power projects have already been contracted out under the BOT.

Seven public works projects also have been approved under the BOT.

Asian Development Bank

Headquartered in Manila, the Asian Development Bank (ADB) is one of the largest development banks in the world. It provides project loans, some at concessionary interest rates, to developing Asian countries.

ADB Technical Assistance (TA) projects, particularly project preparation TAs, usually, but not always, precede loans. This is important because by participating in the TA, Canadian consulting companies can access downstream commercial opportunities associated with loan implementation and management.

The Commercial Division of the Canadian Embassy offers the services of an ADB liaison unit for the promotion of Canadian commercial interests with the Bank. These include:

- providing information on Bank projects and procedures; and
- investigating commercial opportunities for Canadian participation in these projects;

Information about upcoming ADB projects and general information about the Bank can be obtained from the Trade Section OLIFI, Canadian Embassy in Manila.

Rejuvenated Economy Bodes Well for Trade

The New Zealand economy, after a difficult decade, is now growing at a very strong pace. Because of the reforms in recent years, the current outlook for this economy is continued very strong growth, perhaps at about four per cent a year on a sustainable basis. This in an environment where inflation is expected to stay below two per cent. This strong economic growth, and some of the economic reforms related to it, create real opportunities for Canadian trade and investment.

Much of the trade and investment between our two coun-

tries is by small- and medium-size enterprises, where very solid business relationships have developed despite the distances between them.

Areas of exceptional potential lie in the environmental field, telecommunications and information technology, food products (especially pork and salmon), electronic and industrial control equipment, and engineering expertise.

The New Zealand economy is growing strongly, investment opportunities are opening up, and the government and business sectors in New Zealand like to work with Canadian business. This bodes wells for our trading relationship.

Robert Wright
High Commissioner

NEW ZEALAND: DISTANCE DOES NOT MEAN DISMISSAL

With a population equivalent to that of Metro Toronto, New Zealand is sometimes dismissed as a small and distant market. Nevertheless, bilateral trade between Canada and New Zealand amounts to NZ \$600 million and is particularly profitable for small-to-medium-size export companies.

Since New Zealand radically reformed its economy, dismantled most trade barriers, and eliminated government subsidies, Canadian export performance has been steady and growing. New Zealand's need to be internationally competitive and embrace more high technology has led to many opportunities for Canada.

Statistics New Zealand reports show that, in 1994, Canadian exports to that country rose to NZ \$255.5 million, up from NZ \$249.15 million in 1993 and NZ \$239.55 in 1992.

Increased sales of fertilizers, wood and mechanical appliances made the biggest dollar impact, but advanced value-added exports such as electronic and industrial control equipment, precision equipment, communications equipment, plastic items, meat products (pork), paper, sporting equipment and pharmaceuticals also increased.

Opportunities

Consumer goods: Increased purchasing power arising from the government's switch to a market-driven economy and the dismantling of the import licensing system present Canadians with an unprecedented opportunity to expand sales of consumer goods, particularly hardware, housewares and giftware items. Canada traditionally has been a preferred source of imports in this sector, and the relaxation of import protection has served to re-enforce this trend.

Forestry: The forestry industry is booming. Forests that were planted 20 to 25 years ago are coming into production, meaning there will be requirements for forestry machinery and equipment.

Telecommunications: Deregulation of the telecom industry has resulted in new market potential for equipment. In addition, Bell Canada is a major shareholder and operating partner in New Zealand's private-sector second carrier, *Clear Communications*. Modernization of the existing network and expansion of Clear's second network have created opportunities for equipment and services, particularly in support of com-

puterized billing systems, regional maintenance centres, and automatic telephone exchanges.

Agri-food: New Zealand traditionally imports food items not produced locally. Canada, with 5 per cent of the imported food market, is an established supplier of canned salmon, canned sardines, pork for processing in New Zealand and white beans. Canada has a good reputation with both importers and consumers. This can serve as a sound basis for efforts to introduce new lines of food products. Opportunities lie in specialty cheese, wheat, flour, confectionery, frozen bakery products, canned fish, ocean-caught Pacific salmon, canned and frozen vegetables and fruit, pet foods, convenience meals, sauces, apples and pork products in consumer packages.

Environment: In spite of New Zealand's clean green image, much work is required to improve the current situation. This means substantial opportunities for Canadian companies in areas such as sewage treatment, filtration of air and water, lumber mill site cleanup and pulp and paper mill effluent treatment.

Economic Reform Measures Mean Opportunities

The economic reform measures introduced since 1989 have improved the business climate in Pakistan and have opened new opportunities for increased Canadian commercial activities.

As a direct result of these reforms, there is a renewed private-sector vigour in Pakistan which is opening up new project-based export opportunities in the oil and gas, power, agri-industry, and light engineering sectors.

Although traditional International Financing Institution (IFI) funding support, such as World Bank, International

Finance Corporation and Asia Development Bank, remains available, Canadian firms will be expected, in most instances, to enter into some form of business collaboration arrangement (transfer of technology, licensing, equity) and/or bring some medium-term financing to compete against European and Japanese businesses.

In addition to project-based opportunities, the recent Pakistani privatization process also has opened new investment opportunities in private power generation, oil and gas transmission and distribution and telecommunications. Several Canadian companies are currently pursuing such opportunities.

Marie-Andrée Beauchemin
High Commissioner

PAKISTAN: PRIVATIZATION, LIBERALIZATION OPEN DOORS

Canadian commercial activity in Pakistan traditionally has been linked to Canadian International Development Agency (CIDA) projects and grants. However, within the last five years, Canadian efforts to switch to commercial transactions have met with some success. Within the last 18 months especially, Pakistan has come to realize that many projects and procurement requirements must be met on a commercial basis.

Pressure from the International Monetary Fund (IMF) and World Bank (WB) has

spurred the privatization of government agencies and services, privatization of banks, creation of an investment board, reduction of subsidies and tariffs, and development of programs and legislation which benefit the private sector in areas previously reserved solely for government.

Significant to commercial interests is the privatization and foreign investment legislation which has seen all new thermal power generation turned over to the private sector (soon to be expanded to hydro power); and opening the

oil and gas, mining and telecommunications sectors to private and foreign investment. This has created unique investment opportunities for foreign companies.

The following priority sectors have been established as worthy of Canadian perusal: informatics and telecommunications; general machinery and equipment; agri-food (food processing); power and energy; and metals and minerals (mining investment).

Companies still, however, require the assistance of an effective local representative.

Canada's Good Reputation Means Ready Welcome

Bangladesh has achieved remarkable economic reforms in recent years, including attainment of a 5 per cent economic growth rate, inflation of 2 per cent, a low current account deficit and high monetary reserves.

These gains are even more remarkable considering the many real constraints, such as poor infrastructure, low education levels and high rates of population increase.

The government seeks to project an image of Bangladesh as an "emerging tiger", and has done much to attract foreign investment.

Bangladesh's major resources remain its cheap labour force, an agricultural economy — which has achieved near self-sufficiency — as well as substantial gas reserves.

Bangladesh is the largest single recipient of Canadian aid and Canadians enjoy a good reputation and ready welcome. With recent reductions in CIDA (Canadian International Development Agency) funding, exchanges have improved.

Jon J. Scott
High Commissioner

BANGLADESH: OIL, GAS AND INVESTMENT INTERESTS

In Bangladesh, electrification remains a top priority of government. Opportunities for Canadian firms also are appearing in the energy sector, particularly in power generation and gas exploration.

Additional areas of interest to Canadian companies are in the telecommunications sector, information technology and industrial equipment. As well, Canadian investors are major players in leather products (BATA) and also have invested in textiles, steel and other industries.

Major Canadian exports to date are oilseeds (mustard seed); secondary steel products; tobacco; wooden poles; and wheat. This trend was borne out, in part, by the **Sixth Multi-Sector Canadian Catalogue**

Show (January 31-February 1, 1995) in Dhaka, which featured materials exhibited by 122 Canadian companies in 11 sectors.

Most visitors showed interest in oil

In Bangladesh, electrification remains a top priority of government. Opportunities for Canadian firms also are appearing in the energy sector, particularly in power generation and gas exploration.

and gas (surface facilities, drilling, EPC contracts, services); power and electricity (PVT sector power generation); telecom (digital telephone lines, cellular); commodities (oilseeds,

potash, secondary steel products); medical equipment; machinery (complete plants); and joint venture opportunities.

The 11 sectors featured were: oil and gas; power and electricity; electronics; telecommunications; agriculture; machinery and equipment; transportation; health care; environment; services; and miscellaneous.

Statistics indicate 523 visitors registered, but there were many walk-ins. Half of the registered visitors were from business firms involved in agency representation and in import; 20 per cent were involved in manufacturing and industry. About 20 per cent were government agency officials. Bangladeshi representatives of Canadian companies also attended.

SRI LANKA**Potential Strong, Prospects Promising****Opportunities Offered By Development Banks**

As the Canadian Sri Lankan community grows and begins to establish commercial and trade links with their country of origin, prospects for renewed growth in two-way trade are promising.

Two way-trade with Sri Lanka in 1993 amounted to approximately \$ 40 million, with a trade balance in favour of Sri Lanka in a ratio of 3:1. Canadian exports are mainly fertilizers, pulp, grains and pulses.

There are good prospects for telecom and other high technology products, but these areas have to be developed. There are opportunities for Canadian exporters through the pro-

grams of multilateral development banks, in particular, the International Bank for Reconstruction and Development (IBRD) and the Asian Development Bank (ADB).

Examples include an ADB \$41-million telecom improvement loan, an IBRD \$100-million credit for railway improvements, and an ADB road rehabilitation program.

If political stability were to be restored, the probability for a major program of reconstruction and rehabilitation worth billions of dollars would be strong. In particular, the participation of the international aid community provides attractive opportunities for Canadian exporters, especially in the telecommunications, rail transport, power, and energy sectors.

*Benno T. Pflanz
High Commissioner*



Canada is Confident in Ability to Make Profits

Canadian companies signed Canadian \$50 million worth of contracts during Prime Minister Jean Chrétien's visit to Vietnam in November, 1994. That's greater than the total bilateral trade between Canada and Vietnam in 1993.

This means Canadians are gaining confidence in their ability to make profits in Vietnam. It also means that Canadians must build an even stronger team and further refine their strategies — if they wish to keep up with their competitors.

The Canadian presence in Vietnam consists of dozens of

companies, mostly from Quebec, British Columbia and Alberta. They have made the initial investment of time and resources to build the necessary relationships and have made commitments for the long term.

Individual company initiatives, determination, close coordination/cooperation with federal and provincial ministries, agencies, the embassy in Hanoi and the trade office in Ho Chi Minh City, are essential when doing business here. It is equally important to do as much homework as possible before visiting Vietnam.

When you ask for our assistance, we will be as frank as we can in our assessment of the market.

*Christine Desloges
Ambassador*

VIETNAM: IT'S TIME TO SAY 'GOOD MORNING'

Canada's first Ambassador to Vietnam, Christine Desloges, in a recent interview in Vancouver, says the time has come for Canadian entrepreneurs to wake up and say "good morning" to Vietnam.

"As in other places in Asia, you have to go in early and build contacts," she says, noting that there are several advantages to doing business in this country of 70 million people.

Despite Vietnam's GNP of only about \$300 per capita, it has a literacy rate of 85 per cent, a "very competitive" labour force of hard-working, industrious people, and annual economic growth in the 8.5 per cent range.

That being said, the market in Vietnam still

is in the early stages of development and there are obstacles (like ascertaining basic facts) and bureaucratic barriers (like establishing bona fide connections) that require considerable effort.

However, staff at the Canadian Embassy in Hanoi and at the trade office in Ho Chi Minh City have identified a number of priority sectors — based on plans of the Vietnam government, financing by the World Bank, the Asia Development Bank, other international financing institutions, and the strengths of Canadian industry. These priority sectors include: transportation; informatics and telecommunications; oil and gas; environment; power and

energy; and agri-food. Other sectors holding unlimited potential for Canadian companies include: infrastructure (roads, ports, airports, railroads, communications systems), food processing, and investment.

"The Vietnamese are anxious to see cooperative ventures and would welcome a lot more investment from Canada," said Ambassador Desloges.

Canadian academics, often sponsored by the Canadian International Development Agency (CIDA), have been assisting Vietnamese with policy and administrative reforms in sectors such as the legal and financial systems, the environment and information technologies.

CAMBODIA

Good Local Contacts a Priority

Cambodia is rebuilding its economy after more than two decades of unrest. With a major inflow of foreign aid and a free-market economy, Cambodia offers a variety of opportunities for Canadian exporters.

Sectors of interest include energy (particularly hydro-electricity), telecommunications, transportation and environment. A good number of international tenders will be made available through the Asian Development Bank and the World Bank and interested firms should register directly with these institutions in the usual manner.

In addition to passing a very liberal foreign investment law, the Cambodian government has established the Cambodian Development Council, designed to provide "one stop service" for foreign investors.

Canadian exporters should be aware, nevertheless, that doing business in Cambodia still depends very much on personal connections and it is advisable, therefore, to have good local contacts when seeking opportunities in Cambodia.

*Martin Collacott
Ambassador*

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Toward Market Economy

Eastern Europe at the Crossroads

Five years ago, when the Soviet Union was dismantled and its communist regimes collapsed, Eastern Europe opened its arms wide to the West.

To accelerate its transition to the market economy and in its eagerness for the capital essential to its development and full integration with the European Union, Eastern Europe did everything it could to attract investors the world over, introducing economic reform, market stimuli, investment incentives, infrastructure development and more.

While 1994 saw the return of economic growth to Eastern Europe, there are questions to be considered: What has become of these reforms that were designed to reassure and attract Western business? Are they advancing at the same rate in all the countries of Eastern Europe? Will the transition to a market economy be real-

ized within the anticipated five or six years? How attractive are these reforms to Canadian investors? And, finally, what about the state of the economy — one which was, since the early 1990s, hard hit by a recession which, by all appear-

ances, has just ended?

To get a first-hand look at the situation, at the request of the Central and Eastern Europe Trade Development Division, Department of Foreign Affairs and International Trade, *CanadExport* recently visited Hungary, the Czech Republic and Poland to meet with local business and investment people, with the members of our missions and with Canadians

doing business in these countries.

CanadExport has prepared three supplements, the first of which, on Hungary, is part of the current issue. The two other supplements, on Poland and the Czech Republic, will be published, respectively, in the May 15 and June 5 issues. Their purpose is to attract the attention of business people who have not yet considered these three strong markets in which Canada enjoys an excellent image.

The stakeholders *CanadExport* met in Budapest, Prague and Warsaw felt that the economic enhancement of Eastern Europe and the end of the recession (which slowed down the Western European economy in recent years) will accelerate Eastern Europe's conversion to a market economy, thereby helping to develop a business climate even more conducive to foreign investment.

The publication of these three supplements in *CanadExport* coincides with the visit of International Trade Minister Roy MacLaren to the region, planned for the end of May 1995.

EDC's New Team Aids Smaller Exporters

A new **Export Development Corporation (EDC)** "business team" now is available to serve the export credits insurance and financing needs of small business exporters.

By calling **1-800-850-9626**, smaller exporters instantly can access help to finance and insure sales of their goods and services abroad. In addition to providing one-stop shopping for EDC ser-

vices, the Ottawa-based team will be able to direct smaller exporters to other appropriate government services and programs.

"Canada has a lot to gain by ensuring that smaller companies are competitive worldwide," commented International Trade Minister Roy MacLaren. "This initiative demonstrates EDC's

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HUNGARY SUPPLEMENT

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SHARING TRADE SECRETS

Moosehead Beer Uses Scandinavian Base to Enter Europe

When looking to expand overseas, most Canadian companies traditionally establish a beachhead in England from which to enter the European market. But Moosehead Breweries of Halifax, Nova Scotia, decided to tackle the continent from Scandinavia with an innovative advertising campaign.

The reason? "It's a trend-setting market and anything that sells well there seems to catch on in the rest of Europe," says Pat Sullivan, Moosehead's International Marketing Director.

The brewery was originally approached in 1992 by Montreal native Scott Goodson, Creative Director of Swedish advertising agency Welinder Bozell.

Goodson felt Moosehead had a good chance of breaking into the Swedish market based on the success of about 25 new beer brands in the few years leading up to the launch of Moosehead in Sweden last year.

"The success of some traditional imported and local brands with rather untraditional advertising taught us a lesson," Goodson says. "It told us some customers were tired of seeing the same old images in beer advertising. They wanted

something they could relate to."

Goodson and his team responded by coming up with a relationship marketing strategy designed to appeal to the psychology of Scandinavian youth as well as staff in bars and restaurants.

A print and poster campaign was developed using the slogan, "Warning: The Moose Is Loose." All visuals featured a yellow triangular road sign with a moose head and a horizontal Moosehead beer bottle at the bottom. A follow-up TV campaign was launched in mid-June.

The campaign is paying off. Today, Moosehead is seventh in imported beer sales in Sweden among 90 competing imports, according to Sullivan. More importantly, it is number two behind Heineken in the 18-to-25 age category, which consumes 80 per cent

Continued on page 5 - Moosehead

Speaking of Beer...

Canadian Invention Saves Beer, Money and Time

No more spitting and spraying. No more foaming at the mouth. No more waiting and waste. We're talking beer, here. No more pouring off pitchers of foam to get to the good stuff, thanks to the latest in brew technology — a Draft Foam Control device called DFC 7500. This invention is the brainchild of Domenic Pizzacalla, President of Pacific West Technologies in Vancouver, B.C. The DFC 7500 is a small, easy-to-use and -install device that mounts right on the tapping head. It works like this: When a keg empties, the DFC 7500 stops beer flow immediately at the keg and at the tap, eliminating the spitting and spraying that usually happens when a keg 'blows.'

The DFC 7500 is small (6 in by 2.5 in), but it delivers big results. It saves an average of one pitcher of beer per keg. At about 40 pitchers to a keg and based on a volume of 40 kegs per week, establishments will save one keg a week. That's 52 kegs a year! For a unit that is installed for around Cdn \$100, owners see their return on investment very quickly.

Working closely with Canadian Trade Commissioners to locate distributors, the DFC 7500 has become attached to kegs throughout North and South America, Europe, Asia and Australia.

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BUSINESS OPPORTUNITIES

Before entering into a contractual agreement with a company, readers are advised to verify the bona fides of the companies listed here.

CZECH AND SLOVAK REPUBLIC — A marketing and export supporting firm in Prague offers comprehensive services to Canadian companies wishing to penetrate the lucrative Czech or Slovak markets. The firm provides an extensive network of high-level contacts in both republics, as well as an excellent market knowledge to assist your company in marketing, export, joint ventures and/or investments. Contact George Sigmund, GDS Business Services, 94 Ridgfield Crescent, Nepean, Ontario K2H 6T2. Tel.: (613) 726-8118. Fax: (613) 726-9440.

INDIA — A New Delhi-based company seeks Canadian suppliers of all kinds of used plant and industrial transport machinery. Of particular interest is the supply of a **vacuum-insulated tank trailer** (10,000-15,000 litre capacity; minimum working pressure 7.5 kg/cm²) without liquid pump. It will be used to transport oxygen and other gases. Contact Thomas Schanz, Tri-Star International. Tel.: (514) 696-6960. Fax: (514) 342-1961.

Contracting with the U.S. Federal Government

Each fiscal year, the United States General Services Administration (GSA) procures over \$2 billion in goods and services from the private sector. Contracts open and close throughout the fiscal year, with each contract having a solicitation approximately every 18 months.

The following contracts have open solicitations during the summer and fall of 1995:

Instruments and Laboratory Equipment: 66 II M — August;

66 II N, 66 III — September;
Miscellaneous Furniture: 71 III E — May; 71 III M — October;
Warewashing Compounds and Laundry Detergent: 79 II A — May - June.

More information can be obtained about the above contracts and how to get involved in selling to the U.S. federal government by contacting Judith Bradt at the Canadian Embassy in Washington, DC. Tel.: (202) 682-7746. Fax: (202) 682-7619.

U.S. Offers Opportunities of Interest to Canadian Information Technology Firms

A number of opportunities in the United States exist for Canadian information technology (IT) companies, says a report from the Canadian Trade Office in San Jose, California.

One such opportunity lies in the personal conferencing techniques developed by Intel Corporation, also of San Jose.

Intel, the world's leading supplier of microprocessors, whose chips are the brains of desktop and mobile personal computers (PCs), also drives the development of applications for its high-end systems.

One such application, meriting Canadian interest, is Intel ProShare personal conferencing, which enables the user to interact, one-on-one, person-to-person, using a PC.

Of the Intel ProShare, the Trade Office puts forth this scenario:

You're in Vancouver and have finished the first draft of your marketing plan which you want to discuss — without even touching a phone — with a colleague in Calgary.

A mouse click on your PC connects you directly to your Calgary colleague. You both have a hands-free telephone conversation and are also connected by live video, giving you the benefit of visual feedback.

Your marketing plan, on your PC monitor, is shared with the colleague in Calgary. As you discuss it, you both can annotate and amend the plan.

Continued on page 7 — Opportunities



Win Export-Looking for Export Opportunities?

Make sure you are registered in the WIN Exports database which will showcase your company's capabilities to foreign buyers. To register, fax your request on your company letterhead to 1-800-667-3802 or 613-944-1078.

Canada Prepares to Meet Japanese Tourism Challenge

Japanese outbound travel has grown at an exceptional rate over the past 25 years, from 128,000 visits abroad in 1964 to 13.6 million in 1994, up 14 per cent from the previous high in 1993. Industry observers predict that by the year 2000, over 20 million Japanese will travel overseas annually.

Canada Connection

Japan ranks as Canada's most important overseas market in terms of visitor revenues, generating an estimated \$532 million in 1994, excluding international airfares.

As emphasized in the October 1994 report from J. Judd Buchanan, Special Advisor on Tourism to the Prime Minister, "Tourism is big business in Canada. It provides more than 500,000 jobs for Canadians in some 60,000 businesses across the country. It contributes \$25.9 billion to our gross domestic product." It is ranked fourth in terms of export earnings.

What's more, Japanese businesses are investing in the Canadian tourism sector, particularly in hotel and resort properties in Toronto, Banff, Vancouver, Whistler and Victoria. Major Japanese travel companies have established their own operations and liaison offices in Canada, creating employment and displaying their long-term commitment to promoting Canada as a travel destination.

In his address to the Annual General Meeting of the Tourism Industry Association of Canada in October 1994, Prime Minister Chrétien announced that he accepted the recommendations in Mr. Buchanan's report. These included the government's plan to establish the **Canadian Tourism Commission (CTC)** — subsequently formed in February 1995 — composed of federal, provincial/territorial and industry representatives, and a major funding increase from \$15 million to \$50 million for this new entity.

Chrétien called for joint partnership funding, thereby creating a \$100-million marketing budget that will re-establish Canada as a force in the global tourism industry. These important announcements will have a significant impact on Canada's tourism marketing efforts with Japan.

At the initial meeting of the CTC Board of Directors in February 1995, it was considered that the Asia-Pacific region — especially Japan — should be accorded a high priority, and significantly augmented the 1995-96 marketing budget assigned to this market to \$5.75 million.

With initial partnership funding of an additional \$3 million, these changes mark a new era of industry-led private/public-sector joint decision making.

Integration Key Principle

The key operating principle will be the integration of expertise and resources to achieve results that no one organization or company could achieve on its own.

Emphasis on increased Japanese spending per trip will continue, targeting high-yield segments: "Office ladies" — single Japanese women aged 20 to 29 years — remain the priority.

Resources will shift to other growth markets, such as family travellers (baby-boomers and their children) and "fullmoon" travellers (couples 45 years plus). Key niche segments, such as incentive (business and students), technical visits, and skiing will also be targeted. Special attention will be given to the independent traveller in all of these customer segments.

Marketing Approach

The marketing approach in Japan is tightly focused, featuring product-specific messages aimed at these segments. Efforts focus upon influencing a shift of visits from peak to shoulder and off-season. Investigations into the potential of new customer segments (e.g. middle-age, resort travellers, and ecotourists) are continuing. New products and regions are being packaged and promoted in a highly-targeted fashion; such efforts have already begun with the School Excursion Touring Project ("shugaku ryoko"), the Canada West "Beaver Kaido," and Canada East "Maple Kaido" projects.

A key recommendation of the **1992 Canada-Japan Forum 2000** report is the encouragement of enhanced mutual awareness of each other's cultural heritage and historical development. One direct result was the development of the successful high-level **Japanese Ministry of Transport (MOT) Tourism Mission to Canada**.

In response to Mission recommendations, Minister of Industry Canada (responsible for Tourism), John Manley, participated in the **Second Canada-Japan Tourism Conference**, in November 1994 in Minabe, Japan. At that time, he submitted, on behalf of Canada's tourism industry, *Canada's Plan to Meet the Canada-Japan Two Million Visitor Two-Way Tourism Challenge* (1.5 million visitors to Canada).

Continued on page 5 — Tourism



Hungary: A Partner of Choice

Canada's Ambassador in Budapest, Mr. Rodney Irwin, is positive that Canadian companies can find attractive investment opportunities in Hungary. Of course, like other countries in the region, Hungary has had its share of economic problems that have slowed full access to a market economy. However, Mr. Irwin believes that Hungary is capable of resolving its problems, because it is closely following the IMF prescriptions. An IMF delegation that recently visited Hungary has just left Budapest satisfied with the government's economic achievements.

In the last two months, Mr. Irwin said, the government has decided to step up its action to improve the country's economic health. It has cut benefits and introduced new taxes to reduce the deficit. Mr. Irwin believes that these measures should strengthen the economy and stimulate growth.

What About Privatization?

According to Mr. Irwin, the government is serious about its goal of accelerating privatization, with legislation expected to receive parliamentary approval very soon. Privatization should provide the government with revenues in the

order of 150 billion florins (US\$1.3 billion) this year alone.

The goal is to privatize about 800 companies this year. Among the largest are the energy companies, which could be broken up into two or three components. Some power companies currently have distribution, generation and coal mining divisions. The Hungarian government knows that foreign investors will not risk their dollars in this sector if the price of electricity stays so low. It, therefore, raised electricity prices 50 per cent at the beginning of the year, as a first step to bringing them up to world levels.

It would seem that Hungary does not intend to privatize the nuclear sector. According to Atomic Energy of Canada Limited (AECL), which advises Hungary on the best techniques for disposing of nuclear waste, Hungarian nuclear power stations are very

Continued on page VII — Partnering

Canada-Hungary Bilateral Trade

Canadian bilateral trade with Hungary amounted to \$73.9 million in 1994. The total value of Canada's exports during this period was \$27.3 million. Major export categories included precision instruments (\$4.6 million), machinery (\$3.9 million), electrical equipment (\$3.6 million) and meat (\$3.5 million).

In 1994, Canadian imports from Hungary totalled \$46.6 million. Major imports included chemicals (\$7.7 million), machinery (\$5.9 million), vegetables and fruits (\$4.6 million) and alcoholic beverages (\$4.2 million). Canada experienced a \$19.3-million trade deficit with Hungary in 1994.

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A Booming Market

Why Invest in Hungary?

Over the last five years, a total of more than US\$16 billion has been invested by foreign countries in Eastern Europe. Hungary alone attracted more than half of this amount. That is why Richard Lecoq, Commercial Counsellor at our Embassy in Budapest, says that Hungary is essentially an investor's market. Several factors support this viewpoint: availability of a skilled labour force that is still cheaper than in the West; a relatively developed industrial infrastructure; proximity of Western European markets; and last, the fact that Hungary is a springboard for the markets of the former Soviet Union.

Hungary is crying out for foreign capital. The government has provided a series of incentives to attract foreign investors, thereby helping local business obtain sufficient capital and acquire the Western technology and management methods it badly needs.

ITD Hungary

CanadExport met with Mr. Csaba Kilian, Director of the Investment Division, Investment and Trade Development (ITD) Hungary. ITD, which was set up in 1989, is responsible for facilitating foreign investors' access to the Hungarian market by advising them on investment possibilities and the relevant legislation, and linking them with Hungarian partners in the same sectors.

The agency also seeks to promote Hungary as a viable investment market. Although he does not have the same financial mechanisms as those made available to him by the Europeans to promote Hungary in Europe, Kilian hopes to visit Canada to sell Hungary to Canadians.

Canadian Successes

Like Ambassador Irwin, Kilian noted the successes of Canadian companies in Hungary. However, he feels that Canadians have been too cautious. He thinks that more Canadians should consider investment opportunities in Hungary, a country in which they have made a good impression. Acknowledging that the Germans and Austrians have a long tradition of contacts with Hungary, he feels that should not prevent Canadians from taking their place as well.

Kilian says that Hungary attracts investors for many reasons. Economic reform began in the 1960s, while the Communist regime was still in power. Much more than its neighbours, Hungary is a country open to the outside world. Hungarian investment regulations are much more liberal than those of the other Eastern European countries. The country's economic and political stability makes Hungary a good investment choice. Finally,

Continued on page VII — Investment

Privatization: In Hungary, It's 'In'

While acquisitions and mergers were on the agenda during the 1980s, privatization is the keynote of the 1990s. That is what *CanadExport* learned from a discussion with Jean Philippe Ewart of Stikeman, Elliot. According to our Hungarian contacts, this is especially true in Hungary.

The Montreal legal firm, in Budapest since 1992, was hired by the Hungarian government to advise it on privatization of the electricity sector. Among the three largest legal firms in Hungary based on the size of the cases it manages, Elliot has a staff of 18 lawyers, including eight Canadians.

Although Ewart would have liked to see faster and more radical privatization of the power sector, he remains convinced that it is necessary to re-

privatize the sector and that privatization will happen in the end.

Noting incidentally that Canada is the sixth- or seventh-largest foreign investor in Hungary, Ewart feels that Canadian investments, except for those on the scale of Fracmaster, Novapharm and Linamar, are relatively small. He believes that Canadians should back the most promising sectors where the Hungarians need investments — electrical power, hydrocarbons and petrochemicals, sectors in which Canadians have expertise.

Despite some bureaucracy which is slowing privatization, Ewart advises Canadian companies to explore the Hungarian market without delay. Now is the time to position themselves, he says, or they may well miss the boat.

CANADIAN SUCCESS STORIES

LINAMAR

Linamar and its subsidiary have two product lines: precision machining for the automotive industry and agriculture equipment such as rotary combines, corn heads and grain dryers.

In 1992, Linamar acquired its Mezogep subsidiary in Hungary, which laid the ground work for further expansion into Europe.

In 1993, Linamar acquired a vacuum pump product line from *Saginaw Overseas Corporation*, U.K., and transferred its assets into a newly constructed 3,240-square-meter facility at its Mezogep subsidiary in Hungary. The plant is now producing 2,200 vacuum pumps per day that are exported to Ford, General Motors and Peugeot for their diesel engines, and operates in compliance with the Ford Supplier Quality Guidelines.

Larry J. Pearson, Linamar's President, believes that the climate in Hungary is conducive to good business. Economic stability, a highly capable work force and relatively low production costs are among the factors which spurred Linamar to locate in Hungary. His advice to Canadian companies interested in the Hungarian market is to make every possible effort to fully understand the market and clearly assess the suitability of their product line to the market's needs. Language barriers can be overcome with adequate training. Technological gaps can be filled with well-conceived training programs to bring Canadian and Hungarian partners together.

The Renaissance Eastern Europe Program supported Linamar's training efforts at the Mezogep subsidiary in such areas as English language communication and comprehension, computer upgrading, quality control and business and financial accounting consistent with North American accounting standards.

NOVOPHARM

In 1965, *Novopharm Limited*, Canada's leading manufacturer of branded generic drugs began to produce a generic version of the antibiotic tetracycline in a rented 2,000-square-foot warehouse in Don Mills, Ontario. Today, Novopharm operates out of more than 800,000 square feet of space in Canada, including its recently acquired production facility in Montreal.

One of Novopharm's many successes on the international scene is in Hungary where it developed a partnership with *Human Serum Production and Medicine Manufacturing Co.* in 1991. Novopharm is now a shareholder in Human with a 36-per-cent stake and with an option up to 51 per cent. Human's main areas of activity include blood derivatives, culture media and peptones, diagnostics and reagents, I.V. solutions, pharmaceutical specialities and vaccines for active immunization.

According to Leslie L. Dan, Novopharm's Chairman & CEO, the company became particularly interested in the Hungarian market for several reasons:

- the market is expanding and the earlier that Western companies become established the better it will be;
- the Hungarian pharmaceutical industry is fairly well developed and possesses high-quality technical personnel;
- Human is a successful operation with first-class management, which is why Novopharm did not hesitate to make the acquisition;
- Dan himself comes from Hungary, is fluent in Hungarian and is familiar with the culture of the country;
- in view of the Hungarian government's privatization program, which includes pharmaceutical firms, many opportunities exist to acquire companies at reasonable prices.

Dan believes that the long-term success of Novopharm — and other Canadian companies — will depend on establishing global operations. Firms which concentrate only on domestic markets, sooner or later, will disappear or be absorbed.

The Recession Is Over

Full Speed Ahead for the Market Economy

After three or four years of stagnation, the Hungarian economy has just posted growth of 2 per cent in 1994. Some industries even grew by 10 per cent. Imports also increased, while exports were down, creating a current account deficit on the order of US\$3.5 billion. The government's debt is US\$25 billion.

To correct this situation, the new Hungarian government which took office in May 1994 has just adopted a series of measures in its March 12 budget to reduce the government deficit and the balance of payments. To get an understanding of the scope of these measures and their impact on foreign investors and Hungarians, *CanadExport* met with Guy Archambault, Economic Counsellor at Canada's Embassy in Budapest.

Shock Therapy

Mr. Archambault told us that this shock therapy contrasts with the gradual measures previously applied by Hungary. Fringe benefits like maternity leave are being cut. In future, family allowances will be paid on the basis of need, and for the first time in Hungarian history, university students will have to contribute to the cost of their education (\$20 a month). The budget also contains some tax increases, such as an 8-per-cent tax on imports designed to reduce if not check consumption of imported goods. These measures could contribute about US\$1.4 billion to the economy in a year.

Despite this growth, which is based on a healthy private sector that generates 55 per cent of GNP, the country's 1992-1993 imbalance problems have become worse, added Mr. Archambault. The causes include the exchange rate policy, excessive consumption, a high

degree of Westernization and the wage policy adopted by the previous government, which conceded large wage increases shortly before leaving office.

Sound Foundations

But Archambault is still confident that the economy will recover quickly, and for good reason! He feels that Hungary is already a long way ahead of the other countries in the region. Goulacsh Communism sowed the seeds of a market economy in Hungary long before the fall of

Communism in Europe. During that period Hungary also established a sound banking system. So there is a solid foundation for the economic recovery.

With these new measures and the beginning of an economic recovery in the European Union, Hungary's economic growth could be in the region of 4 per cent to 5 per cent in future years. In addition, implementation of the proposed stabilization program and banking reforms could reduce local consumption and increase savings.

Hungary...as seen by

"We purchased our plant in Hungary because of the proximity it offers to the European market, which heretofore we haven't been close to... Our Mezögép plant could become Linamar's gateway into the European Union, once Hungary is accepted as a full member." Larry Pearson, President of *Linamar Machine Ltd.*, Canada.

"Good management in our Hungarian factory has helped us move from agricultural equipment production into auto manufacturing. And good management in this area too is one reason why we've become so successful so quickly." George Sims, *Linamar Machine Ltd.*, Canada.

"The operation depends on the employees, and my experience has been very good! It has been one of my biggest surprises to have here in Hungary a high level of education, and a high level of skills. So far we are all surprised about how quickly employees adapted to the new management style of General Motors, and how good their basic knowledge is." Ernest A. Hoffman, Managing Director, *GM Hungary*.

"Hungary has one of the most developed financial markets in the region... and it is in a strong position to develop further. ...the financial sector will increase in size, we have seen this in Budapest with the entrance of several banks into Hungary within the last few months. The IFC is very interested in expanding its portfolio in Hungary. Although we already have a substantial investment portfolio here, we see some other attractive investment opportunities in Hungary." Hugh Stevens, *International Financial Corporation*, Budapest.

Interested in Hungary?

Contact the Chamber of Commerce

To find out what Canadian business people think of Hungary's investment potential, *CanadExport* met with Michael Carter, President of the Canadian Chamber of Commerce in Hungary. Carter, who has lived in Budapest for four years, is also the manager of First Hungary Fund, an international mutual fund for large investors.

According to Carter, Hungary is more attractive than other countries in the region because of its political stability, the transparency of its investment laws, the Hungarian accounting system, which is aligned with the international system, and the existence of local lawyers familiar with market and trade legislation.

A Modest Start

The Chamber of Commerce was originally a kind of club for some Canadian business people in Hungary. Over time, it developed into a Chamber of Commerce which now has 150 Hungarian and Canadian members. Most Canadian investors in Hungary are people of Hungarian origin who came to Canada after the Second World War. Their knowledge of the language and the country was a significant advantage for penetrating the market. The expertise of these trailbreakers is available to Canadian companies interested in the Hungarian market.

Canadian Expertise

According to Carter, Canadian management expertise is put to good use in Hungary, where the service sector, generally neglected in the past, is now expanding fast. Many Canadians work for multi-national firms of accountants and

ment fund. In addition, many Canadian investors own smaller businesses in the restaurant, amusement centre, security and automobile rental sectors.

Pharmaceuticals have traditionally been very strong in Hungary, and Canada is well represented by Novapharm. Linamar has earned a strong reputation in Hungary and is currently manufacturing a wide range of automobile parts, pumps and farm machinery. (See Success Stories on page III.)

Weak Canadian Presence

Carter encourages companies to go after the Hungarian market. He does not hide his disappointment at the limited presence of Canadians in a market as buoyant as Hungary. He invites Canadians to get in touch with the Chamber to learn about the market potential and the range of services available through the Chamber. It can help interested Canadian companies make that first contact with the Hungarian market by putting its entire network of Canadian and Hungarian resource persons at their disposal.

For more information, contact Michael Carter at The First Hungary Fund, H-1052 Budapest, V., Kristof tér 6, IV., Hungary. Tel.: (36-1) 137-8720, (36-1) 266-4021. Fax: (36-1) 117-7182.



management professionals. For example, an American company in the textile field has a Canadian on its senior management team. Another Canadian manages a sugar company owned by French interests, and a third heads an Austrian-owned railway wagon manufacturer. Carter himself works for an international invest-

*Reforms Going Ahead***Hungary's Banks Are Remaking their Image**

Hungary's banking system is beginning to take on a Western look. Through the Eastern and Central Europe Assistance Program, Canada has made a big contribution to the introduction of retail banking services, a sector greatly neglected in the past.

We are now seeing the emergence of a host of banking services not available before, such as banking machines and investment certificates. A computer-accessible electronic banking service is now available to customers, and telephone banking will also soon be available.

While foreign banks are increasingly making their presence felt, the absence of Canadian banks is a puzzle. Both Hungarian and Cana-

dian observers that *CanadExport* met in Budapest noted that Canadian banks, with their experience in retail banking and excellent services, could carve out a prime position in this fast-expanding sector.

In any case, the competition is hardly waiting to be asked. *Citicorp*, for example, has been present in Hungary for a dozen or more years, following a long history of serving Eastern and Central Europe from Vienna. It recently opened a retail banking branch in Budapest.

According to the Hungarian bank association, 16 per cent of the assets of Hungarian commercial banks are held by foreign interests. If the government steps up the pace of bank privatization, as Ambassador Irwin thinks it will,

direct government ownership of Hungarian commercial banks, except for two, is expected to be limited to a maximum of 25 per cent by 1997.

Although privatizing the banking system is taking longer than the government wants, financial analysts estimate that Hungarian banks should, in any case, make adjustments to survive in the climate of strong competition created by the presence of efficient foreign banks.

Once privatization has been completed, Hungarian and foreign banks will be able to play an active part in revitalizing the country's economy by attracting foreign investment.

Will the Canadian banks be there?

Automotive Industry Forum in Budapest

BUDAPEST, HUNGARY – November 21-24, 1995 – Canadian companies interested in developing business activities in one of the most forthcoming and dynamic regions of the world, Central and Eastern Europe, should consider attending *The East and West Automotive Industry Forum*.

This exhibition/congress intends to develop worldwide contacts with Eastern automotive partners in order to generate

new business development opportunities.

The following are some of the industrial sectors covered: production and investment goods; design engineering; and research, methods and production of vehicle makers. All automotive industrial activities are represented in this forum. The event will aim at the development of foreign investments in Central and Eastern Europe; the increase of economic co-operation agreements with international industrial partners; the worldwide promotion of export opportunities for the industry; and the exchange of applied scientific research information.

For more information, contact Agoraexpo, P.O. Box 154, CH-1211 Geneva 4. Tel.: (41-22) 320 10 88. Fax: (41-22) 320 10 78.

Partnering — *Continued from page I*

efficiently managed.

Another excellent candidate for privatization is the hydrocarbons sector. Currently, foreign investors are allowed only to set up service station chains that are supplied from government refineries. Other parts of this sector will be gradually opened up to investors. The government is proceeding slowly with privatization of the energy sector, to mute criticism from certain nationalists who oppose opening the sector to foreign investment.

The first wave of privatization went well and created a class of Hungarian entrepreneurs in many sectors, such as retail sales. However, Mr. Irwin points out that although the government knows that privatization must continue apace, its dilemma is to know how far it must go. Most of the large state enterprises are located in highly populated areas and privatization could increase unemployment.

Opportunities for Canadian Companies

Mr. Irwin was pleased to note that Canadians have made their mark in the Hungarian service sector. Many Canadians work for multinational management concerns. In the construction field, a group of Canadian investors designed a banking centre for US\$120 million, of which only \$20 million came

from Canada, with the rest financed by local and foreign investors. They sold a tower in the complex to a local bank before it was built and used the money to finance the project. Other Canadian success stories include ATCO, which is building trailers in Hungary for Russian oilfields; Linamar, which manufactures vacuum pumps for automobiles and other machine parts; and Novapharm, which produces pharmaceuticals.

The Eastern and Central Europe Technical Assistance Program supported reform of the Hungarian banking system. It remains to be seen whether Canadian banks will take the opportunity to establish themselves in a sector they helped modernize, which is still planning major restructuring.

Another possible area of interest for Canadian companies is the environment. The Embassy helps interested Canadian companies make contact with municipalities for activities to clean up the Danube.

How to Succeed in Hungary

The key to success is to find a good business partner. That is exactly what our European competitors do. The Ambassador encourages the major Canadian players to come and explore the market first hand. Hungary is in the heart of Europe. Its proximity to the countries of the former Soviet Union and its historical links with these countries make it an excellent channel to these fast-changing markets.

Investment — *Continued from page II*

its closeness to other potential markets in both Western and Eastern Europe and its historical links with the countries of the former Soviet Union make it an ideal choice for investors looking to extend their market beyond Hungary itself.

Hungarian Ingenuity

Kilian told us that Hungarian entrepreneurship developed throughout the 1980s, when Hungary introduced a series of market incentives that subsequently accelerated its emergence from a planned economy. This transition confirmed the strength of this entrepreneurship, which was later weakened by the recession of the early 1990s in Europe.

According to Kilian, Hungary has a highly developed industrial infrastructure capable of absorbing Western technology. In the software field, for example, he said that many Hungarians have gained sound experience abroad but do not have the capital to exploit it. However, he cited the example of the Hungarian entrepreneur who set up his own electronics company in 1981, which three years later became the largest private company in the sector, specializing in personal

computers. He has since diversified into telecommunications and acquired many unprofitable state enterprises. In 1991 he participated in the privatization of the electronics giant Vidéoton and now owns 25 per cent of its shares.

Prime Sectors

The telecommunications sector has attracted many foreign investors. Germany and the United States own 30 per cent of the assets. Hungary is currently installing the most sophisticated telephone system in Europe. The automobile sector has attracted GM, Ford, Suzuki, Linamar (vacuum pumps for diesel engines) and Audi. Because Suzuki now has 60 per cent local content, it can export to foreign markets from Hungary. This sector is still able to absorb more investors.

Kilian added that another sector Canadians should consider is energy, which is becoming very important because of privatization of electricity, petroleum and gas.

Finally, Kilian stressed that Canadian investors will find in Hungary creativeness, a positive view of investors, a good climate for investment, a developed R&D sector and a skilled and inexpensive labour force.

AT YOUR SERVICE...

• *Canadian Market Support in Hungary* •

Department of Foreign Affairs and International Trade

Central and Eastern Europe Trade Development Division (RBT)
125 Sussex Drive
Ottawa, Ontario
K1A 0G2

Monica Heron, Deputy Director
Tel.: (613) 996-7107

Dan Mrkich, Trade Commissioner
Tel.: (613) 992-1449
Fax: (613) 995-8783

Trade Fairs and Missions (RWTF)
Paul Connors, Deputy Director
125 Sussex Drive
Ottawa, Ontario
K1A 0G2

Tel.: (613) 996-5555
Fax: (613) 944-1008

Renaissance Eastern Europe Program (REE)

Mainly targeting SMEs, REE is a cost-shared funding facility directed at joint venture-specific feasibility studies and training in commercially viable sectors based on protocols of co-operation or letters of intent. Refer to your International Trade Centre or:

Central and Eastern Europe Trade Development Division (RBT)
Jocelyne Oceau, Secretary
125 Sussex Drive
Ottawa, Ontario
K1A 0G2
Tel.: (613) 996-0105
Fax: (613) 995-8783

Program for Export Market Development (PEMD)

The Department of Foreign Affairs and International Trade, through PEMD, attempts to defray market identification costs for SMEs. Refer to your local International Trade Centre for more

information and application forms.

InfoCentre

Located in the Department of Foreign Affairs and International Trade, the InfoCentre can provide exporters with publications and information on support programs relevant to markets of interest.

Canadian Embassy

Richard Lecoq, Counsellor (Commercial) and Consul
Kiralyhago Ter 8/9
H-1126 Budapest XII
Hungary
Tel.: (011-36-1) 156-1251
Fax: (011-36-1) 155-8650

The Commercial Division of the Embassy can provide companies with information, names of contacts and advice regarding marketing strategies for Hungary.

Export Development Corporation (EDC)

Europe Department
P.O. Box 655
Ottawa, Ontario
K1A 1K3
Tel.: (613) 598-2745
Fax: (613) 598-2504

International Trade Centres

Located in each province (see *Directory of Canadian Trade Commissioner Service*), the ITC should be the first point of contact for potential Canadian exporters or investors.

Provincial Governments

Provincial government departments often have offices dedicated to promotion, together with support programs which exporters can access.

Tourism Challenge — Continued from page 4

Six Strategies

The *Executive Summary* of this report outlines six strategies to meet this target:

- The Canadian tourism industry, led by the public- and private-sector members of the **Asia Pacific Partnership Committee (APPC)**, will increase its investment in the development and promotion of regional brand products. The industry will also work to mitigate the extremes in seasonality for Japanese travel to Canada by promoting a "Four Season Canada."
- Canada's national air carriers will aggressively promote tourism to Canada during the eight off-peak months (October to May).
- Canadian surface transportation carriers will develop a series of regional intermodal passes specifically for use by Japanese visitors.
- To improve customer service and sensitivity to visitors from Asia, the **Hotel Association of Canada**, the **Asia Pacific Foundation of Canada** and the **Retail Council of Canada** will develop a comprehensive cross-cultural skills and awareness training program for delivery in various sectors of the Canadian tourism industry.
- **The Canadian Tourism Human Resources Council**, in cooperation with public- and private-sector partners, will establish a resource centre where consolidated information on cross-cultural awareness and existing career training programs will be made available to the industry.
- Recognizing the rapidly growing incidence of FIT

among Japanese travellers, **Tourism Canada** and industry partners will engage in research to more fully understand this type of trip. In the short term, Canada's tourism industry has developed an action plan to take steps to meet the special needs of the independent Japanese traveller.

Additional Opportunities

The September 1994 opening of the new Kansai International Airport and the entry of Air Canada in Japan, serving Osaka, also provide additional market opportunities for Canada in Japan.

To capitalize on these developments, the Japanese market will be particularly well represented at **Rendezvous Canada**, taking place in Halifax in early May 1995. Moreover, the Canadian Embassy in Tokyo is organizing the reverse tourism marketplace, **Kanata '95**, from October 16 to 20 in Hamamatsu, Shizuoka Prefecture.

The economic benefits of reaching the target are enormous: An additional \$1 billion would be pumped into the Canadian economy each year, creating more than 20,000 new jobs.

Canada's Action Plan for Japan has been developed and updated to achieve this end. Activities in the Action Plan flow from Tourism Canada's medium-term strategy for Asia-Pacific markets, and their Operational Plan for Japan and Secondary Markets of Asia-Pacific 1995/96.

Canada is well poised to tackle the Canada-Japan Two Million Visitor Challenge.

Moosehead

Continued from page 2

of all beer.

Welinder's Moosehead marketing program is now being tested in other markets, including North America. Sullivan adds, "We're looking for appropriate distribution agents to work with us in other countries."

He also hopes Moosehead beer will soon be available across Canada, including Quebec.

EDC — Continued from page 1

ongoing efforts to provide small business exporters with the tools they need."

Team leader John Hutchison said the initiative "brings EDC closer to the small business customer, resulting in easier access, simplified procedures and faster turnaround times."

EDC also is working with banks to develop an innovative framework to extend operating lines of credit to exporters against their foreign receivables.

Other recent initiatives in support of small business include a risk-sharing framework with banks to provide medium-term financing for exporters, training programs for bankers, streamlined insurance programs, simplified claims and administrative processes, and lines of credit in regional offices.

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

TRADE FAIRS AROUND THE WORLD

Canada-Korea Business Council Annual Meeting

Kyongju City, Korea — The Canada-Korea Business Council (CKBC) is holding its 13th Annual Meeting here this year.

The May 23-24 event will focus on transportation, tourism and technology industries and will be attended by senior government and business leaders from both Korea and Canada. These meetings provide an excellent forum within which newer players can learn the ropes from the experi-

enced Canadian companies in the Korean market.

Other important events taking place in Korea at the time of this annual meeting are: **1st APEC Technomart '95 Seminar and Exhibition** (May 22-27) in Taejon; the **APEC Telecommunications Ministerial Meeting** (May 29-30); and the **Marine Environment Symposium** in Seoul (May 30-31).

For more information, contact

Elsie Lee or Diane Orr at the Canadian Chamber of Commerce, Ottawa. Tel.: (613) 238-4000, ext. 240 or 239. Fax: (613) 238-7643.

Thailand Hosts Food, Hospitality Fair

Bangkok — The 1995 **International Food & Hospitality Show (IFHS)** and the **Thailand Food Fair**, being held in Bangkok, June 25-28, 1995, already look set to surpass the highly successful 1994 show.

The fair will highlight further opportunities to bring internationally recognized brands to Thailand's increasingly wealthy population of some 60 million people. And it is based on the fact that the potential in the region for franchising both Asian and Western food and hospitality concepts is only just beginning to be recognized.

Meanwhile, the Thailand Food Fair's "Catering for the World" theme reflects the country's status as Asia's major food producer and as a major world exporting force.

The organizers are confident of breaking new records with the expanded show format: 1994 already showed a 50-per-cent increase in visitor attendance.

For more information, contact Gina Farkas, Bangkok Exhibition Services Ltd., 62 Soi Areesamphan 11, Rama VI Road, Phayathai, Bangkok 10400, Thailand. Tel.: 66 2 279 4721/2. Fax: 66 2 271 3223.

EXPORTERS CAN BUILD MARKETS AT CAIRO SHOW

Cairo — Canadian companies interested in Egypt and Middle East markets are invited to attend the **2nd International Exhibition & Conference for Building & Construction (Inter Build '95)** show being held here June 22-25, 1995.

The event is organized by the Arabian Group for Development (AGB), under the auspices of the Egyptian Prime Minister Dr. Atef Sedky.

Participants in **Inter Build '95** are likely to find the event a gateway not only to markets in Egypt but to those in the entire Middle East.

For further details, contact the AGD, 23 Shihab Street, Mohandessin, Cairo, Egypt, fax/phone: 011-202-3448668; or 17 El-Beheira Street, Genaklees, Alexandria, Egypt. Tel.: 011-203-5705568. Fax: 011-203-5712180.

Agro Expo China South/Food Expo 95

Guang Zhou City — The China Export Commodities Fair Exhibition Hall will be the venue for the trade fair, **Agro Expo China South/Food Expo 95**, which will be held June 20-24, 1995.

The trade fair, which has been held since 1987, will cover the most important areas of the agro, agro-industrial and food sectors. This is a great opportunity for Canadians to enter the booming Chinese market. China's State

Science and Technology Commission and the Ministry of Agriculture and Food are sponsoring this event.

Companies interested in obtaining additional information on **Agro Expo China South/Food Expo 95** should contact Linda Lu, China Info Globe Inc., 4002 Sheppard Ave. E., Suite 300, Scarborough, Ontario M1S 1S6. Tel.: (416) 298-2298. Fax: (416) 292-9627.



PUBLICATIONS

Top Ten Export Programs

Individual leaflets, in a convenient, pocket-size folder, discuss the Government of Canada's **Top Ten Export Programs** (code 106XA). They are: Market Information Services; Trade Commissioner Service; Sourcing and Procurement; Export Training; Program for Export Market Development; New Exporter Programs; Trade Fairs and Missions; Government-to-Government Contracts; Export Finance; and Export Insurance. Copies of the folder, quoting the above code number, are available through the Department of Foreign Affairs and International Trade's InfoCentre (see box bottom of page 8).

Mexico Guide

A new edition of **Mexico: A Guide for Canadian Exporters** (code 6LA) includes information on: Economy and Foreign Trade; Doing Business With Mexico; Your Business Visit; and Federal Export Assistance. A description of the country and useful addresses also are provided. Copies are available through the Department of Foreign Affairs and International Trade's InfoCentre (see box bottom of page 8).

U.S. Mail Order Guide

The **Canadian Exporter's Guide to the U.S. Mail Order Catalogue Industry** (code 990A) provides information on: what to look for in the U.S. market; where to find a catalogue house; how to obtain a successful business venture; how to move your product over the border; where to find assistance; calling on a U.S. mail

order catalogue house; and the sales for U.S. retail catalogue houses and for U.S. business-to-business catalogue houses. Copies of the guide, quoting the code number, are available through the Department of Foreign Affairs and International Trade's InfoCentre (see box bottom of page 8).

U.S. Medical Devices Imports

Canadian medical devices manufacturers who were unable to attend a recent series of training seminars that promoted harmonization and compliance with U.S. import regulations will not be left out in the cold.

Now they can obtain copies of the U.S. Food and Drug Administration's (FDA's) **Import of Medical Devices — A Workshop Manual** as well as copies of the slides used during the seminars.

The training seminars, which were held between February 27 and March 6, 1995, in Toronto, Halifax, Montreal and Vancouver, were sponsored by the Trade and Investment Development Office (TID) of the Canadian Embassy, Washington, DC; the Department of Foreign Affairs and International Trade; and Industry Canada.

Contact Manuel M. Ellenbogen, TID Office, Washington, DC. Fax: (202) 682-7619.

Sector Reports Survey China

The Department of Natural Resources Canada has received the following three sectoral reports prepared by the Commercial Division of the Canadian Embassy in Beijing: the **chemical industry** in China; the **coal industry** in China; and the **iron and steel**

industry in China. Each guide contains information on production, key players, recent developments, and business opportunities. For copies, contact Monique Laflèche, International Division, Mining Sector, Department of Natural Resources Canada, 460 O'Connor Street, Ottawa, Ontario K1A 0E4. Tel.: (613) 995-5009. Fax: (613) 992-5244.

Opportunities

Continued from page 3

At the end of the personal conference, each has the complete, updated plan on his/her PC.

It is in the development of applications such as this, says the Trade Office, that provides opportunities for Canadian IT companies.

Infotech Newsletter

Available to assist companies interested in this field is a bi-monthly publication that provides its readers with relevant and timely information on this U.S. market. It contains input from Canadian trade offices across the United States.

To receive the Infotech Newsletter, contact Inka Brouillette of the San Jose Trade Office (newsletter coordinator and publisher). Tel.: (408) 289-1157. Fax: (408) 289-1168.

Better yet, send an e-mail message to the Trade Office: "canadian@netcom.com". The office will forward the newsletter as an e-mail message.

BUSINESS AGENDA

Calgary — May 3-5, 1995 — **Preparing for a Global Connection**, the theme of the **10th Annual Canadian Advanced Technology Association (CATA) Conference**, will address such topics as multimedia, alliance-building, and deal-making in Europe, Asia and the United States. Leading-edge technologies and market trends will be discussed by some 75 top national and international private- and public-sector speakers. For registration details: 1-800-387-2282, menu #660, or call CATA, Ottawa at (613) 236-6550.

Mississauga — May 5, 1995 — **Making Trade Shows Work** is aimed at company show co-ordinators, sales managers and staff who are involved or plan to become involved in trade fairs. Presented by Barry Siskind, the workshop is sponsored by the federal government International Trade Centre and the Ontario Ministry of Economic Development and Trade. Contact International Training and Management Company, Terra Cotta, Ontario. Tel.: (519) 927-9494. Fax: (519) 927-9403. (Toronto line, tel.: 416-483-3836.)

Vancouver — May 10, 1995;
Toronto — May 12, 1995 — **Partnering with Indonesia** is the subject of these seminars and

pre-scheduled, one-on-one business meetings being sponsored by the Canadian Exporters' Association (CEA) in cooperation with the Canada Indonesia Business Council (CIBC). On hand will be the Indonesian Minister of Investment, financial and technological representatives from Indonesian and Canadian firms interested in such areas as telecommunications, energy, environment, chemicals, agri-business, transportation and resources. Topics will include partnership opportunities, technology transfer, import duty exemptions, and deregulation measures. Opportunities resulting from participation in this event can be supported by three Canadian advisors stationed in Jakarta as part of the Canada Indonesia Business Development Office (CIBDO), a project funded by the Canadian International Development Agency (CIDA), the CEA and the Government of Indonesia. Registration fee, including GST, is \$53.50. In Vancouver, contact the CEA's Sandy Ferguson. Tel.: (604) 844-3187. Fax: (604) 660-3917. For the Toronto event, contact Sarita Godbole, CIBDO/CEA, Ottawa. Tel.: (613) 238-8888. Fax: (613) 563-9218.

Western Canada — The Canada Ukraine Chamber of Commerce

(CUCC) will hold half-day breakfast meetings across Western Canada on **Doing Business in Ukraine**.

The breakfast meetings will be held in: **Winnipeg**, May 8; **Saskatoon**, May 9; **Edmonton**, May 10; **Calgary**, May 11; **Vancouver**, May 12. For further details and registration information, contact the CUCC at One Eva Road, Suite 409, Etobicoke, Ontario M9C 4Z5. Tel.: (416) 620-5509. Fax: (416) 620-5392.

Toronto — May 18-19, 1995 — Hosted by the Canadian International Business Council, the **Third Annual North American Business Forum** deals with issues facing members of the North American Free Trade Agreement (NAFTA). Conference delegates and interested Canadian businesses will deal with such topics as: accessing the NAFTA, environmental issues, financial and investment trends, and the economic-political climate of North America. The conference will be attended by leaders of the business, academic and legal communities of the three NAFTA member countries. Registration fee is \$595 (plus applicable taxes). Contact the Canadian International Business Council, Toronto. Tel.: (416) 944-0400. Fax: (416) 944-0081.



The InfoCentre of the Department of Foreign Affairs and International Trade provides counselling, publications and referral services to Canadian exporters. Companies interested in obtaining trade-related information are invited to contact the InfoCentre at 1-800-267-8376 (Ottawa Region: 944-4000) or by fax at (613) 996-9709. Trade information is also available by calling FaxLink (from a fax machine) at (613) 944-4500, the Department's round-the-clock faxback service.

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if undeliverable:
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Ottawa, Ont.
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10-year, \$35-billion gas development project

DEPARTMENT OF FOREIGN AFFAIRS
MINISTÈRE DES AFFAIRES ÉTRANGÈRES
CONSULTER SUR

Big Opportunities in Indonesia for Canadian Firms

The *Natuna* gas project in Indonesia, expected to begin construction later this year, means major opportunities for Canadian companies in the oil and gas sector as well as those in related sectors such as steel, consulting engineering, construction, electrical power generation, and many more. At a cost of US\$35 billion, it is believed to be one of the largest offshore natural gas projects in the world, adding to Indonesia's standing as the largest exporter of liquefied natural gas (LNG) in Asia.

Natuna

The *Natuna* gas field was first discovered in the late 1970s by three *Pertamina* (the government oil and gas agency) production-sharing contractors, a consortium of AGIP, Philips Petroleum, and Tenneco.

The *Natuna* D-Alpha Bloc

alone has current reserve estimates of 120 trillion cubic feet (TCF) of gas, with 45 TCF of recoverable hydrocarbons. This makes the development of *Natuna*, one of the largest untapped gas fields in the country,

POLAND SUPPLEMENT

Pages I-VIII

essential for Indonesia to secure a large and reliable supply of gas for export and domestic use.

The high cost associated with deepwater gas production technology, and the enormous investment requirements envisaged for *Natuna* (over US\$35 billion) made it extremely difficult for the original consortium to develop the field. The Indonesian government realized that for *Natuna* to be suc-

cessful, it needed the participation of the largest multinational oil exploration firms.

In the 1980s, the original consortium relinquished the *Natuna* acreage and a new firm, Exxon *Natuna*, continued to explore the gas fields under a production-sharing agreement with *Pertamina*. But prohibitive costs forced Exxon to delay development and seek modifications to the original agreement.

New Contract Makes *Natuna* a Reality

After more than two years of discussion the Government of Indonesia renegotiated the agreement with Exxon and a contract for the *Natuna* gas project was signed on January 9, 1995.

The offshore complex will consist of full design, engineering, platform construction and commissioning, while the onshore complex will consist of all necessary receiving infrastructure, LNG plant, waste gas compression plant, etc. Construction is

Continued on page 7 - Indonesia

CHILEAN ACCESSION TO NAFTA

As partners to the *North American Free Trade Agreement* (NAFTA) prepare to negotiate Chile's accession, exporters, producers, importers, investors and other interested Canadians are invited to send in — before May 31, 1995 — written submissions outlining their specific interests in market access for goods and services, as well as in investment.

Goods

Most Chilean exports to Canada enter duty-free. All Canadian exports to Chile face an 11-per-cent Chilean tariff. The goal of the Canadian negotiating team will be the immediate (perhaps as early as January 1997) phase-out of tariffs on most products.

Continued on page 5 - Chile

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SHARING TRADE SECRETS

How to Succeed in the Vietnamese Market

Datacom is a private consulting firm that has worked extensively with Canadian firms seeking to enter the Vietnamese market. According to the firm, the following factors are the keys to success in Vietnam.

- For foreign firms, it sometimes takes a great deal of time, money and effort to pursue projects in Vietnam. To save resources, Canadian companies need a "Vietnamese navigator" based in Canada, to visit the market and communicate with key representatives in Vietnam.
- Business practices differ from country to country. Forming a joint venture partnership with a local Vietnamese company or having a company representative who has solid business contacts with public and private sectors in Vietnam is crucial to promote the distinct advantages of Canadian products and services.
- Face-to-face meetings are very important to the Vietnamese. Canadian companies can build a solid bridge with Vietnamese counterparts by keeping in touch. Visits to potential clients and/or local partners in Vietnam are always more productive than long-distance communication.
- The business environment in Vietnam has changed along with the country's economic transforma-

tion. Canadian companies are expected to accommodate challenges that occur during planning operations or while conducting business activities in Vietnam. In these cases, patience and flexibility are the most effective ways of handling situations as they arise.

- Gathering Canadian companies into one group is another good strategy to compete with other industrial consortia to pursue large projects. Obviously, working as a team can enhance Canadian companies' profiles, and save significant time, resources and finances.

Vietnam is one of the most active potential nations for Canadian investors, exporters and entrepreneurs. It offers enormous opportunities for Canadian companies in all sectors of Vietnam's economy. Success depends on strategies that incorporate the five key factors discussed above: determination, orientation, communication, connection and solution.

Canadian companies can contact Datacom for more information: 30 Elm Drive East, Suite 504, Mississauga, Ontario L5A 4C3, Tel.: (905) 275-3435; Fax: (905) 276-8635.

Chemical Weapons: Are You Ready?

Export/import in Canada of toxic chemicals could be affected by an international disarmament treaty — *The Chemical Weapons Convention (CWC)* — that may come into force as early as January 1996.

The treaty may affect the export/import of certain "scheduled" toxic chemicals and may ban their development, production, stockpiling, transfer, and use — depending on their classification. Industry will be obligated to comply with the provisions of the CWC by reporting on their activity with these chemicals. Also, industry will be subject to possible on-site verification inspections by international inspectors.

Companies engaged in this field and wanting further information or a copy of the brochure "Chemical Weapons Convention National Authority: Is Your Company Ready?" may contact: Chemical Weapons Convention National Authority (IDN), Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2, Tel.: (613) 995-9284; Fax: 944-1835.

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Mail to: *CANADEXPORT* (BCT), Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2.

BUSINESS OPPORTUNITIES

Before entering into a contractual agreement with a company, readers are advised to verify the bonafides of the companies listed here.

BANGLADESH — A leading import agent that markets foreign products in Bangladesh wishes to source Canadian suppliers of **industrial raw materials and chemicals**. Contact Mrs. Nazma Zaidi, Director, Exotic Exports, 56 Abdus Satter Road, Rahmatgonj, Chittagong, Bangladesh, Tel.: 226980; Fax: 880-31-225200, attn: Zaidi; Telex: 66221, attn: Zaidi.

EGYPT — The Egyptian Fish Marketing Company requires, by the end of June 1995, 2,000 tonnes (23 cm or larger) of **mackerel** from eligible suppliers. Contact Mrs. Safeya El-Shayal, Commercial Counsellor, Commercial Office, Embassy of Egypt, Ottawa, Tel.: (613) 238-6263; Fax: (613) 238-2578.

IRAN — A leading Iranian importer

seeks Canadian suppliers of **printing paper**. Contact Kevin Zargari, Canada Sterling Industrial Inc., Burnaby, BC, Tel.: (604) 521-2808; Fax: (604) 521-1494.

MIDDLE EAST — A Middle East-based manufacturer of **radiators and cooling networks** seeks a joint venture Canadian manufacturer or supplier of radiators. Contact John Samadi, Emerik Inc., 100 De Gaspé, #1207, Verdun, Quebec H3E 1E5, Tel.: (514) 766-7203; Fax: (514) 766-5332.

NEW ZEALAND — An electrical engineering/agent/import company currently representing four Canadian companies in New Zealand, would like to complement its range of imports, which includes **alarms, motor braking systems, circuit**

boards, motor controllers, emergency lighting equipment and systems, sensors, switches, warning beacons and resistors. The company's expertise covers the electricity generation, transmission and distribution systems. Contact D. Millard, Managing Director, Ellis & Company Limited, P.O. Box 506, Auckland, New Zealand, Tel.: (64-9) 527-3877; Fax: (64-9) 527-6183.

SPAIN — The Canadian trade office in Barcelona has identified a number of joint venture and business opportunities in Spain. Some possible ventures are in the following areas: **tanned cow leather, cotton and cotton-polyester fabrics; cardboard boxes; and resins, pigments and additives for industrial liquid paints**. Canadian firms should send general information to René-François Désamonné, Trade Commissioner Canadian Consulate, Travessera de les Corts, 265 Entlo 1a, 08014, Barcelona, Spain, Tel.: (343) 410 6699; Fax: (343) 410 7755.

SRI LANKA — An export consultant is seeking growers of **split peas and lentils** for direct shipment to a known market in Sri Lanka. The consultant is planning a market research trip to Sri Lanka and is interested in hearing from any processors or producers willing to commit to export. Contact John Batt, John Batt & Associates Inc., 11 Keats Crescent, Guelph, Ontario N1G 3B1, Tel./Fax: (519) 763-0418.

Opportunities for Canadian Food and Beverage Producers in Germany

GERMANY — CMC Taste America, a supplier of typical American foods to department and chain stores in Germany, recently obtained a contract to supply 270 gas stations. CMC is open to selling Canadian products and would be interested in receiving samples and quotations from Canadian manufacturers and producers for the following products: **maple syrup, honey, cereals, snack foods, BBQ sauces and salad dressings, relishes, muffin mixes, root beer and Dr. Pepper in glass bottles, licorice, etc.**

Samples should be sent to CMC Taste America GMBH, Elbest. 40, D-45478, Muelheim/Ruhr, tel.: 49-208-588 53020; fax: 49-208-588 5360.



Win Export-Looking for Export Opportunities?

Make sure you are registered in the WIN Exports database which will showcase your company's capabilities to foreign buyers. To register, fax your request on your company letterhead to 1-800-667-3802 or 613-944-1078.

JAPANESE INVESTMENT BLOSSOMS IN ASIA

Japanese influence is widespread throughout Asia. For years the Japanese have been building manufacturing bases and extensive distribution facilities. Most major cities in Asia boast several Japanese department stores; over 90 per cent of the cars sold in Thailand, Indonesia and the Philippines are made by Japanese companies; in Malaysia, *Matsushita* and *Sharp Corp.* have established electronics manufacturing operations that now account for nearly 10 per cent of the country's GDP.

Even Japanese culture is spreading rapidly; from Bangkok to Beijing, karaoke enthusiasts can sing along to their favourite tunes, and a Japanese TV series, dubbed in Mandarin, is the rage in Taiwan!

Building on this substantial base, Japanese direct investment in Asia continues to blossom, with the region accounting for an esti-

mated 32 per cent of Japan's direct overseas manufacturing investments in 1993, up from some 20 per cent in 1990. Japan no longer views Asia as a low-cost production base for exports, but rather a massive, diverse and potentially lucrative consumer market.

Japanese exports grew 6.3 per cent in 1993 while exports to Asia enjoyed double-digit increases. Imports from Asia also grew substantially last year, and in 1993, Japan's trade surplus with Asia exceeded its surplus with the U.S. for the first time.

Japan's interest in Asia is motivated largely by two factors. First, the region is growing dramatically. In 1993, Asia's newly industrializing economies, including China and the Association of Southeast Asian Nations (ASEAN), accounted for 5 per cent of the world's GNP, 12 per cent of its trade and almost

30 per cent of its population. Second, the yen's appreciation in 1993 and 1994 makes it too expensive to manufacture most goods in Japan, so production is being transferred rapidly to Southeast Asia and China, attracted by low labour and material costs.

Investment in China

Japanese firms are now investing more in China than anywhere else in Asia. Last year, Japan invested \$1.37 billion in China, mostly in automobiles, retail outlets, home electronics and consumer durables. Over 1 million vehicles were manufactured in China last year, almost double the 1991 figures, and production is expected to double again before the year 2000. *Toyota* will manufacture 150,000 passenger cars a year for domestic sale starting in 1996, and *Mazda* plans to increase production of pick-up trucks beginning in 1997.

Matsushita, *Sanyo Electric* and the textile giant *Kanebo* all have more than 10 operations in China. *Yaohan International* is planning to set up 1,000 stores and supermarkets throughout the country, and *Daiei* plans to build 10,000 restaurants and stores.

Investment in ASEAN Countries

Nearly 1 million cars were sold in ASEAN countries last year. Thailand is expected to become the largest production centre. Annual sales there are already \$450,000 and are expected to rise to \$800,000 by the year 2000. *Toyota* is investing \$280 million to boost annual production in Thailand from 150,000 to 200,000

Continued on page 5 — Investment

U.K. and Canada Push for Japanese Investment

The United Kingdom is strengthening its links with the Japanese pharmaceutical industry association, the *JPMA*, through a series of regular meetings. A similar initiative is being launched in Canada, focusing on the Asia-Pacific region, Korea, the United States and Europe.

Canada's intention is to build awareness of the advantages of investing in the Canadian pharmaceutical industry, identify investment opportunities, and facilitate investment partnering. The initiative is being co-ordinated by the Department of Foreign Affairs and International Trade and Industry Canada with support from brand-name and generic industry associations and the Medical Research Council.

For more information, contact Louis Boisvert, Investment Counsellor, Canadian Embassy, 7-3-38 Akasaka, Minato-ku, Tokyo 107, Japan, Tel.: (011-81-3) 3408-2101; Fax: (011-81-3) 3470-7280/3479-5320).



Poland, a market of 40 million people

Where "Kanada" Is Synonymous with Paradise

In this supplement, the second in a series of three on Central and Eastern Europe, CanadExport looks at the changes in Poland since the fall of the Communist regime and the resulting opportunities for Canadian businesses. In our May 1 issue, we looked at Hungary; the third and final supplement will be out on June 5 and will focus on the Czech Republic.

Anne Leahy, Canada's Ambassador to Warsaw, has a message for Canadian companies interested in Poland: "This is a market of 40 million more and more sophisticated consumers, a booming market where Canada, which in Polish means paradise, has an excellent reputation. Canadian companies with proven advanced technology or experience in developing markets have everything to succeed here."

Obstacles

Poland is not an easy market to crack adds Ambassador Leahy. The concept of market development as we know it in Canada is still new here, not to say unknown. Poland does not have a Western-style administrative culture, making every transaction and all dealings with authorities an arduous task. The lack of openness in the public administration can hamper, and indeed, defeat investors who are unaccustomed to operating in this environment.

The Polish were the first in Eastern Europe to install a non-Communist government. They have begun to lay the groundwork for a market economy and have created the requisite legal instrument. But implementation is haphazard according to Ms. Leahy, and considerable latitude exists in the interpretation of the law.

Attractions

Despite these administrative shortcomings, Poland has attracted an increasing volume of foreign investment in the last five years. Since the country allowed joint ventures and foreign investments in 1988, total foreign investments amounted to \$5 billion. Investor confidence has been stronger since Poland reached agreement with private banks in 1994 to settle its commercial debt which brought its total foreign debt to \$41 billion. Another very important sign of confidence is the \$900-million loan from the International Monetary Fund to restructure its economy.

Poland was the first country in the region to have found its pre-war industrial level after the trauma of 1989. It has since registered economic growth for three consecutive years. The 5-per-cent increase in GNP in 1994 came on the heels of 3.6-per-cent growth in 1993 and a 2.6-per-cent rise in 1992, higher than most other countries in Europe.

Opportunities for Canada

Canadian support for Poland since it began its transition to a market economy has put Canada on the inside track. While Canada is not among the leading foreign investors in Poland, 40 Canadian companies have invested a total of

over \$100 million, either in joint ventures or in wholly Canadian ventures.

Ms. Leahy sees the most promising sectors for Canadian companies as agrifood, residential construction, the environment (cleaning up water bodies and soil rehabilitation), geomatics and telecommunications.

Poland is still essentially an investment market. However, with a market of 40 million consumers, including a fairly well-to-do class, opportunities to increase Canadian exports to Poland should not be ignored.

The current coalition government is as committed as its predecessor to pursuing reforms which will draw foreign investment. It is currently preparing a series of laws, for example, in the area of financial

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*Investing in Poland***CanadExport's Interview with the PAIZ**

According to Polish Foreign Investment Agency (PAIZ) figures, the number of businesses created with foreign capital stood at 19,000 at the end of 1994 and the total value of foreign investment was US\$5 billion. The list of foreign investors includes well-known names such as *FIAT*, *Panasonic*, *Siemens*, *Volvo*, *Coca-Cola* and many others. To learn more about investing in Poland and the opportunities for Canadian companies, **CanadExport** met with Zdzislaw Gnat, investment director at the PAIZ.

Zdzislaw Gnat defines the PAIZ's role as promoting Poland as an attractive place to invest, helping foreign investors through the process, and advising the authorities on improvements to the laws governing foreign investment.

Undefined Sectors

According to Gnat, decisions on the future status of a number of industries have yet to be made. For example, the situation in the energy sector is "unclear." According to one school of thought, 50 per cent of the sector should be privatized, while others advocate privatizing only 10 per cent. Both hydrocarbon deposits and coal mines are at issue.

Electric power generation and transmission is still a state monopoly. Rail transport is a state monopoly at this time but may be opened up to foreign investment in five years. The future of the ports is also undefined.

A major debate is under way on telephone service. The private sector can invest only in regional telephone service; it is not allowed to provide inter-regional service.

Open Sectors

Zdzislaw Gnat highlighted the following two industries:

Construction

According to Gnat, Poland will need 5.5 million housing units in the next 15 years. The financial system can finance the construction of only 70,000 units per year. At this rate, only 20 per cent of housing demand will be filled over the next 15 years.

Among the problems exacerbating the housing shortage is the fact that Poland is plagued by a lack of liquidity and poor banking services. For example, to buy a home one must make a 40-per-cent down-payment and must then take out a mortgage on the balance at 35-per-cent interest per annum. This places home ownership out of reach for all but 5 per cent of Polish citizens.

There are enormous opportunities for Canadian companies in construction. According to Gnat, the Polish need to learn how to build homes efficiently, quickly and economically. Tradespeople are available; what the country needs is to learn how to put up a house in six months rather than two years.

Office space is very scarce and not up to international standards, representing 15 per cent of total available space — it should be 40 per cent in four to five years. According to Gnat, investment in office buildings is amortized over only five years.

Zdzislaw Gnat observes that 60 million tourists crossed Poland's borders in 1993 and 150 million in 1994. Poland's tourism facilities are undeveloped. The country needs hotels and expertise in hotel management.

Environment

Municipal infrastructures leave much to be desired. According to Gnat, over one half of Poland's 850 cities and towns have outdated sewage treatment plants and the other half have none at all. Only 20 per cent of Poland's 30,000 villages have sewers. Polish authorities therefore favour the BOT (Build, Operate, Transfer) system. Many municipalities would like to involve foreign investors in building and managing treatment plants.

Gnat points out that Poland is investing nearly 1.5 per cent of GNP in the environmental sector, compared with an average of 0.2 per cent for other Eastern European countries.

Why Invest in Poland?

According to Zdzislaw Gnat, Canada ranks 11th among foreign investors in Poland. That's not bad, but Canadians could do better and they are welcome

Continued on page III — The PAIZ

The PAIZ — *Continued from page II*

in Poland. Here are some reasons to consider investing in Poland:

- Poland is a market of 40 million consumers who need everything.
- The country has a good geographical location in the heart of Europe.
- It is strategically located in relation to the countries of the former Soviet Union and Central Europe.
- It has a skilled and still relatively cheap workforce (\$2 per hour).
- It has abundant natural resources.
- It has introduced tax incentives.
- It places no limits on the repatriation of profits.



Poland – Open for Canadian Business

by Linda McDonald, Counsellor (Commercial)

There is a sense of excitement in Poland! More and more Canadians are finding their niche in this emerging market.

Commercial relations between Canada and Poland are expanding — investment is growing steadily, exports are holding their own, and the sale of Canadian services continues to rise. Opportunities are plentiful!

Success does not come easily in Poland. It takes hard work, dedication, patience and a well-planned strategy. Success here depends on insight into the culture, but it cannot be had without a strong sense of Western business acumen. We at the Canadian Embassy like to believe that North American business offers attractive partners for the Polish. And, of course, being Canadian often holds a critical advantage. Frankly, Poland likes Canada!

Canada-Poland commercial relations cannot be measured by export statistics alone. As with many of our trading partners, Canada exports a significant level of services to Poland. Two-way trade reached \$150 million in 1994 and 1995 looks promising. Our relationship is growing — slowly, but steadily.

After 16 years of absence, the Export Development Corporation (EDC) is open for business again in Poland. EDC will provide financing through lines of credit and directly to buyers of Canadian goods and services.

The Embassy continues to target key sectors with the highest potential in Poland, namely: food and agriculture (processed food and packaging equipment); construction and building materials; telecommunications equipment and computer software; environmental equipment and services; and geomatics (including remote sensing).

Major upcoming trade promotion activities include two international fairs in the fall of 1995: POLAGRA (food and agrifood) and POLEKO (environment). The Embassy is also planning trade missions in the construction/building materials and information technologies sectors.

Poland is open for business and the future looks very promising. The Canadian Embassy is here to assist in any way it can. Call or write: Ulica Jana Matejki 1/5, 00-481 Warsaw, Republic of Poland, Tel.: (011-48-22) 29-80-51; Fax: (011-48-22-) 29-64-57.

CANADIAN SUCCESS STORIES

With the privatization process now under way in Poland, opportunities to start or acquire businesses abound. Almost all sectors of the economy have been opened up to both foreign and domestic investors, and Canadian investors have seized the chance. However, as Ambassador Leahy points out, the Polish are more interested in negotiating partnerships and joint ventures with foreign companies than in signing contracts to purchase Western consumer goods. Canadian businesses which have understood the Polish way of thinking and offered the things the Polish need the most, i.e. advanced technology and management expertise, have enjoyed the greatest success.

INTERNATIONAL UNP HOLDINGS

The story of the largest Canadian investor in Poland, *International UNP Holdings*, demonstrates that it is possible to buy Polish state-owned businesses and make them profitable. All it takes is advanced technology and Western management methods adapted to local conditions. According to UNP Holdings founder and CEO, L. George Bonar, there are thousands of excellent companies in the 1,000-employee range which can be acquired for under \$5 million. However, one has to make the right choice. Here is how Bonar did it.

International UNP Holdings Ltd. is a Canadian investment group which raises capital in Europe and North America to invest in Poland. It is listed on the Toronto Stock Exchange.

The company was created after the first free elections in Polish history were held in June 1989. Its goal was to become a profitable vehicle for investment in Poland and in that it has succeeded. Today, UNP has a controlling interest in six formerly state-owned businesses which it is successfully restructuring. According to Bonar, UNP is the only company to have taken up the challenge so far.

And this is just the beginning. Good deals such as the ones Bonar has snapped up are plentiful in Poland. Many state-owned companies which Bonar calls gems are seeking Western technology and are eager to form partnerships with Western investors in one form or another.

BIAWAR, Poland's largest manufacturer of water heaters, was one of UNP's first three acquisitions. The company has just recorded a 40-per-

cent return on investment. Another acquisition, UNIPAK, the largest manufacturer of food packaging materials in Poland, has cornered 75 per cent of the market. On the other hand, IBIS, the country's leading manufacturer of bakery machinery and UNP's third acquisition, is having temporary difficulties adjusting to the market economy. This is understandable, given the scope of the structural changes with which Polish companies have had to contend with since privatization.

Last fall, Bonar invested US\$5.5 million with a New York-based company in Polbita, one of the largest toiletry retailers in Poland.

Finally, UNP's latest acquisition is Antonok, a major producer of bottles and jars for food and beverages. Located in western Poland, in one of the country's richest agricultural regions, home to Poland's leading vodka producer and some of its largest juice producers, Antonok is in a good position to meet market needs.

This most recent acquisition is consistent with UNP's selection criteria: Antonok has good market potential and a skilled workforce. All it needs to increase its productivity are Western technology and modern management techniques, things UNP can provide.

In Bonar's opinion, Communism stifled the Polish economy but it did not succeed in destroying its citizens' ingenuity and professional ethics. With Western capital and management techniques, newly privatized companies will quickly be able to improve their competitiveness in foreign markets.

The moral for readers who are interested in Poland is clear. Bonar's formula for success, as outlined by his Vice-President, Marek Scibor-Rylski,

Continued on page V — International UNP

International UNP –

Continued from page IV

may be summarized as follows: find the financing you need to buy a controlling interest in a company; choose a company which makes high-demand product and is strategically located in relation to markets; and make sure the company has a good management team open to market principles, and a skilled workforce.

AND MANY OTHERS

CanadExport interviewed a number of other

Canadian business people in Warsaw and all agreed that the Polish market is viable.

Michael Wegner, the manager of Canadian-owned fast food restaurant *Arturo's*, is confident that his company, *Xela*, made a good move by investing US\$5 million in Poland. The Warsaw restaurant is very spacious, even by Canadian standards, and has enough refrigeration and food processing equipment to meet the needs of at least one if not two restaurants *Arturo's* wants to open this year. *Arturo's* is a Canadian-owned

Continued on page VI — And Many Others

SERVOTECH

“**L**es Manoirs,” a wood-frame residential development south of Warsaw, looks as if it were lifted out of a middle-class suburb in Ottawa or Montreal.

CanadExport toured the site with the developer, André Morineau, and visited a home under construction. Inside, Polish workers were plastering the joints. The layout bore a strong resemblance to that of a Canadian home. The homes are being built with the same design and the same techniques used in Canada. The windows come from Quebec and the studs are manufactured locally to Canadian standards.

The development is located 9 km south of Warsaw. It consists of 112 single-family homes (detached and semi-detached). The project includes landscaping and recreational facilities, and is surrounded by a fence. It is being constructed in 12 phases. A shopping centre will be built to serve the complex once all the homes have been completed.

The developer is self-financing the project with advances collected from future homeowners. The homes sell for US\$90,000, well beyond the means of the average Polish citizen. But there is a market, a niche which *Servotech* has been able to identify and exploit.

Real estate may be in the doldrums in Canada but not so in Poland, which has a permanent housing shortage. Indeed, the housing problem is hindering economic

development: it means that, unlike North Americans, Polish workers cannot readily go where their careers may lead them; office space is scarce; and the hotels cannot keep pace with the growth of the tourism industry in terms of either quality or quantity.

The construction techniques used in Poland are inefficient and costly. Materials are used lavishly and are not energy efficient. Add to this the unreasonable time it takes to put up a single-family dwelling and the final result is a product which is expensive, in short supply, and not up to modern building standards.

Canadian construction companies can supply Poland with everything it needs to revive its building industry: efficient building methods and modern architectural design (insulation, heating, electricity and plumbing systems must all be overhauled).

Morineau does not deny that doing business in Poland can be difficult. However, it is worth the effort. The success he has achieved compensates for the time spent working through the red tape. Morineau does not expect to have any trouble selling all his units and is already thinking of building more after this project is completed in about two years.

The market is practically unlimited. Canadian builders who want to enter either the construction or the renovation market and are ready to invest the necessary time and effort can expect to reap rich rewards. *Servotech* and other Canadian developers which have taken the plunge are living proof.

And Many Others — from page V

chain of fast food restaurants with its main focus on Latin America. Arturo's success in Poland has resulted from dedication and hard work, with patience based on the understanding of the significant and growing market potential for high quality fast food restaurants.

Jerzy Kahanek, an official with *Thermo Design Engineering*, is heartened by his company's sales of gas scrubbing equipment to the Polish Oil and Gas Company. It is his second contract to supply equipment, and this time the project was designed with input from Polish technicians. The company has also developed a soil decontamination process for which there is considerable need in Poland. Kahanek, who is himself of Polish origin and had worked for the Polish Oil and Gas Company for years before immigrating to Canada, is confident that Canadian companies interested in Poland's energy industry have bright prospects, even though privatization of the energy sector has slowed down.

John Wanczycki of *Philip Utilities Management*, a subsidiary of waste management leader *Philip Environmental Inc.*, has landed a sewage treatment contract with a town near Warsaw. In his view, the environmental sector presents unlimited opportunities for Canadians, and this is a field in which Canada has acquired considerable expertise. According to Mr. Wanczycki, acid rain, groundwater contamination and the lack of adequate sewage treatment facilities are serious problems which Poland is trying to tackle with technical and financial assistance from the European Community and international development agencies. The government has started levying fines on industries that pollute and using the money collected to fund environmental clean-up projects.

Walter Budney, President of the *Can-Polish Trading Co.*, is working energetically to increase Canadian-Polish trade in agrifood, environmental products, energy and geomatics. He notes that Poland needs genetic products for livestock; the authorities want to diversify their sources of sup-

ply and are interested in Canada. In the agricultural sector, Budney is marketing hydraulic fluid and canola oil-based industrial grease. (He told us that canola was originally developed with seeds from Poland.)

WORDS OF ADVICE

The message from these six business people, from the members of the brand new *Canadian Business Club*, and from Canadians working for multinational management consulting firms is the same: there are abundant business opportunities for Canadian companies in Poland. A few years ago, *Price Waterhouse* had a staff of three or four in Poland; today, it has over 300 employees. Lawyers' offices are expanding. Companies servicing business with Western-style management practices and procedures cannot keep up with demand. All major international players are present in this market. With its 40 million inhabitants, Poland is a growing consumer market. Its central position in the heart of Europe gives it a strategic edge in terms of access to markets in the European Community and the former Soviet Union. A well-developed industrial infrastructure and an educated workforce are major advantages. Moreover, Canada enjoys a good standing in Poland. According to Budney, when Canada talks, people listen.

Servotech and *Philip Utilities Management* have another advice. They suggest that companies look beyond Warsaw. Wanczycki sees Poland as an increasingly regional market. He says a business person in Poland has to get out into the countryside, travel the highways and byways, meet the small-town mayors. This is how he landed his contract with one municipality. Morineau agrees. Warsaw is not the only town that needs housing: a developer should crisscross the country from north to south and east to west.

To make a proposal attractive, Wanczycki suggests attaching an offer of financing and including provisions for training, supply of materials and supervision of the work, if appropriate.

It is also a good idea to take an interest in the local culture and get to know the Polish people on a social basis. This will make for stronger business relationships.

Choosing the right partner is vital, as has been frequently mentioned. Wagner told us the story of an American company which learned the lesson the hard way!

Paradise — *Continued from page 1*

transaction and SMEs in order to facilitate investments. The Polish market has a high capacity to absorb foreign investment and opportunities for Canadian businesses are plentiful.

Rather than paying for the products they sorely need, the Polish prefer to encourage investors to produce them in Poland and to transfer their technology. They offer convincing arguments: the country's good industrial infrastructure; the ready availability of highly educated, highly skilled and still relatively cheap labour; and the country's central position in the heart of Europe. These are factors to be considered by investors seeking markets beyond Poland's borders.

Ms. Leahy insists on Poland's attractions for the Canadian investor: a society of young and well-informed consumers, a whole infrastructure to rebuild, and a proximity to the European Union which absorbs 60 per cent of Polish trade. It's a booming consumer market. Residential construction is a good example. A group of Quebec builders who visited Poland two months ago found a boundless market for residential and commercial construction. It was, in fact, Canadians who brought the wood-frame home to Poland, where it has become known as the "Canadian style." In the field of home renovation, Ms. Leahy believes there would be high demand for our big hardware operations.

Advice for Canadians

In Ms. Leahy's view, succeeding in Poland demands an open attitude and much patience.

- Canadian investors must keep close tabs on their projects, especially during start-up.
- It is recommended, if applicable, to find a trustworthy representative.
- Businesses interested in this promising market need to be persistent. Like elsewhere, one key to success is to develop personal ties with decision makers. Failing to establish local presence, it is a must to follow-up with interlocutors in Poland. That is the way business is done here.
- The Embassy will do what it can to support serious business persons and open doors for them. However, companies must be prepared to make a sustained effort and to establish many contacts if they wish to be successful. That is the golden rule: God helps those who help themselves.
- A good lawyer is necessary to facilitate acquisition transactions; to guide the way through the bureaucratic maze and keep informed of any legislative changes. Business law is new to Poland and not yet fully operational.
- Canadians of Polish descent should exploit, in bigger number, their natural assets and at least come to Poland to explore the market.

A Vital Role in the Transition: The Banks Do their Part

The Polish Banking sector expanded rapidly in 1990 during the initial phase of liberalization. The result is that today, there are simply too many banks. On the one hand, this situation offers an opportunity — there are many willing partners from which to choose. On the other hand, one must choose one's partner with care, as the sector is unstable. Fewer — but stronger — banks will survive the transformation process.

The banking sector is one key area of the Polish economy that requires modernization. Companies should not expect to receive services that are at par with Western banks.

This is an opportunity for Canadian firms active in the banking sector — goods and services in support of the banking system are required.

The Polski Bank Rozwoju (PDB), founded in 1990, is one of Poland's largest private banks. The state holds 62.5 per cent of the shares. *CanadExport* spoke to the bank's director, a Canadian, Louise Campbell.

The PDB specializes in banking services for businesses and has developed a range of services for its customers such as project financing and financial management. It supports projects in energy conservation and environmental protection, but not in agriculture or construction. It also co-operates with international financial institutions and other international banks.

Campbell would like to help Canadian businesses carry out projects in Poland. Canadian companies can reach her by phone at (48 2) 630 83 02 or by fax at (48 2) 630 83 05. She offers essentially the same advice as Ambassador Leahy:

- It takes great patience to carry out an investment project here. The bureaucratic hurdles are considerable.

- To buy a state-owned company one must go through a lengthy approval process, beginning with approval from the Minister of Privatization, followed by the minister of the relevant department, then the Minister of Finance, then the National Bank, to name only a few. Clearly, a lawyer who is well-versed in business law is an absolute necessity.

- Choosing the right Polish partner is critical.

- It's a good idea to plough back dividends at first to help one's investment grow.

- Success does not come overnight. It takes at least two years for efforts to begin to pay off.

AT YOUR SERVICE...

• *Canadian Market Support in Poland* •

Department of Foreign Affairs and International Trade

Central and Eastern Europe Trade Development Division (RBT)
125 Sussex Drive
Ottawa, Ontario
K1A 0G2

Monica Heron, Deputy Director
Tel.: (613) 996-7107

Dan Mrkich, Trade Commissioner
Tel.: (613) 992-1449
Fax: (613) 995-8783

Trade Fairs and Missions (RWTF)
Paul Connors, Deputy Director
125 Sussex Drive
Ottawa, Ontario
K1A 0G2

Tel.: (613) 996-5555
Fax: (613) 944-1008

Renaissance Eastern Europe Program (REE)

Mainly targeting SMEs, REE is a cost-shared funding facility directed at joint venture-specific feasibility studies and training in commercially viable sectors based on protocols of co-operation or letters of intent. Refer to your International Trade Centre or:

Central and East European Trade Development Division (RBT)

Jocelyne Oceau, Secretary
125 Sussex Drive
Ottawa, Ontario
K1A 0G2

Tel.: (613) 996-0105
Fax: (613) 995-8783

Program for Export Market Development (PEMD)

The Department of Foreign Affairs and International Trade, through PEMD, attempts to defray market identification costs for SMEs. Refer to your local International Trade Centre for more

information and application forms.

InfoCentre

Located at the Department of Foreign Affairs and International Trade, this office can provide exporters with publications and information on support programs relevant to markets of interest.

Canadian Embassy

Linda McDonald, Counsellor (Commercial) and Consul
Ulica Jana Matejki 1/5
00-481 Warsaw
Republic of Poland
Tel.: (011-48-22) 29-80-51
Fax: (011-48-22) 29-64-57

The Commercial Division of the Embassy can provide companies with information, names of contacts and advice regarding marketing strategies for Poland.

Export Development Corporation (EDC)

Europe Department
P.O. Box 655
Ottawa, Ontario
K1A 1K3
Tel.: (613) 598-2745
Fax: (613) 598-2504

International Trade Centres

Located in each province (see *Directory of Canadian Trade Commissioner Service*), the ITC should be the first point of contact for potential Canadian exporters or investors.

Provincial Governments

Provincial government departments often have offices dedicated to promotion, together with support programs which exporters can access.

NAFTA Desks Promote Trade

The Italian Chamber of Commerce in Montreal has recently opened its branch of the **NAFTA DESK**, the Canadian component of a special international business promotion program.

NAFTA DESKS are strategic points of referral located in the NAFTA area and in Italy that assist small and medium-sized Italian companies in the regions of Lombardy and Modena to undertake industrial, commercial and technological partnerships with companies in the NAFTA countries. The program also offers assistance to North American companies seeking partners in Italy.

For further information, please contact Sandra Bonani, Italian Chamber of Commerce, 550 Sherbrooke Street West, Suite 680, Montreal, Quebec H3A 1B9, Tel.: (514) 844-4249; Fax: (514) 844-4875.

Chile Submissions Sought — Continued from page 1

Recognizing, however, that these are two-way negotiations that may lead to longer duty phase-outs for some goods, the negotiators would like to ensure that they are clear on the export priorities of the Canadian private sector.

The negotiators welcome your comments on those specific products (including, where available, the classification number under the Harmonized System) for which they should most particularly seek the rapid or immediate elimination of Chilean import duties.

They also would be interested in any relevant information on non-tariff barriers that impede access to Canadian exports of manufactured and resource-based products, as well as agriculture and food products.

Examples of non-tariff barriers are quantitative limits or import quotas, import licensing arrangements, discriminatory government purchasing practices and other government measures that restrict or prohibit trade.

Services

The receipt of additional information on the export interests of Canadian services exporters — particularly in the areas of profession-

al, engineering (including energy), environmental, transportation, educational and financial services, as well as telecommunications — would greatly assist the negotiating team. The team is interested in learning of any particular difficulties encountered in the export of services, such as licensing or residency requirements.

Investment

The negotiating team also seeks any input on existing restrictions affecting investment.

Other consultative processes

In addition to the advice offered directly in written submissions, the negotiating team is working with the provinces and territories, and also is seeking the views of the private sector through the International Trade Advisory Committee (ITAC) and the Sectoral Advisory Groups on International Trade (SAGITs).

Submissions should be sent, in writing, to: Chilean NAFTA Accession Negotiations, Economic and Trade Policy Division (CPE), Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2. Fax: (613) 944-0375.

Investment —

Continued from page 4

vehicles per year by 1996. *Honda* is also building a plant that will have an initial capacity of 60,000 vehicles per year. In addition, the Japanese have established strong networks of parts suppliers, dealers and service centres.

Future Trends

In its 1994 survey, the *Export-Import Bank of Japan* estimated that Japanese foreign direct investment (FDI) would increase 9.3 per cent largely because of increased investment in China and the ASEAN countries. An important trend is that these investments are increasingly designed to serve domestic markets in Asia rather than exports to Japan, telling evidence of the rising prosperity of the region. As Japan emerges from its recent recession, the medium-term outlook is for strong increases in FDI in manufacturing sectors in order to maintain and strengthen international competitiveness.

Implications for Canadian Companies

The message for Canadian companies is that there will be intense competition for manufactured goods in Asia. Canadian firms need to establish their own bases in Asia, and in many cases, co-operation with Japanese firms is an excellent means of entry. For example, *Combustion Engineering*, now part of the ABB group, owes its considerable success in Thailand to teaming up with the Japanese trading company, *Marubeni*. Trading companies are also well connected in infrastructure projects and in the distribution of Japanese overseas development aid, which is now the largest in the world with over 50 per cent going to Asia.

TRADE FAIRS AROUND THE WORLD



Furniture Fairs in Mexico

GUADALAJARA — Canadian furniture companies are invited to attend two trade fairs soon to be held in this Mexico city. Closing date for applications is April 30, 1995. The **International Woodworking Machinery and Furniture Supply Fair (Tecno Mueble Internacional)** will be held July 7-9, 1995, and, in addition to woodworking machinery, will feature upholstery, finishing equipment and supplies.

The **International Furniture Fair (Expo Mueble Internacional)**, being held August 10-13, 1995, will feature furniture, accessories and gifts.

For more information, contact — before May 31, 1995 — **Rock Lavoie, Cortez, Lavoie & associés, Disraëli, (Quebec)**, Tel.: (418) 449-1497; Fax: (418) 449-2230.

Lebanon: Toward 2000 in June 95

TRIPOLI, LEBANON — **Lebanon Towards 2000** — being held here June 6-10, 1995 guarantees international contractors access to the significant opportunities Lebanon offers, acting as a channel for communication and ideas, and as a catalyst for major deals.

The event covers the entire spectrum of the country's requirements,

including, among others,

- Construction equipment & building materials.
- Power generation and climate control.
- Water, sewerage and municipal services.
- Telecommunications and transport.
- Health, education and social services.
- Industrial machinery.

Post-war Lebanon is on the verge of an economic miracle. To date US\$1.7 billion has been raised to rebuild Beirut alone, making Lebanon the region's most exciting growth area. With the financial muscle to back its ambitions, Lebanon is moving back into the international mainstream — fast.

Contact **Al Harithy Company for Exhibitions, The Glassmill, 1 Battersea Bridge Road, London, United Kingdom SW11 3BG**, Tel.: 44 171 223 3431; Fax: 44 171 228 4229.

Engineering Fair

CZECH REPUBLIC — BRNO, the **37th International Engineering Fair**, which will be held this year from September 11-16, is one of the most important and well-known engineering fairs in Europe. Reservations will be made on a "first-come, first served" basis. Contact **Rachel Gauthier, Project Officer at Rhéal Leroux and Associates Inc.**, by phone at (613) 741-9397 or by fax at (613) 741-9905, before May 31, 1995.

Canada Technology Showcase

MEXICO CITY — **Canada Technology Showcase**, November 6-24, 1995, will promote Canadian expertise and technologies used in the manufacture of industrial and commercial goods. It will be of particular interest to companies that are supplying manufacturing and automation products and services. The Honourable **Roy MacLaren**, Minister for Inter-national Trade, is scheduled to open the Showcase in Mexico City on November 6.

The Showcase will offer participants a unique opportunity to: exhibit their latest products and technologies to a targeted Mexican business audience; meet one-on-one with potential business partners through pre-arranged matchmaking; and create long-term business relationships

with Mexican counterparts.

Canada Technology Showcase program: November 6-10: manufacturing equipment and processes; November 13-17: automation and systems; November 20-24: manufacturing services.

Each week will include a set of mutually supporting events such as trade shows, seminars, matchmaking and partnering activities.

Exporters can learn more about the Showcase and the Mexican market from cross-country workshops, to be held at the end of May and early June.

For more information, contact the **Department of Foreign Affairs and International Trade**, **Jeff Blackstock** at (613) 995-8742 or **Bill Ryback** at (613) 995-7941.

Kitchens, Baths and Installations 95

MEXICO CITY — **Kitchens, Baths and Installations 95**, being held from June 11 to 13, 1995, will be the first international event to bring together the main dealers, buyers, retailers and manufacturers of kitchens, baths, coating and finishing materials, valves, accessories for electrical lighting, hydraulic and sanitary installations. The event is organized in co-operation with the **World Trade Center Mexico City** and **Grupo Internacional de Eventos y Promociones S.A. de C.V.** For information, contact **Antonio Lara, Caesa International**, Tel.: (418) 658-9096; Fax: (418) 658-3572.

Indonesia Oil & Gas — Continued from page 1

expected to take eight to nine years to complete.

Offshore Complex

The offshore complex will be designed to supply 2,400 million cubic feet per day of hydrocarbon gas as feedstock to produce over 14 million tons of LNG per year.

According to Pertamina, there will be 18 structures in the offshore complex, including six treating platforms, six drilling platforms (each with 36 wells), two accommodation platforms, and four injection platforms, making the complex one of the largest in the world.

Onshore Complex

The onshore base, to be constructed on Natuna island itself, will be the site where the offshore gas stream will be delivered.

For the first stage of operations, two or three trains are planned with ultimate growth of up to six or more. The gas entering the Natuna island facilities will still contain at least 18 per cent CO₂, some nitrogen and a small portion of H₂S, which will be removed using the "Flexsorb PS" process.

LNG Processing and Transport

According to Mr. Adi Sumarno, Head of Processing of Pertamina's Exploration and Production Directorate, proven cryogenic technology will be used for the offshore processing of reservoir gas.

Although the emphasis is on the production of hydrocarbon for sale as LNG, reserves could also be used to support significant pipe-line gas sales.

Investment and Local Content

According to the President of

Pertamina, Exxon Natuna has committed to invest US\$100 million per year during the initial stages of the gas liquefaction operations at Natuna Island. Exxon and Pertamina together have already invested some US\$200 million for initial exploration.

Although local content requirements for the project have not been discussed with Exxon in detail, Pertamina supports a minimum of 30-per-cent local content in the construction of the project.

Canadian companies with an Indonesian base of operations will be in the best position to take advantage of the many opportunities that will emerge as the project unfolds.

Companies interested in pursuing these opportunities should contact:

Georgina Wainwright, Trade Commissioner, South East Asia Division, Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa, Ontario K1A 0G2, Tel.: (613) 992-0959; Fax: (613) 944-1604.

Guillermo Rishchynski, Counsellor, Canadian Embassy, PO Box 8324/JKS.MP - Jakarta 12084, Wisma Metropolitan I, 5th Floor, Jl. Jend. Sudirman Kav. 29 - Jakarta 12920, Indonesia, Tel.: (62-21) 525-0709; Fax: (62-21) 571-2251, 570-1494.

Expressions of interest should also be submitted to Exxon in Indonesia, with copies to the Canadian Embassy.

Please contact Mr. A.N. Crownover Jr., Executive President, Esso Indonesia, Setiabudi Building II, 3rd Floor, Jl. H.R. Rasuna Said Kav. 62, Kuningan - Jakarta, Indonesia, Tel.: (62-21) 520-1051; Fax: (62-21) 520-1063.

Fish and Seafood Publications for Exporters

The Department's Trade Planning and Operations Bureau, Sectoral Liaison Secretariat (TOS) has produced over 50 publications and promotional materials for Canadian exporters of fish and seafood products.

Global Market Opportunity Reviews provide an overview of current market opportunities and outline export marketing strategies to help Canadian businesses expand into international markets. Ten-page summaries of the reviews are also available through the Department's FaxLink service by calling (613) 944-4500 from your fax machine.

- Lobster - 145TA.
- Salmon - 156TB. August '93.
- Non-traditional Species - Fish - 157TB. August '93.
- Fish and Seafood - 158TB. August '93.

A series of one-page *Species Fact Sheets* on different species of fish and seafood have also been prepared and can be obtained, subject to availability, through the Department's InfoCentre.

- Blue shark - 163TA. May '93.
- Silver Hake/ Pacific Whiting - 167TA. May '93.
- Capelin - 206TA. March '94.
- Herring - 207TA. March '94.
- Northern Shrimp - 208TA. March '94.
- Pink Salmon - 209TA. March '94.
- Arctic Char - 210TA. March '94.
- Pacific Oyster - 211TA. March '94.

The *Fisheries Atlas of Canada* (Code T19A) references over 50 species of fish and seafood and contains information on product forms, treatments and seasons. Call the InfoCentre (see box at bottom of page 8) and quote the code listed above to receive your copy.

BUSINESS AGENDA

Toronto — The **East Asia Business Certificate Course**, which focuses on the dynamic economies of Japan, South Korea, China, Hong Kong and Taiwan, is a unique and innovative program on how to successfully market your products and services in the world's fastest-growing economic region.

Sponsored by the Asian Business Studies Program and the Asia Pacific Foundation of Canada, the course is a multi-tiered program that combines interactive lectures on proven marketing strategies and negotiation techniques with country profiles and cross-cultural training sessions.

The course will be held in Toronto on four consecutive Saturdays from 9:00 am to 3:00 pm, starting May 27, 1995. The cost is \$450 per person.

For more information, please contact Michael Hartmann, Asian Business Studies Program, Tel.: (416) 978-0184; Fax: (416) 971-2360, or Robert Lynn, Asia Pacific Foundation of Canada (Tel.: (416) 869-0541; Fax: (416) 869-1696).

Vancouver, May 29; **Calgary**, May 31; **Winnipeg**, June 2; **Toronto**, June 6; **Montreal**, June 8; and **Halifax**, June 9 - **Doing Business in Central and**

Eastern Europe Workshops, organized by Worldbusiness, are one-day sessions designed to maximize networking opportunities by increasing understanding of how to effectively do business in Central and Eastern Europe, identifying opportunities, discussing issues and providing a base for ongoing initiatives with the region.

Senior officials based in Canada from Bulgaria, Czech Republic, Hungary, Poland, Romania, and Slovak Republic will travel across Canada as a group to discuss business opportunities in their countries.

For more information, please contact, Conference Manager, Worldbusiness, Tel.: (613) 747-2732; Fax: (613) 747-2735.

Ottawa — June 7, 1995 — The **Spring Meeting of the Industrial Benefits Association of Canada** will include presentations on such subjects as an introduction to countertrade, international offsets, a revised Canadian industrial regional benefits policy, and the Canadian small business set asides program. Registration for non-members is \$150 (private sector) and \$85 (public sector). Contact Bob Brown, Ottawa, Tel./Fax: (613) 733-0704.

Ottawa — June 15, 1995 — Small and medium-size businesses, government decision and policy makers, industry associations and Canada's bankers are invited to attend the **Independent Business Conference 1995**.

The topics will include: Nature of the Funding Gap; Reality of Small Business Financing; Role of Education, Training and Communication; and Closing the Gap through Creative Partnering. The cost is \$475.00 (including GST).

Contact the Conference Coordinator, Independent Business Conference, Canadian Bankers Association, Toronto, Tel.: (416) 362-6092; Fax: (416) 362-2446.

Cross-Canada — To pre-position Canadian businesses for **Canada Technology Showcase** in Mexico City, cross-Canada workshops will be held at the end of May and early June.

The workshops will provide participants with key information on how to enter the Mexican marketplace.

Canadian and Mexican banking practices, export financing and investment strategies are some of the subjects that will be presented. For more information, please call Peggy Wilson at (613) 944-1203.

INFOCENTRE

The InfoCentre of the Department of Foreign Affairs and International Trade provides counselling, publications and referral services to Canadian exporters. Companies interested in obtaining trade-related information are invited to contact the InfoCentre at 1-800-267-8376 (Ottawa Region: 944-4000) or by fax at (613) 996-9709. Trade information is also available by calling FaxLink (from a fax machine) at (613) 944-4500, the Department's round-the-clock faxback service.

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CANADEXPORT

13, No. 10

June 5, 1995

Doing Business with the Nordic Countries

The Nordic countries (Sweden, Norway, Denmark, Iceland and Finland) share many similarities with Canada, not the least of which are similar working habits and a no-nonsense approach to business/trade issues.

At \$3.3 billion, two-way trade between the Nordic countries and Canada is close to that of Canada's trade with France; this despite the fact that the popula-

tion of the Nordic countries (23 million) is roughly about 30 per cent of France's.

Interesting is that Canadian exports to the region amounted to \$986.4 million in 1993 — more than Canada's exports to Italy or Mexico! Canada's bilateral trade with the Nordics continues to be relatively stable. Nordic countries' investments in Canada are quite extensive, due, in general, to the

high degree of internationalization of Nordic business. Sweden,

CZECH REPUBLIC SUPPLEMENT

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in fact, ranks fifth as an investor country in Canada, with direct investment in excess of \$1 billion and a significant corporate presence (close to 140 companies have subsidiaries in Canada).

Alberta/Ottawa Sign Business Development MOU

International Trade Minister Roy MacLaren, Industry Minister John Manley and Alberta Premier Ralph Klein recently signed a memorandum of understanding (MOU) on international business development co-operation. The agreement seeks to broaden the access of Alberta businesses to international markets, improve their export preparation, strengthen their performance in foreign markets and ensure the effective promotion of Canada and Alberta for investment and business opportunities.

Mr. MacLaren said, "As Canadians work toward more fiscally responsible government, services provided to our exporters by the federal and provincial governments need further co-ordination and rationalization. This agreement sets us squarely on this path. It commits us to work together to develop export readiness programs. It enhances our efforts to build a 'Trade Team Canada' approach to global markets."

Business Climate

Commercial integration of the Nordics into the European Union (EU) has been a virtual reality since the agreement on the European Economic Area became effective in January 1994. Sweden and Finland became members of the EU January 1, 1995.

It is relatively easy for new exporters to adapt to the Scandinavian business mentality. English is the language of commerce and business methods mirror, those used in Canada.

These countries have relatively stable economies and offer a well-

Continued on page 7 - Nordic

INTERNATIONAL TRADE BUSINESS PLAN

Canada's Export Strategy: the International Trade Business Plan (ITBP), announced in *CanadExport* February 6, 1995, is proving to be a very popular document. In the first two months following its release, demand for complete sets and the various sector booklets has reached nearly half of the total number of requests for the previous year.

Sectors receiving the most

interest are: Arts and Culture; Agri-Food Products; Automotive; Chemicals and Plastics; Construction Products; and Environment Industries.

Some of the strategies have been reprinted and, by June, the ITBP will be accessible through FaxLink, the InfoCentre Bulletin Board and the Foreign Affairs Internet World Wide Web page,

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SHARING TRADE SECRETS

In an Emergency Chicago "Calls" on Canada

Canadian know-how, an exclusive product and competitive prices clinched an all-important contract for CML Technologies south of the border.

CML, the Hull, Quebec-based designer and manufacturer of state-of-the-art digital switching equipment has been selected by Fluor Daniel of Irvine, California, to supply a Digital Mobile Radio Control Console System for the city of Chicago.

The radio system will provide the most up-to-date communications control system for the Chicago Police and Fire Departments and will include the supply of electronics and consoles for 60 dispatch positions.

The project, including a 15,000-square-foot Alternate Response Backup Centre, will be part of a new 160,000-square-foot facility that will encompass all 911 answering and dispatching operations, as well as the Police and Fire Departments' Command and Control Operations.

This will give the City of Chicago a state-of-the-art network for emergency services, including fibre optic links and the new SONET (Synchronous Opti-

cal Network) system.

How CML Did It

A multi-million dollar enterprise with over 100 employees, CML already had sales offices in various U.S. locations — Chicago, Dallas, Tampa, Connecticut and Minneapolis.

As a matter of fact, it was through its sales representative in Chicago that CML got wind of the upcoming project being handled by Fluor Daniel, a large U.S. systems integrator. Thanks to this local representative, Fluor Daniel subsequently subcontracted the supply of the radio system to CML.

The rest is history.

But according to CML Marketing Manager Barbra Mogan, "this US\$5-million contract in Chicago represents a major springboard for future sales."

Spurred on by the signing of the Chicago deal, and aided by research and development grants from both federal and provincial

sources, CML was able to maximize its resources and subsequently to develop and fine-tune a highly reliable, state-of-the-art system.

To beat out the few U.S. competitors, CML devised a system that's compact, yet powerful enough to satisfy the large-scale Chicago requirements.

Another useful marketing tool for CML has been participation in various trade shows in the U.S., either in company stands or in Canada pavilions.

The company's advanced radio dispatch system is made up of the COM-STAR digital switch and CML Touch-Control PC screen consoles.

The unique Touch-Control console allows dispatchers to make commands directly on the hands-on screen. In addition, a built-in back-up system on all critical modules ensures no loss of system functioning in the event of failure of any system component or external equipment.

Not content with the Chicago deal, which should be in operation this fall, CML has already set its sights farther afield. China is one such possibility.

According to Mogan, CML is looking into joint venture and technology transfer possibilities for emergency services in Chinese cities. Sales opportunities are also being investigated through GTE International in South America.

In both cases, CML's market-

Continued on page 12 — Secrets

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Mail to: *CANADEXPORT* (BCT), Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2.

BUSINESS OPPORTUNITIES

Before entering into a contractual agreement with a company, readers are advised to verify the bonafides of the companies listed here.

BANGLADESH — Galaxy Trade International, a leading importer based in Dhaka, Bangladesh, is interested in establishing long-term business collaborations with Canadian companies. Some of the products being sought by Galaxy are: **cold/hot rolled steel strips and sheets; paper and petroleum products; pig iron; pharmaceutical materials; PVC-resin; and sizing chemicals**, among others. Please contact: Galaxy Trade International, 199, Bangshal Road, P.O. Box No. Sadar 1182, Dhaka-1100, Bangladesh, Tel.: 23 63 44, 24 03 98 or 25 99 37, 25 62 78; Fax: 880-2-24 03 98, 86 30 60.

CHINA (People's Republic) — A Fuzhou, China-based paper mill

is interested in buying **recycled newspaper and corrugated containers** from Canada. Contact Calvin Qiu, 1110 Caven Street, #808, Mississauga, Ontario L5G 4N4, Tel.: (905) 271-2422.

INDIA — An India-based company seeks all kinds of **used equipment and machinery**. Of particular interest is the supply of **used truck tires** (9x20 and 10x20) made from nylon cord. Contact Thomas Schanz, Tri-Star International, Tel.: (514) 696-6960; Fax: (514) 696-6960.

PAKISTAN — Mico Machinery, Pakistan's oldest and most established importer of new and used construction machinery, has substantial requirements for **exca-**

vators, dozers, front-end loaders, dump trucks, cranes, quarry equipment, road rollers, graders, and compressors. Mico represents South Asian manufacturers such as Nissan and Hitachi. Contact Asad Yazdani, Director, Mico Machinery, 62-64/C, 21st Commercial Street, D.H.A., Phase II, Karachi-75500, Pakistan, Tel.: (92-21) 588-1071; Fax: (92-21) 588-1635.

SLOVAK REPUBLIC — Established food importer and distributor is interested in Canadian **canned food products** such as: **canned fish, beef, pork, fruits and vegetables**. Contact Miroslav Seben, Eurocommerce*Eurotrade Co., 9143 Jeanne Mance, Montreal, Quebec H2N 1X8, Tel.: (514) 385-5153; Fax: (514) 382-9795.

SOUTH AFRICA — The South Africa Estate Development Corporation is inviting Canadian corporations in the building trade or any corporation for a joint venture in the **construction** of over 680 houses, a **shopping mall** and two **apartment buildings**. Contact: Jim Makgalo, President, USA-Canada Business Immigration & International Trade, 94 Allard Street, Suite 402, Sault Ste. Marie, Ontario P6B 5E9, Tel.: (705) 256-1773; Fax: (705) 256-1764 or (705) 759-0714.

Korea to Give Tax Incentives to Foreign Technologies

The Korean government recently unveiled a list of 288 advanced technologies, including 120 for producing parts and materials, which will enjoy tax and financial incentives. The tax incentives took effect April 1, 1995.

The government said foreign firms introducing the 288 technologies to Korea will enjoy exemptions on corporate, dividend, acquisition, property and global land taxes for five years after they generate income in their Korean operations. They will also enjoy a 50-per-cent deduction in these taxes for an additional three years.

They will be exempted from paying customs duties, special excise tax and value-added tax when they import these technologies.



Win Export-Looking for Export Opportunities?

Make sure you are registered in the WIN Exports database which will showcase your company's capabilities to foreign buyers. To register, fax your request on your company letterhead to 1-800-667-3802 or 613-944-1078.

Joint Venture with the U.S.

WASHINGTON, DC — North American representatives of Hesco Bastion Defense Wall company is looking to Canadian metal fabricators to establish a joint venture partnership and/or manufacturing under license of a **hinged galvanized wire panel** which can be easily joined to create angles for extension walls.

The product, called *Concertainer*, filled with sand or slurry con-

tained by a rot-resistant geotextile membrane, is lightweight and collapsible for easy and economic transportation. The product, designed to replace sand bags, has been successfully used in coastal defence, flood protection, waterway retaining walls, landscaping and military defence.

Interested parties should contact M.M. Ellenbogen, Canadian Embassy, Washington, DC, by fax at 202-682-7619.

Healthy Partnering, Subcontracting

Opportunities with U.S. Firms

Several American health-care services firms have expressed interest in pursuing partnership and subcontracting opportunities with Canadian **health-care service/consulting firms** to provide services to the U.S. federal government.

To take advantage of these opportunities, Canadian firms must aggressively market their services to American health-care firms.

If a Canadian company can demonstrate that it can add value to the services or lower the costs of an American firm, opportunities may exist for subcontracting and partnering arrangements.

A detailed report on health-care partnership/subcontracting opportunities in the U.S. federal health-care market is available on request.

For more information, contact: Judith A. Bradt, Canadian Embassy, Washington DC, Tel.: (202) 682-7746; Fax: (202) 682-7619.

Hotel Project in China

In January 1995, the Huandao Tide Hotel was officially opened in Haikou, Hainan Island. Canadian involvement in the \$65-million project was carried out through Upsilon Estate International Inc. of Brossard, Quebec. Canadian content is estimated at some \$10 to \$12 million, including Export Development Corporation financing.

The Huandao hotel project is a real success story for exports of

Canadian building products to China. Our Embassy in China reports that many Chinese developers are eager to hear from Canadian suppliers and builders.

For more information, please contact Jacques Castonguay, Canadian Embassy, 19 Dong Zhi Men Wai Street, Chaoyang District, Beijing 100600, People's Republic of China, Tel.: 011-86-532-3536, Ext. 3365; Fax: 011-86-532-4072.

U.S. Investors Intrigued by Canada's Geomatics Industry

American investment bankers and venture capitalists foresee investment opportunities in the Canadian geomatics industry.

There are two primary reasons for this: the Canadian geomatics industry is a technological leader with high growth potential, and the fragmented nature of the industry signifies opportunities for investors to pick winners.

Typically, a \$2-million to \$5-million capital requirement is a minimum to garner the interest of investment bankers or venture capitalists. In 1993, over \$3 billion was raised by venture capitalists alone in the U.S. market.

Geomatics companies should be aggressive and have a marketable opportunity which offers high (i.e. 50 per cent per year) growth potential over the investment period. The Canadian firms should have a product or product/service mix, as services alone will probably not be sufficient to arouse investor interest.

Investors are anxious to deal with companies contemplating expansion into the U.S. market. Companies seeking below-threshold investment amounts should attempt private placement or pursue corporate alliances.

A detailed report on investor reactions to the Canadian geomatics industry is available upon request. For more information, contact Robert Rutherford, Canadian Embassy, Washington DC, Tel.: (202) 682-7740; Fax: (202) 682-7619.

Finland

Stepping Stone to the New Northern Europe

Finland, a Nordic high-tech country with an open market economy, became a member of the European Union (EU) in January 1995.

It is an innovative country with world-class technology in forestry, shipbuilding, metals, telecommunications, electronics, consumer goods, and design. Between 25 per cent and 30 per cent of its GNP is accounted for by exports.

Most Finnish enterprises are privately owned but among the major ones are some state-owned enterprises which operate according to the principle of a free market economy.

After three years of a recession and mainly as a result of industrial restructuring, improved competitiveness resulting from increased automation, the Finnish economy took a distinct turn for the better in 1994. GDP expanded by 3.9 per cent, and the forecast for 1995 is 5 per cent and 4 per cent in 1996. The export-led recovery is spreading through the domestic economy as both investment and consumption are increasing, resulting in a marked import growth.

Privatization, recent reforms aimed at opening foreign ownership and foreign participation in the capital of Finnish enterprises should result in good opportunities for Canadian firms to access Finnish industry's sophisticated technology through acquisitions or shareholding. Canadian presence is still minimal with Bombardier's Lynx (snowmobiles) factory and CAE Industries Screen Plates, while most of the major Finnish concerns are present in Canada.

The New Northern Europe

A study by Ernst and Young has identified the Finland-Baltics and border regions around St. Petersburg/Carelia as an area of future growth. The new Northern Europe, which comprises not only the Nordic countries but north-western parts of Russia and the Baltic states, offers enormous potential for business.

Market Opportunities

Canadian exporters should be aware of the importance of on-site visits to Finland, if warranted, as personal contacts are often a determining factor in securing a deal in Finland. It is also important to follow-up on correspondence and to be punctual as these are considered signs of reliability and efficiency, guaranteeing credibility. English is fluently spoken in most industries, otherwise the commercial section of the Canadian Embassy will be pleased to assist. Finally, constancy and perseverance are necessary, and a mid- to long-term approach should be the norm in an exporter's strategy. It is strongly advised not to travel for business during the summer holidays, from June 25 to August 25.

The following sectors offer considerable potential for Canadian business.

Agri-food: whitefish, berries, some vegetable canned foods, and Labatt and Moosehead beers have made their way into the Finnish market.

High-tech: there are opportunities for partnering and networking with Finnish firms in software, telecommunications, electronics, and environmental technologies. Canadian companies, which assiduously worked

the market have signed agreements and deals (e.g. SR Telecom with Telecom Finland). Canadian telecommunications exports to Finland amounted to Cdn\$11 million in 1994, an increase of 59 per cent over 1993. Canadian software exports to Finland were Cdn\$10.4 million, an increase of 103 per cent, for the same corresponding period.

Consumer goods: automotive parts sales have increased by 182 per cent since the beginning of 1994 and may still offer potential for expansion. Sports equipment, especially hockey equipment, is also another growing area.

Heavy equipment, machinery and energy: jet engines, wood pulp dryers and gas filtration equipment represent the best potential for growth.

For further information, contact: Leopold Battel, Counsellor, Canadian Embassy, Pohjoisesplanadi 25 B, P.O. Box 779, 00101 Helsinki, FINLAND, Tel.: 358-0-171 141; Fax: 358-0-601 060.

CHANGE OF ADDRESS

Please note that as of June 12, 1995, the Embassy of Canada in Costa Rica will be occupying new premises. The Trade Section can be reached by telephone at (506) 296-4149, and by fax at 296-4280. The new postal address is Embassy of Canada, Trade Section, 351-1007 Centro Colon, San José, Costa Rica.

*Indonesia and South Africa***New EDC Financing for Canadian Exporters**

Canadian exporters selling goods or services in Indonesia and South Africa can take advantage of new lines of credit (LOCs) signed by the Export Development Corporation (EDC).

EDC signed a US\$10-million-LOC with PT Bank Umum Nasional in Indonesia, and two LOCs for South Africa. One is for US\$15 million with Impofin, a

wholly-owned subsidiary of the Industrial Development Corporation, and the other for US\$10 million with ABSA Bank Limited.

This is EDC's first line of credit with a commercial bank in Indonesia. Indonesia is the largest export market for Canadian companies in the Association of Southeast Asian Nations (ASEAN), with bilateral trade at \$1 billion in 1994.

"Similar to other countries in the ASEAN, Indonesia offers Canadian companies tremendous business opportunities," said Roy MacLaren, Minister for International Trade. "This EDC financing facility will help small- and medium-sized enterprises capture new

business in the booming Indonesian private sector."

The Minister added, "South African companies are entering into a modernization process in order to become competitive at the international level. Consequently, South African companies will proceed with major investments in 1995 to increase their capacity."

EDC lines of credit provide Canadian firms with a competitive advantage since they can offer their buyers pre-arranged financing.

For further information, contact EDC in Ottawa at (613) 598-2500, or EDC offices in Vancouver, Calgary, Winnipeg, London, Toronto, Montreal and Halifax.

Canadian Embassy Gets Connected

The Public Affairs Division and the International Business Development Section of the Canadian Embassy in Washington, DC, have launched an Internet World Wide Web site. Located at <http://www.nstn.ca/wshdc>, the site makes available information on Canada and the Embassy.

Combining English and French text with photos and colour graphics, the site offers information on Canada-U.S. trade, as well as the many services offered by the Embassy. These include trade and investment promotion, international financial institution support, tourism development, and cultural and academic affairs.

Interactivity with the public is possible – users may contact Embassy officials directly by electronic mail. The site can be explored using any of the common World Wide Web browser programs, including Netscape Navigator, Mosaic, and the text-based system Lynx.=20.

For further information, contact Robert Rutherford at 202-682-7740, or Judy Bradt at 202-682-7746.

ITBP — *Continued from page 1*

and on diskette. One of the advantages of the electronic version is that information on projects being undertaken by federal government departments and the provinces will be updated regularly. With a few simple keystrokes, readers will be able to sort them by sector, geographic region or date. Descriptions of each project, and the name and number of responsible contact persons,* will also be displayed.

The ITBP is first and foremost a consultation process, a way whereby various levels of government and the private sector can develop priorities for the allocation of international business development resources. The documents themselves are the end result of this process. Canadian embassies, consulates, other government departments, provincial governments and the private sector are already analyzing the 1995-96 plan with a critical eye on 1996-97, and making suggestions as to how it can be improved. We are moving closer to a true "Team

Canada" effort.

The information contained in ITBP documents is not only valuable to companies interested in participating in projects, it is also useful as a reference tool. It has been gratifying to note the interest shown in the ITBP by Canadian university business schools and community colleges.

All ITBP documents include a 'questionnaire for readers' comments. Of the questionnaires received to date, 57 per cent have been from companies with fewer than 25 employees, while another 22 per cent came from firms with 100-499 employees. If you have received ITBP documents, we would appreciate your comments on the questionnaire provided. Your comments will be used in the formulation of Canada's 1996-97 international business development strategies.

You may order ITBP documents by calling the InfoCentre at 1-800-267-8376 or (613) 944-4000 (Ottawa-Hull area), or by fax at (613) 996-9709.



On the Far Reaches of Eastern Europe

A Transatlantic and Free-Trade Country

Of the former Iron Curtain countries that began to turn to the West following the collapse of European Communism in 1989, the Czech Republic seems to be moving toward a market economy fastest and with the greatest assurance. The country's political and economic stability is unshakable; the privatization program shows absolutely no signs of running out of steam; and the country continues to be attractive to foreign investors. All this despite the painless divorce between the Czech Republic and Slovakia in January 1993.

The economic reforms introduced in 1991 by the government of the Czechoslovak Federation with the goal of moving the country toward a market economy were continued by the present government of the Czech Republic after the break-up of Czechoslovakia. The specific objectives of these measures were privatization of state-owned enterprises, introduction of a modern tax system and liberalization of domestic and foreign trade.

The new Republic has performed remarkably well. The proof is that in 1994, for the second year running, it posted a positive current account for its trade with the European Union. According to Mr. Alain Dudoit, Canada's Ambassador in Prague, the national economy is basically strong. Furthermore, the public sector has a budget surplus, and macro-economic policies are rigorously and coherently pursued. The Czech Republic also

has a highly educated workforce and a long industrial tradition, as well as a strong research capacity that goes back to the inter-war years — a period when Czechoslovakia was one of the seven dominant industrial powers. Finally, a Czech middle class is emerging rapidly.

Mr. Dudoit pointed out that the Czech Republic also recorded the lowest inflation rate (10 per cent) among the region's transitional economies in 1994, and noted that the country has taken a huge step forward in such a short period because of strong management and strict accounting practices. The Czechs can boast that they are ahead of the other countries of Eastern Europe and the former

Continued on page VI — Transatlantic

Canada-Czech Republic Trade Relations

Trade and Investment Confidence on the Rise

Since separating from the Slovak Republic in January 1993, the Czech Republic has taken great strides toward building a strong, attractive economic and investment climate. With its new open door policy in place, the Czech Republic is one of the fastest-growing economies among the former Communist countries of Central Europe. In 1993, it recorded a budget surplus, repaid its International Monetary Fund debt in full, and ahead of schedule, and has regained the confidence of international capital markets.

Economic indicators bode well for a stable environment in which to develop bilateral trade. Inflation dropped to 10 per cent in 1994, unemployment has remained steady at 3 per cent, and GDP growth is estimated at 3 per cent for 1995. Privatization continues to be an important component of the Czech Republic's new economic thrust with

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Don't miss the boat

Now Is the Time to Act

Former federal cabinet minister Otto Jelinek is in the thick of the action in Prague. His office is busy helping Canadian companies position themselves in the Czech market. A number of these companies have transferred management of their projects to Jelinek, a Prague native who is well acquainted with the ins and outs of the Czech business environment. **CanadExport** met with Jan J. Winkler, director of Jelinek International.

According to Winkler, there are many opportunities waiting to be seized. Although privatization is coming to an end, its pace is increasing. Companies interested in the Czech market should make their presence felt now while there is still time.

The Czech Republic has a great industrial tradition that goes back to the time of the Austro-Hungarian empire. Although Czechoslovakia was one of the most highly industrialized countries during the inter-war period, the Communist system cut its industry off from the rest of the world and destroyed its ability to compete. Despite this, Winkler says, the country's long industrial tradition, skilled workforce and industrial infrastructure made for a rapid recovery. The private sector drives the national economy, with a contribution to GNP above 50 per cent.

An Investment Market

Multinational companies did not miss out on the first two waves of privatization (the second wave is almost complete). Germany, France, the U.S. and Austria have captured a substantial share of the market. Although Canada is well represented, it can do better, according to Winkler. The Czechs would like to see more Canadian companies invest in their country and set up joint ventures with them.

Winkler stresses that Canadian companies should be less conservative and take more risks. A high degree of commitment is needed to conquer the Czech market. But the warm welcome in store means that they will not regret it. The same comments were repeated by Ms. Sandra Eddy of the Canada-Czech Republic

Chamber of Commerce, with whom **CanadExport** had a brief interview.

Patience is also needed to succeed in this market. The government is strong and "spoiled." Courted by international investors from everywhere, it is in a good position. The success of its privatization program gives it great confidence in the loyalty of foreign investors.

Canadian Presence

The companies Jelinek is helping to position in the Czech market include *Magma International*, *Ontario Hydro*, *Pratt & Whitney*, *Woodbridge Automotive* and *Bell Canada*.

Winkler says that Canadians have a good image and are known for the superiority of their products and services. However, there are many competitors. Attentive follow-up, a local presence and frequent contact with the customer are factors that will ensure success.

Winkler stresses the importance of exploring the market now, before it is too late. Although most of the privatization is over, assets are quite often repossessed for non-payment. These opportunities are advertised in a number of publications in Prague and are snapped up as they become available.



A Strong and Positive Business Climate

Openness, political stability, economic growth and incentives are terms Winkler used frequently to describe the business climate in the Czech Republic. Convertibility of the local currency is planned for this year, which will allow unrestricted repatriation of profits from the Czech Republic.

Beyond the talk of transition

Genuine Prospects and Opportunities

The intensity and speed of the Czech Republic's progress toward a market economy since the Communist regime fell in 1989 continues to surprise. According to Roger Bélanger, commercial counsellor with the Canadian Embassy in Prague, the investment flow which has now topped US\$3 billion proves that the country is on the right track, and that it has succeeded.

The pace of foreign investments in the Czech Republic has increased in the last two years, even after the break-up of Czechoslovakia in 1993. The political stability of the new country has attracted and retained investors. In addition, the Czech government has reinforced the market economy policy launched more than five years ago. During the period following separation, the government has managed to modernize the tax system, introduce a new business code, stabilize the currency and establish a customs union with Slovakia. Many laws, including bankruptcy legislation, have also been passed.

A FAVOURABLE CLIMATE

The favourable business climate prevailing in the Czech Republic has encouraged many multinationals to explore the market. The most usual forms of foreign investment are establishment of joint ventures (the most common), greenfield investments, and participation in the current privatization process.

On the economic side, Bélanger says that the Czech Republic boasts the lowest inflation rate — 10 per cent — among the countries in transition. Its GNP grew by 2.7 per cent in 1994, currency reserves increased and the budget is in surplus.

CO-OPERATION FOR SUCCESS

According to Bélanger, Canadian companies that want to get involved in the Czech Republic need to be aware that industrial co-operation is the key to success. Companies that understood this requirement have succeeded in the market. The Czechs are looking for Western technology to fill the gaps left by more than 40 years of Communism and to catch up after years of isolation from the outside world. Joint

ventures, technology transfer and licensing are on the agenda. On their side, the Czechs can offer a developed and accommodating infrastructure as well as a highly skilled and dedicated workforce.

In addition, co-operation with Czech enterprises opens up potential access to international markets for their foreign partners. Czech enterprises have established themselves on the international scene. For example, the Czech Republic supplies turnkey plants worldwide in many sectors — cement plants, electric power stations, textiles, and so on.

PROMISING SECTORS

Some of the sectors with the greatest potential, and a number of Canadian companies who have succeeded are profiled below.

Telecommunications

Major modernization and expansion projects are planned for telecommunications systems in the Czech Republic, including the introduction of smaller operator competition in regional and underserved areas. The state-owned *Post, Telegraph and Telephone Agency (PTT), SPT-Telecom*, is currently seeking a 27-per-cent equity partner. Opportunities also exist for telecommunications equipment manufacturers and technology providers in a number of niche areas.

There are over 65 Canadian telecommunications firms active or interested in the Czech market, with many already established and registering excellent sales. Of these, the most active are *Northern Telecom, Newbridge Networks, Gandalf Technologies, Eicon*

Continued on page IV — Czech Prospects

Czech Prospects — Continued from page III

Technologies, SR Telecom, Glenayre Electronics, Harris Controls, and Mitel.

Environment

In 1994, *Le Groupe S.M. International Inc.* was asked by the Environment Ministry of the Czech Republic to do a study on the application of economic instruments to the environment sector. Concrete examples of applications used in Canada were presented to the Czech authorities with a view to their possible adaptation to local conditions.

Other Canadian companies such as *Pluralité, Hatch, Geomatics International, and Agra* created subsidiaries in the Czech Republic, at times through joint ventures with local firms, to undertake environmental projects.

Construction

The Czech construction industry is expected to grow from approximately \$4.4 billion in 1994 to \$9 billion in the year 2000. Renovation continues to dominate the Czech construction market, while the property restitution process, coupled with foreign firms locating in Prague and demand from the increase in tourism, have all contributed to the increase in renovation opportunities.

Although the Czech Republic does not suffer from a severe lack of adequate housing compared to its Central and Eastern European neighbours, construction of new homes is expected to increase through to the end of the century. This is attributed to expected high demand in the Prague market and to the positive effects of predicted economic growth.

Pivko and Associates Architects Inc., Gesmec Inc., and McNeely Engineering Consultants Ltd., all from Ottawa, joined together to create a design team for the US\$35-million Darex redevelopment project at #11 Wenceslas Square. It is interesting to note that the

principals of the Canadian team are all of Czech origin.

Scott & Associates, in charge of the design of the Prague airport extension, has just opened an office in the Czech capital. *Brix and Franta* (architects) and *Studio Europa* (interior and commercial design) have also recently opened offices in Prague.

Transportation

This sector provides many opportunities for Canada's well-developed transportation industry, depending on Canadian interest in this market, the competitiveness of Canadian products, and local demand. Some of the Canadian companies that have been successful in this market are *Bell Helicopter Textron, Bombardier/Canadair, Pratt & Whitney Canada, and Canac Telecom.*

Many Canadian companies are also interested in the aeronautical sector where Czechs have strong experience. Financial difficulty and the need to modernize technology opens up interesting possibilities for foreign investors.

... And it goes on

Merfin Europe, s.r.o., a subsidiary created by Merfin in February 1995, is about to embark on a \$60-million project to produce latex and thermal-bonded fabrics.

Canstar has established a plant for the manufacture of ice and on-line skates, both of which are extremely popular items in the Czech Republic.

Finally, a new Canadian presence has been established in the famous Wenceslas Square, in the heart of Prague. It's *Harvey's*, of *CARA Operations*, which is standing firm in face of tough competition from a nearby famous American fast food restaurant.

*The Mission of CzechInvest***Or the Art of Attracting Investors**

Set up just over two years ago, *CzechInvest* is an agency of the Czech government whose role is to attract direct foreign investment. There is no charge for its services, which consist of informing investors about business opportunities in the Czech Republic, organizing their visit to the country and — most important — helping them clear a way through red tape. Here is part of a *CanadExport* interview with Mr. Martin Jahn, the agency's marketing manager.

Jahn describes CzechInvest as a facilitator whose role is to free foreign investors of red tape by providing them with any advice they may need. Jahn says that investors greatly appreciate the agency's assistance, not only during the exploratory phase but through all the later phases until the project becomes a reality. Jahn stressed, however, that the agency does not offer investors any financial assistance.

Co-operation with Canada

Jahn mentioned that one of his collaborators recently returned from a visit to Canada, during which he held discussions with members of DFAIT's Europe Bureau. Through the Program of Assistance to Central and Eastern Europe, Canada has made available to CzechInvest for two years a Canadian advisor, Mr. James Mullan, who will co-operate with the agency's staff in developing an investment strategy as well as a strategy to bring together Czech and foreign companies, particularly those from Canada. Jahn was eager to express to *CanadExport* his gratitude for Canada's efforts to assist the Czech Republic in its economic restructuring.

Ideal Conditions

Jahn says that the Czech Republic's political and economic stability is unparalleled in Eastern Europe. This is a result of the government's political conservatism, which has created a stable, encouraging investment climate. The Czech Republic can be proud of its 10-per-cent inflation rate in 1994 — the lowest in Eastern Europe — and growth of 2.7 per cent.

Most of the investment agencies in the transitional economies will assure you that their country lies at the heart of Europe, says Jahn. They will also tell you that their country is the most stable politically and economically and has the most skilled workforce. Jahn says that these statements apply first and foremost and without any qualification to the Czech Republic, which is located 200 km west of Vienna, and therefore, deeper in Europe than the capital of Mozart. The Czech Republic enjoys a degree of political and economic stability unrivalled among the countries of Eastern Europe and the former Soviet Union, and its literacy rate is close to 100 per cent.

Why the Czech Republic?

Here are some reasons that, according to Jahn, should encourage Canadians to consider doing business in the Czech Republic.

① POLITICAL AND ECONOMIC STABILITY: The present government has a 53-per-cent majority in Parliament and is tirelessly pursuing its market economy policy with public support. The government's fiscal policies have created a stable investment climate. In addition to the fact that its inflation rate is the lowest among the Eastern European transitional economies, the Czech Republic has a budget surplus. Over the last three or four years and despite economic fluctuations, the local currency has remained highly stable. As a result of the government's sound economic policy, the unemployment rate has remained low (3.2 per cent in 1994). Furthermore, the Czech Republic has the lowest level of debt among the transitional countries.

② A CLIMATE OF CONFIDENCE: The government's economic policies have led credit agencies like *Moody's* and *Standard & Poor* to award the country a high credit rating, which has inevitably strengthened investor confidence in the country's future. Jahn proudly noted that in a recent survey by the prestigious *Wall Street Journal* of some international analysts and observers on the performance of 25 Eastern European countries up to the year 2000, the Czech Republic came out on top, based on comparisons such as political stability, economic growth, workforce skills and quality of the industrial infrastructure.

③ INTERNATIONAL CONFIDENCE: The flow of foreign investment totalled US\$3.1 billion by early 1995, representing an increase of 500 per cent over the last three years. Jahn says that this is essentially due to the political and economic climate, availability of a skilled, inexpensive workforce and the existence of a relatively modern and well-developed industrial base. Foreign investment is growing consistently, despite the fact that the privatization program is basically drawing to a close and future investments will have to be in new projects off the beaten track.

Germany is the largest foreign investor with 36.2 per cent, followed by the United States with 21.2 per cent. France, Austria and Belgium come next with 11.6, 7 and 6.1 per cent of investments respectively. Investors include such world-famous names as *Volkswagen*, *Daewoo*, *Siemens*, *Nestlé Food* and *ABB*. The most attractive sectors for investors are

Continued on page VII — CzechInvest

Transatlantic – *Continued from page 1*

USSR in terms of results and macro-economic performance.

Similarities

According to Mr. Dudoit, the Czechs, like the Canadians, have adopted a free-trade approach that favours economic integration of the countries in their region. Just as Canada maintains neighbourly relations with the U.S., the Czech Republic carefully manages its relations with Europe and especially its powerful German neighbour, with which it shares the longest European border. It is also strongly in favour of transatlantic co-operation and is open to North America. This provides Canada with an excellent opportunity to increase its trade with the Czech Republic.

Another parallel that could be drawn between Canada and the Czech Republic is national pride. Although they are determined to join the European Community, the Czechs insist strongly on preserving their identity and do not want to give up their sovereignty.

Advantages

The Czech Republic shares the longest border with the European giant, Germany. The close relations between these two countries are a vital advantage for the Canadian exporter or investor who is looking beyond the Czech Republic — because beyond the geographic boundaries of the Czech Republic, as Mr. Dudoit points out, there are Germany and the European Union. Last year, over 147 million visits, by people mainly from elsewhere in Europe, were made to the Czech Republic. This is certainly a phenomenal number, but one which indicates a high degree of integration with the European Union.

The Czech Republic has also developed strong ties with the former Soviet Union and is, therefore, well positioned as a link between the Eastern and Western countries.

Opportunities for Canada

The Czech Republic enjoys undeniable political and economic stability. Geographically, the country is

in a very strategic position, making it a jumping-off point for the rest of Europe. Its business culture is similar to our own, and together with our shared values, this facilitates our trade relations. Mr. Dudoit says that because we are not perceived as a threat, we have a special place among the Czech Republic's many business partners.

The Czechs need leading-edge technologies, which we can supply, and they need modern management methods, which we can teach them. This is, therefore, a market with unlimited partnership opportunities. More than 60 Canadian companies are already established in a large number of sectors. The market is big enough to absorb more.

Integration of the Eastern countries into the European Union will result in dramatic changes in trade. The Czech Republic holds the key. Mr. Dudoit points out that Canadian companies should seriously consider this market, not only for its own merit but as a gateway to Germany, for example, to mention only this country.

Trade Relations –

Continued from page 1

about 80 per cent of available assets now controlled by the private sector.

Bilateral trade relations between Canada and the Czech Republic look promising for the future — Canada has agreed to Most Favoured Nation and General Preferential Tariff status for the Czech Republic, and a Foreign Investment Protection Agreement and a Double Taxation Agreement are also in place. Through the Export Development Corporation, Canada has three lines of credit available to Canadian companies wishing to do business with the Czech Republic.

Total bilateral trade between the two countries was \$95.7 million in 1994, and Canadian direct investment in the Czech Republic is estimated at \$150 million. Major Canadian investors include *Bata Ltd.* (footwear), *Canstar Sports Group Ltd.*

(skate manufacturing), and *CARA Operations* (*Harvey's* and *Swiss Chalet* restaurants). An additional \$500 million is pending in joint venture and greenfield investment activities.

Canada's main exports to the Czech Republic are machinery, electrical equipment, textile fabrics and printed matter, while sectors showing the greatest potential are informatics and telecommunications, environment, transportation, construction and agri-food.

The Czech Republic is very interested in tapping the international arena for innovative ideas, people and technologies to benefit their developing market economy. Canada's technological expertise and high standing in the international trading community should help Canadian companies take advantage of the opportunities opening up in these areas. All signs indicate that Canada can look forward to continued beneficial relations with the Czech Republic in many areas of its economic development.

TIKETPRO realized that

Tourism is Tops in Prague

Finding hotel rooms for business people who arrive unannounced during the tourist high season can often be a challenge for the Canadian staff in the Embassy's commercial section. Every season is tourist season in Prague. And at certain times you would be more likely to win the lottery jackpot than find a vacant hotel room! Michael Wooff, the First Secretary (Commercial), often has the job of finding accommodation for Canadian business people visiting Prague. He tells how a recent mission that arrived during the peak season was accommodated in the homes of the commercial section staff and the Ambassador because there were no hotel rooms.

Vast Potential

The tourist boom has created major logistic needs. Tourism also seems likely to stimulate the business sector. This growth has highlighted the need for improvements in hotels, transportation, the restaurant sector, catering, and in many other areas.

The tourism potential of the Czech Republic is substantial. The country's attraction is based on its appealing countryside and beauty spots. It has hundreds of chateaus, palaces and churches, and its central position makes it a busy crossroads for Europeans, who converge on it from all points of the continent. An astronomical number of more than 90 million tourists came to the Czech Republic in 1994 for stays of various lengths. According to *Statistics Canada*, 41,500 Canadians visited the Czech Republic in 1994 and spent over \$28 million, more than triple the corresponding figure for Czechs visiting Canada.

Investment Sector

Foreign investors are being asked to play an active role in developing the Czech Republic's tourism industry.

A Montrealer, Serge Grimaux, is having great success in meeting the need created by the spectacular growth of an industry that lacks almost everything. His Tiketpro company provides a completely automated ticketing service. This is the only place to buy show tickets by phone. The company guarantees its customers the best seats available at the time of reservation and the best prices, avoiding rip-offs by sidewalk scalpers.

Grimaux launched his business in Prague, the European tourist capital, about three years ago after securing a licence for the computerized ticketing program designed by the famous *Cirque du Soleil* of Quebec. From that starting point he is expanding throughout Europe, with two more sales outlets in Paris and Berlin. He plans to

open a Budapest branch soon.

Almost 95 per cent of the artistic events in the Czech Republic are served by the Tiketpro computer system. It's all there — take your choice: theatre, pantomime, ballet, chamber music and much more. In fact, on August 5, the Rolling Stones will star...in Prague. Who would have believed it only 10 years ago, or even less?

Asked why he decided to open in Prague, Grimaux answers that the Czechs are people of their word. They are very reliable. The decision-making process is fast. Tourism is booming there and Grimaux says that growing demand for associated services should encourage Canadians involved in the tourism sector, such as restaurant owners, travel agents and all suppliers of tourism services, to come and explore the market. Success is guaranteed, since the demand is there for quality service.

And then, too, luck favours the brave — like Serge Grimaux.

CzechInvest — Continued from page V

automobiles, consumer products, construction, financial services and agri-food.

4 **MARKET SIZE:** With its 10 million increasingly sophisticated consumers, the Czech Republic is a viable market by itself. In addition, it is surrounded by 140 million consumers in Central and Eastern Europe, 100 million in the republics of the former Soviet Union, and 320 million in the European Union, making it a gateway to 570 million consumers.

5 **CZECHINVEST:** Without any false modesty, Jahn again pointed out the value to investors of his agency's contribution. Interested companies that want to learn more about the agency can contact Martin Jahn, Marketing Manager, or James Mullan, Advisor, CzechInvest, Politických veznu 20, 112 49 Praha 1, Czech Republic, Tel.: (42-2) 2422 1540, direct line: (42-2) 2406 2283; Fax: (42-2) 2422 1804.

AT YOUR SERVICE...

• *Canadian Market Support in the Czech Republic* •

Department of Foreign Affairs and International Trade

Central and Eastern Europe Trade Development Division (RBT)

125 Sussex Drive
Ottawa, Ontario
K1A 0G2

Monica Heron, Deputy Director
Tel.: (613) 996-7107

Dan Mrkich, Trade Commissioner
Tel.: (613) 992-1449
Fax: (613) 995-8783

Trade Fairs and Missions (RWTF)

Paul Connors, Deputy Director
125 Sussex Drive
Ottawa, Ontario
K1A 0G2

Tel.: (613) 996-5555
Fax: (613) 944-1008

Renaissance Eastern Europe Program (REE)

Mainly targeting SMEs, REE is a cost-shared funding facility directed at joint venture-specific feasibility studies and training in commercially viable sectors based on protocols of cooperation or letters of intent. Refer to your International Trade Centre or:

Central and East European Trade Development Division (RBT)

Jocelyne Oceau, Secretary
125 Sussex Drive
Ottawa, Ontario
K1A 0G2

Tel.: (613) 996-0105
Fax: (613) 995-8783

Program for Export Market Development (PEMD)

The Department of Foreign Affairs and International Trade Canada, through PEMD, attempts to defray market identification costs for SMEs. Refer to your local International

Trade Centre for more information and application forms.

InfoCentre

Located at the Department of Foreign Affairs and International Trade, InfoCentre can provide exporters with publications and information on support programs relevant to markets of interest.

Canadian Embassy

Roger J. Bélanger, Counsellor (Commercial)
Commercial Division
Na Petynce 120
169 00-Prague 6
Czech Republic
Tel.: (011-42-2) 357-685
Fax: (011-42-2) 355-476

The Commercial Division of the Embassy can provide companies with information, names of contacts and advice regarding marketing strategies for the Czech Republic.

Export Development Corporation (EDC)

Europe Department
P.O. Box 655
Ottawa, Ontario
K1A 1K3

Tel.: (613) 598-2745
Fax: (613) 598-2504

International Trade Centres

Located in each province (see *Directory of Canadian Trade Commissioner Service*), the ITC should be the first point of contact for potential Canadian exporters or investors.

Provincial Governments

Provincial government departments often have offices dedicated to promotion, together with support programs which exporters can access.

Survey of Canadian Exporters' Use of Electronic Information

A survey on how exporters pursue their information requirements from electronic sources is being conducted by a Trade Commissioner on a leave of absence at the University of Toronto. The survey will examine information needs such as trade statistics, regulations and agreements, tenders and sales opportunities, and tariffs, among others. The types of electronic sources to be investigated include on-line information services, conferences and forums, electronic clipping services, CD-ROMs, diskettes, faxback services, and so on.

Persons who are actively accessing electronic sources of information concerning foreign markets for exporting purposes are invited to participate in the survey by calling or e-mailing Fred Veenema at: Tel.: (416) 806-6248; Fax: (416) 920-7364; Envoy 100: fred.veenema; CompuServe: 100335.3077; Internet: veenema@fis.utoronto.ca.

Participants will be rewarded with their choice of several relevant electronic information products. The study is expected to be published in September.

Nordic Countries — Continued from page 1

developed infrastructure, excellent trade support services, and easy access to customers.

The Nordic countries, with a combined GDP of \$591 million, have more commercial importance than their population of 23 million suggests. While recession in all Nordic countries (except Norway) caused a decline in trade in the last few years, economies are bouncing back.

Market Opportunities

Considerable scope exists for co-operation in the form of representation, distribution, strategic alliances, joint ventures, licensing and technology transfer.

Both Canada and the Nordics have many "niche" companies that could benefit from strategic alliances with complementary organizations in a number of sectors. These include: computer software; food processing and packaging; biotechnology; medical devices; industrial wastewater treatment; transportation; fisheries; and forestry. There is also

strong potential for Canadian firms wishing to focus on the European Community, Scandinavia, and Eastern Europe, particularly the Baltic states, Poland, and Russia.

For more information on the Nordic countries, contact Hélène Guillot, Western Europe Trade, Investment and Technology Division, DFAIT, Ottawa, Tel.: (613) 995-4730; Fax: (613) 995-6319.

Canadian Embassy contacts:

- Cathy Dickson, Oslo
Tel.: 011-47-22-69-34-67;
Fax: 011-47-22-46-69-55.
- Guy Cadieux, Copenhagen
Tel.: 011-45-33-12-22-99;
Fax: 011-45-33-14-05-85.
- Jim Sotvedt, Stockholm
Tel. 011-46-861-399-00;
Fax: 011-46-824-2491.
- Léopold Battel, Helsinki
Tel.: 011-35-80-171-141;
Fax: 011-35-80-601-060.

Africa, Middle East

Telecom Companies Now Have Contacts

Telecommunications companies interested in exploring opportunities in Africa and the Middle East can be provided with the names and co-ordinates of potentially useful contacts in these regions.

The contacts are 38 delegates from 17 different countries in Africa and the Middle East who attended the recent *Intercomm'95* international telecommunications conference in Vancouver. The participation by these delegates was sponsored by the Department of Foreign Affairs and International Trade (DFAIT) and the Canadian International Development Agency (CIDA).

The conference helped to make these countries aware of Canadian expertise and assisted in introducing Canadian firms to expanding markets.

The delegates, mostly senior officials from state-owned telecommunications organizations, are involved in the privatization and modernization of existing communications networks, and could be useful contacts for Canadian companies hoping to enter this market. The Africa and Middle East Trade Development Division of DFAIT would be pleased to provide interested companies with the names and co-ordinates of these delegates. Please contact Elaine Butcher at (613) 944-6586 for details.

In addition, the Division has prepared overviews for the telecommunications sector in the following countries: Algeria, Cameroon, Egypt, Iran, Israel, Kenya, Senegal, South Africa, Syria, Tanzania, Uganda. Copies may be obtained by calling DFAIT's FaxLink service: 1-613-944-4000.

TRADE FAIRS AROUND THE WORLD

Airshow Canada '95

ABBOTSFORD, B.C. — Airshow Canada '95 (International Aviation & Aerospace Trade Show) will be held August 9-13, 1995. The Canadian Business Aircraft Association is amalgamating its 1995 trade show and static aircraft display with Airshow Canada this year and in future years. Airshow Canada is also staged in conjunction with the annual Abbotsford International Airshow, rated as one of the top flying shows in North America. A full range of business-oriented seminars and conferences have been timed to take place during this year's trade show. These events were attracted by the success of Airshow Canada '93 and will provide excellent international networking opportunities.

al networking opportunities.

For more information, contact Airshow Canada, P.O. Box 6, Abbotsford, British Columbia V2S 4N9, Tel.: (604) 852-4600; Fax: (604) 852-3704.

China Automotive

BEIJING — With over 40,000 square metres of exhibition space, AUTO BEIJING '95, China's International Automobiles, Accessories and Manufacturing Equipment Exhibition, showcases the full range of automotive products, including cars, jeeps, buses, trucks and motorcycles; automotive parts and accessories; and manufacturing and processing equipment. It will be held from August 14-18, 1995, in the China International Exhibition Centre with over 200,000 decision makers, engineers, technicians and end users expected to attend the five-day event.

In 1993, China produced 1,280,000 automobiles, of which 225,000 were passenger cars. By the year 2000, close to 3 million automobiles will be manufactured per year. Sponsored by the China Association of Automobile Manufacturers, the China Economic and Trade Consultants Corporation, and the China National Machine Tool Corporation, AUTO BEIJING '95 is an excellent opportunity for Canadian manufacturers to promote their latest products and technologies in the burgeoning Chinese market.

For further information on AUTO BEIJING '95, or to reserve space, contact Dr. Liming Sun, Red Sun Research Consulting, 15 Eastwood Place, Suite 7, Ottawa, Ontario K1L 6X1, Tel: 613-741-8666; Fax: 613-741-2106.

Latin American Trade Shows

- **AGROEXPO '95** — Bogota, Colombia — July 14-23, 1995
- **Mexican Mining Congress** — Acapulco, Mexico — October 18-21, 1995

For information, contact Jon Dundon, Latin America and Caribbean Trade Division (LGT), Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2, Tel.: (613) 996-6921; Fax: (613) 944-0479.

- **Argentina Oil & Gas Expo '95** — Buenos Aires, Argentina — October 16-20, 1995

For information, contact Paul Schutte, Latin America and Caribbean Trade Division (LGT), Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2, Tel.: (613) 996-5358; Fax: (613) 944-0479.

Chinese Construction and Investment

SEATTLE, WASHINGTON — August 4-6, 1995 — The Chinese Ministry of Foreign Trade and Economic Cooperation has designated the **Sino-American Major Construction/Investment Trade Fair** the largest of its six major missions for 1995. Construction projects throughout China, with emphasis on the coastal provinces, will be displayed in the China exhibition segment of the fair. The Chinese exhibition, taking place each morning of the three-day event, will enable participating North American companies to learn more about Chinese projects and their investment and equipment/material needs. For information, contact World of Concrete at (708) 543-0870, ext. 242, or Hua Executrade Communications at (604) 325-8366.

Taiwanese Aerospace

TAIPEI — The **Taipei Aerospace Technology Exhibition '95 (TATE)**, Taiwan's official aerospace show, will be held from August 17 to 20. The event, which attracted over 11,000 visitors to its latest edition in 1993, is organized in co-operation with China's Foreign Trade Development Council and is sponsored by the Taiwanese government and by private industry.

Ninety-six per cent of the exhibitors interviewed at TATE '93 said they intended to exhibit again at TATE '95, and 85 per cent indicated that they had achieved their marketing objectives. For further details contact, by mid-July at the latest, Simon Ma, Senior Trade Officer, Canadian Trade Office, Taiwan, Tel. (011-886-2) 713-7268; Fax (011-886-2) 712-7244.

TRADE FAIRS AROUND THE WORLD

Brazil Hosts Major Trade Events

Brazil has undergone significant economic liberalization in recent years. It is Latin America's largest and most industrialized market and by far Canada's biggest export market in South America.

Brazil has a population of 150 million and a GDP greater than Argentina, Chile and Colombia combined. And it is now, more than ever before, open to a wide range of imports – with an average tariff equal to that of Mexico's. Canadian business is reacting and our exports to Brazil have doubled since 1991.

SÃO PAULO – July 4-7, 1995 – The Consulate will have an information booth at **International Health Care Industries Exhibition and Congress, EXPOSACDE '95**, the largest health care event in Latin America. Canadian companies wishing to display product information at the Consulate's information booth should contact Jon Dundon at the number listed below as soon as possible.

SALVADOR – August 15-18, 1995 – In partnership with CAMESE, the Canadian Consulate in Sao Paulo is organizing the participation of a Canadian delegation to **EXPOSI-BRAM '95**, Brazil's premiere mining event. Held every two years, the mining convention and trade show brings together the country's top mining executives, and is widely recognized as the best venue to network with the country's mining community. More than 550 industry managers and professionals from 250 mining companies attend the event.

RIO DE JANEIRO – September 17-20, 1995 – **ABRAS**, Brazil's largest annual food and consumer goods trade show, is the top agri-food event in the country, second in size only to Chicago's FMI show. A Canada Pavilion will be available for Canadian companies interested in exploring this fast-growing market. ABRAS specifically targets importers, wholesalers, retailers, distributors as well as supermarkets and department stores. With retail sales in the sector up 40 per cent, and with tariffs on imported processed food reduced to 10 per cent from 100 per cent in 1989, ABRAS is not to be missed.

For information of any of the above fairs and missions, contact Jon Dundon, Latin America and Caribbean Trade Division (LGT), Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2, Tel.: (613) 996-6921; Fax: (613) 944-0479.

Tokyo to Host 6th ISOT Show

TOKYO, JAPAN – September 7-9, 1995 – The sixth presentation of **International Stationery & Office Products Tokyo '95 (ISOT '95)** is the industry's most important trade fair in Asia. ISOT '95 is expected to attract more than 30,000 buyers from Japan, Asia-Pacific, and around the world – over 40 countries were represented at the 1994 event. Some 400 companies will feature a vast range of products and services, from stationery and paper products to office automation equipment.

For information, contact Suzanne Minatti, Reed Exhibition Companies, International Sales, 383 Main Avenue, Norwalk, CT 06851, Tel.: 203-840-5393; Fax: 203-840-9337.

Food & Hotel China '95/Asia Pacific Inflight

SHANGHAI, CHINA – September 5-8, 1995 – **FOOD & HOTEL CHINA '95**, the second International Food, Drink, Supermarket, Hotel and Catering and Supplies Exhibition, will be held at INTEX Shanghai. Now firmly established on the international calendar as a world-class event, **FOOD & HOTEL CHINA '95** will alternate between Beijing and Shanghai, offering exhibitors the opportunity to target China's two major economic centres.

Held in conjunction with **FOOD & HOTEL CHINA '95** is the third **Asia Pacific Inflight (APIF)** exhibition and conference. Covering the whole spectrum of the inflight industry, planned APIF presentations and seminars include waste management, disposable equipment, quality and hygiene control, mechanized food and equipment handling systems, and many more.

For more information, contact in China, Renz Lam or Wendy So, Hong Kong Exhibition Services, Unit 901-902, 9th Floor, Shiu Lam Building, 23 Luard Road, Wanchai, Hong Kong, Tel.: +852 804 1500; Fax: +852 528 3103, or worldwide, Greg Marucchi (**FOOD & HOTEL CHINA**) / Martin Mantalvanos (Asia Pacific Inflight), Overseas Exhibition Services Ltd., 11 Manchester Square, London W1M 5AB United Kingdom, Tel.: +44 171 486 1951; Fax: +44 171 486 8773.

TRADE FAIRS AROUND THE WORLD



FHM Malaysia

MALAYSIA — September 24-27, 1995 — After its highly successful launch in 1993, Malaysia's official food and hospitality industry show, **FHM 95**, returns to the Putra World Trade Centre in Kuala Lumpur with an expanded profile and a host of exciting accompanying events. **FHM 95** runs in conjunction with Asia's only specialized meat, poultry and livestock industry exhibition, **International Meat and Poultry 95**.

Hospitality industry delegates will also be able to attend a special international conference on quality management organized in co-operation with the Singapore-based Institute for International Research. The show also features a culinary program, **Culinaire Malaysia 95**, attracting more than 500 top chefs and bartenders to display their skills.

For the 1995 event, organizers

Audio-Video Exhibition in Jakarta

JAKARTA — The 3rd International Audio-Video for Radio and Television Broadcasting and Multimedia Technology Exhibition will be held in this Indonesian capital September 27 - October 1, 1995.

Indonesian television, with a potential audience of 190 million, has recently expanded service to five stations, four of which are commercial broadcasters.

Of the country's 823 radio stations, 627 are privately owned and operated. **International Broadcast '95**, which is to be held at the Jakarta Fairgrounds, will provide exhibitors unmatched access to public- and private-sector decision makers in the Indonesian broadcast industry.

are confident of surpassing the launch event which drew 350 exhibitors from 23 countries.

For more information, contact in Malaysia, Richard Yew, Malaysian Exhibition Services, 468-1B, Batu 3, Jalan Ipoh, 51200 Kuala Lumpur, Malaysia, Tel.: +60 3 441 0311; Fax: +60 3 443 7241, or worldwide, Matthew Meredith, Overseas Exhibition Services Ltd., 11 Manchester Square, London W1M 5AB United Kingdom, Tel.: +44 171 486 1951; Fax: +44 171 486 8773.

While the Government of Canada will not be participating directly in the show, the Canadian Embassy, Jakarta, would be pleased to assist companies interested in accessing this Indonesian market.

Contact either Kapil Madan, Canadian Embassy, Jakarta, Tel.: (011-62-21) 525-0709; Fax: (011-62-21) 570-1494, or Georgina Wainwright, DFAIT, Ottawa, Tel.: (613) 992-0959; Fax: (613) 944-1604.

Canadians Team Up for Southern China

Canadian exports to Hong Kong surged 49 per cent in 1994, reaching \$899 million. More than half of these exports are now manufactured and semi-manufactured goods — some \$515 million worth, up more than 30 per cent since 1993. Food exports also grew, up 20 per cent to \$145 million.

Hong Kong is an excellent market in its own right, but it is also a gateway to southern China and a showcase for products and services that Chinese buyers want.

The High Commission for Canada in Hong Kong and the new Canadian Consulate in Guangzhou, capital of neighbouring Guangdong province, work together to provide Canadian businesses with information and leads on opportunities in this booming market.

In early March, the Consulate in Guangzhou

organized Canadian participation in two trade shows, **Foodpack** and **Building South China**. Supported by Trade Commissioners in Hong Kong, some 30 Canadian companies were represented at the shows, which generated over 700 leads, mainly in new packaging designs and technologies like paper packing equipment and plastic container forming equipment. As well, opportunities exist in lightweight, energy-saving wall and wall-covering materials, high-quality decorative building products, thermal insulation and fire-resistant building products.

If you are considering the Hong Kong and southern China markets, get in touch with the Department's trade commissioners in Hong Kong at Fax: (852) 2847-7441, and in Guangzhou, at (86-20) 667-2401.

PUBLICATIONS

Bon Voyage, But... New & Improved

The Department of Foreign Affairs and International Trade has released the new edition of *Bon Voyage, But...*, the handy guide to travelling abroad. The booklet provides a listing of Canadian embassies and offices in countries around the world, along with travel tips on such important topics as passports, visas, medical care, health insurance and consular services.

Bon Voyage, But... contains a wealth of valuable information as well as advice that can help Canadians avoid serious problems while travelling. The free booklet is handed out when passports are issued, and it is expected that over 1 million copies will be distributed.

This year, for the first time, the cost of producing the booklet was shared between public and private sector participants.

The booklet as well as a travel

video and poster can be obtained by calling toll-free 1-800-267-8376 and, in Ottawa-Hull, (613) 944-4000, or by writing to: InfoCentre, Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2. Travellers can also get information on conditions in specific countries by calling toll-free 1-800-267-6788.

RUSSIA: Projects in Orenberg Region

A 32-page document containing information on the Orenberg region as a destination for investment in oil and gas and mining is available upon request from the Department of Natural Resources Canada. Please contact Bruce McKean at (613) 995-2661 or Monique Lafèche at (613) 995-5009.

Commerce International Magazine

Business people who have not seen *Commerce international magazine* may want to take a look at it. On the lines of *The Wall Street Journal*, it began publication in 1993 and comes out five times a year in French. The magazine has features, detailed studies and practical hints on all aspects of international trade.

It is distributed through newsstands in Quebec and Ottawa, and also by subscription. Contact *Commerce international magazine*, Nouveau Monde International, P.O. Box 163, Outremont Station, Montreal, Quebec H2V 4M8, Tel.: (514) 272-3394; Fax: (514) 273-5955.

• World Directory of Seafood Importers •

A new marketing tool for Canadian exporters of fish and seafood products is now available.

The World Directory of Seafood Importers 1994 is based on the contributions of Trade Commissioners and Commercial Officers at Canadian trade offices abroad. The directory contains information on more than 80 countries or regional markets and over 1,770 different importers from around the world. It includes short market profiles, lists of seafood buy-

ers/importers/distributors and the name of a contact at a trade office for each country or territory who can assist you with your marketing efforts. It provides the essential database required for developing export marketing strategies and contacts.

Importers, distributors and buyers listed in the directory are generally known to Canadian trade offices; however, it is the sole responsibility of individual Canadian exporters to check the commercial standing of any firms with which commercial

arrangements are being contemplated. Trade Commissioners in each of your foreign markets are there to advise you and provide more detailed information on the markets of special interest.

The directory is available, in English (code 34TA), in French (code 34TF), and on 3.5" diskette (code 34TB). Please contact Foreign Affairs and International Trade's InfoCentre, Ottawa, Tel.: 1-800-267-8376 (Ottawa area 944-4000); Fax: (613) 996-9709.

BUSINESS AGENDA

Vancouver — June 5; **Regina** - June 6; **Montreal** — June 7; **Toronto** — June 8; **Halifax** — June 9 — **Take A World View seminars** are designed for small businesses in the services sector who are seriously interested in exporting. Presented by the Department of Foreign Affairs and International Trade and Industry Canada, with the Canadian Exporters' Association, the seminars cover such topics as preparing to export your service...how to get started; relationship marketing and the services exporter; how to export services and choose markets; partnering strategies; and government assistance programs. For more information, please call (613) 996-0684.

Toronto — Tuesdays, June 13 and 27, 1995 — The Canadian Small Business Institute is offering a Public Workshop on "How to Start Your Own Import/Export - Mail Order Business" at the Quality Inn, 22 Metropolitan Road, from 7:00 pm to 10:00 pm. Cost \$25 (Seniors free). Register at the door or in advance by calling Michelle Riette, Public Relations, Canadian Small Business Institute, Tel.: (416) 512-2009.

Toronto — June 14, 1995 — **International Transactions in**

China, Vietnam and India: How to Minimize the Risks and Avoid the Pitfalls. Sponsored by the Canadian Bar Association—Ontario Branch, this dinner program will feature practical experiences of three international lawyers in business transactions in the Asia-Pacific region. For registration or more information, contact the Canadian Bar Association-Ontario, Tel.: (416) 869-1233 or 1-800-668-8900.

Vancouver — June 19; **Calgary** — June 20; **Toronto** — June 21; **Montreal** — June 22; **Halifax** — June 23 — **The Americas Conference — Building Team Canada** is a series of one-day events that are intended to follow-up on the Prime Minister's Team Canada Mission to Latin America.

Each Latin American and Caribbean country presents different opportunities for Canadian business. Speakers will discuss trade and investment opportunities, business trends and how to do business in the various countries. In addition to the conference sessions there will be opportunities for one-on-one meetings and for follow-up information and assistance.

The conferences will encourage a collaborative approach which can benefit small- and medium-sized companies, as well as pro-

viding excellent networking opportunities.

For more information, contact Anne Prigent, Worldbusiness, 5480 Canotek Road, Suite 14, Ottawa, ON K1J 9H6, Tel.: (613) 747-2732; Fax: (613) 747-2735.

Montreal — June 22, 1995 — Food company presidents, export managers, international trade specialists, Quebec Agri-Food Export Club members and public sector partners are all invited to **Stronger Together**, the largest gathering of Quebec food exporters. For more information, contact Jocelyne Alix, Tel.: (514) 349-1521.

Secrets —

Continued from page 2

ing efforts — 1994 exports accounted for over 80 per cent of total sales — are being pursued through representatives in these regions.

But getting back to the Chicago deal: what is undeniable, thanks to a unique product, competitive prices, combined with solid marketing efforts, and a strong local sales force, this contract has helped launch CML in this very select market.

For more information, contact Barbra Mogan, Tel.: (819) 778-2053; Fax: (819) 778-3408.

INFOCENTRE

The InfoCentre of the Department of Foreign Affairs and International Trade provides counselling, publications and referral services to Canadian exporters. Companies interested in obtaining trade-related information are invited to contact the InfoCentre at 1-800-267-8376 (Ottawa Region: 944-4000) or by fax at (613) 996-9709. Trade information is also available by calling FaxLink (from a fax machine) at (613) 944-4500, the Department's round-the-clock faxback service.

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CANADEXPORT

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June 19, 1995

Focus India

AUG 9 1995
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First Country Strategy Launched

Focus India, a new economic and trade development strategy for India, was officially launched by the Honourable Roy MacLaren, Minister for International Trade, on June 12 in Rexdale, Ontario.

The launch event was co-hosted by the Canada-India Business Council, Canadian Manufacturers' Association, Canadian Exporters' Association, and Business Council on National Issues.

Focus India, developed through consultations with the public and private sectors, is designed to raise awareness amongst Canadians of the importance of India as a large and promising emerging market, and to facilitate the entry of Canadian companies into

the market. Through an analysis of the Canada-India business environment, the strategy details the challenges and opportunities which face Canadian companies as they explore this exciting new market.

Economic Recovery = Major Opportunities

India is an increasingly important market for Canadian business. There are no untapped markets that rival India's size, and, since

1991, India has taken significant strides to liberalize both its trade and its business environment. These new measures are creating opportunities in many areas in which Canada has particular expertise.

India's economic reforms and growing consumer class have revived international political and business interest in the country. The full potential of Canada-India commercial relations is only now being realized. Canadian business must position itself now, or risk being left out.

Market potential is increasingly being reflected in strong economic indicators. At US\$250 billion, India is the seventh-largest economy in the world. India's exports increased by 20 per cent in 1993-94 (the highest growth rate in Asia) and capital inflows rose from US\$150 million in 1994 to US\$5 billion in 1994. GDP growth is expected to reach 4.5 per cent in 1994-95 and inflation has been reduced from close to 17 per cent to under 10 per cent. Since July 1991, over 2,300 new foreign collaboration proposals,

Continued on page 4 - Focus

SOUTH AFRICA SUPPLEMENT

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BE PREPARED WHEN CROSSING BORDERS ON NAFTA BUSINESS

Canadian business people have an easier time entering the United States and Mexico since the North American Free Trade Agreement (NAFTA) came into effect. However, there are specific requirements governing entry as a NAFTA business person, and anyone crossing a border on business should be properly prepared.

Persons entering a NAFTA territory on business can expect to clear immigration readily if they have documents establishing who they are and the reason for their business visit. Visitors are urged to come prepared. Most border delays today occur because would-be visitors have difficulty estab-

lishing the purpose of their visit. Canadian officials advise: travel with photo identification — preferably a passport — and bring a letter on business letterhead formally stating who you are and the reason for the visit. In addition, business persons still need to comply with existing immigration regulations (i.e. public safety, health, and national security).

Individuals eligible for the NAFTA's temporary entry provisions for business purposes fall into four categories.

The first category is business visitors. These individuals are considered to be entering to con-

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SHARING TRADE SECRETS

Toronto Company Builds on Reputation in Japan

Breaking into the Japanese market is no easy task for any Canadian product, let alone in the traditional Japanese housing market. Yet this is exactly what Viceroy Homes Ltd. of Toronto has just accomplished — on a large scale — by finding the right partner.

An agreement signed last month in Toronto between Viceroy and Sanyo Electric Co. Ltd. — in the presence of Canada's Ambassador to Japan, Don Campbell — calls for the supply of Viceroy prefabricated homes to the Osaka and Tokyo regions in Japan.

Although the agreement does not specify numbers, Sanyo officials forecast the sale of about 100 houses this year, a figure that should grow to over 1,000 houses within five years.

Viceroy was already selling its prefabricated homes in the Japanese market throughout the 1980s, but on a smaller scale. It was not until a year ago that larger ventures became a real possibility as Viceroy President Gaylord Lindal went prospecting in Japan.

It was on that trip that he got introduced to Sanyo.

Several meetings later and visits to Viceroy facilities in Canada, Sanyo ordered a model home for

Osaka (Japan's second-largest city with a population of 8.7 million) back in October.

The Osaka model home turned out to be a great success, drawing over 2,000 visitors a month.

Subsequent discussions with Sanyo were elevated to a higher plane, with the two sides entering into negotiations back in February that culminated with the intention to come to Toronto to sign an agreement last month.

This may all sound very easy ... but it isn't.

"The key to doing business with the Japanese is to build trust," advises Viceroy's Executive Vice-President Chris Lindal.

That's exactly what Viceroy accomplished, thanks to perseverance and some help from both the Canadian Embassy in Tokyo and Consulate General in Osaka.

"It takes time and patience, and a good many meetings before working out a long-lasting relationship," says Lindal.

Another key element in this

agreement was the willingness to adapt a high-calibre Canadian product to Japanese specifications.

The homes — comprised of panelled walls with sealed glass windows all pre-cut and fabricated in Viceroy's state-of-the-art facilities — are assembled in Japan.

What makes these homes attractive to Japanese buyers is the speed of construction and assembly — much faster than the traditional Japanese cement homes — and the price (\$50,000-\$60,000).

Last month's agreement also calls for a Viceroy model home — already in factory production — to be shipped as soon as possible to Tokyo. This, in addition to several orders received from Sanyo at the time of signing, should vastly expand the market for Viceroy homes in Japan.

In the meantime, Viceroy is actively developing marketing tools and catalogues in Japanese that will help Sanyo with its sales efforts in Japan.

With large plants located in Port Hope and Scarborough, Ontario, and a smaller one in Abbotsford, B.C., Viceroy has model homes in these provinces as well as in Alberta and Washington state. These western locations, with fully furnished and landscaped homes, are ideally located for Japanese and other potential buyers from the Far East.

Continued on page 8 — Secrets

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For more information, contact the Department of Foreign Affairs and International Trade, Ottawa K1A 0G2.



Affairs and International Trade (DFAIT)

June 19, 1995

Canada Underutilized in UNICEF Procurement

Canada is a major donor to United Nations organizations. As a supplier to these organizations, however, Canada is ranked by the UN as one of the "Underutilized Major Donor Countries."

UNICEF is now the world's largest humanitarian assistance program. Since the UN relocated its procurement activities to Copenhagen, Denmark, the Canadian Embassy has worked with the Department of Foreign

Affairs and International Trade (DFAIT) and the Canadian Commercial Corporation (CCC) to increase Canadian participation in UNICEF's global project requirements.

Emergency relief represents 25 per cent of UNICEF's total purchasing. To bid on emergency relief tenders, it is essential that procurement officers are aware of the product's suitability and the reliability of the supplier.

Vaccines and drugs represent 35 per cent of total procurement; 54 per cent when combined with vehicles, and water and sanitation equipment. In this area, Canada is a major supplier only of vaccines.

To improve Canada's supplier position, the Embassy organized a series of visits to Canada for UNICEF procurement officers. In the fall of 1994, officers responsible for pharmaceuticals and vaccines spent one week in Canada calling on qualified suppliers and meeting potential new ones. Early in 1995, officers for hospital and medical equipment, and educational supplies also visited Canada. Another mission is planned for this summer and will likely cover water and sanitation equipment, and publishing.

Canadian companies interested in supplying UNICEF should be aware of the level of commitment required. Visits to UNICEF to get to know the procurement officers are essential, as is the willingness to adjust products or prices to meet UNICEF demands.

For further information, contact the Canadian Embassy in Copenhagen by fax at 45 33 12 42 10, or send product literature to the relevant UNICEF procurement officers. For information on how to supply UNICEF, contact the International Financing, Capital Projects and Service Industries Division (TPF), DFAIT, by fax at (613) 943-1100. For guidance on product suitability, contact CCC by fax at (613) 995-2121.

New Import Regulations for Frozen and Chilled Products to the Philippines

Starting June 1, 1995, imports of all frozen and chilled (controlled atmosphere) products coming into the Philippines will require an inspection certificate issued by the firm SGS. SGS is engaged by the Philippine government to inspect all goods destined for the Philippines to ensure it is properly valued for customs tariff purposes. SGS has offices in major Canadian ports; their administrative offices are located at 2 Robert Speck Parkway, Mississauga, Ontario, Tel.: (416)270-2492; Fax: (416) 270-0502. The Philippine system of customs valuation, while due to change eventually, is expected to continue for several more years. Under the current system, goods entering the Philippines are valued for duty on the basis of their "home consumption value" or HCV. This is the value that the same goods sell for in Canada. Exporters should get in touch with the SGS representatives nearest them to ensure that they and their import agents are in agreement with the customs classification SGS gives their products and that SGS is informed well in advance of the shipment. This will allow inspection to be carried out in accordance with Philippine requirements and at a mutually convenient time (usually when the container is being loaded, not after).

Exporters shipping goods without SGS inspection certificates and arriving after June 1, 1995, face the risk of having their goods delayed or even denied clearance in the Philippines.



Win Export-Looking for Export Opportunities?

Make sure you are registered in the WIN Exports database which will showcase your company's capabilities to foreign buyers. To register, fax your request on your company letterhead to 1-800-667-3802 or 613-944-1078.

Focus India — Continued from page 1

valued at US\$2.5 billion, have been approved.

India's rapidly expanding middle class, numbering some 250 million, represents the largest consumer market in the world and a source of educated, skilled and affordable labour.

Tapping the Market

One of Focus India's findings is that there is a lack of awareness on the part of both countries of each other's capabilities and opportunities. In Canada, India's substantial business potential is not fully appreciated, while India is not aware of Canada's competitive strengths.

The strategy stresses the need to encourage Canadian business to consider collaborative arrangements with Indian industry, and emphasizes that opportunities exist not only for direct exports to India but as a base to penetrate other markets in the region.

Three key sectors, selected for their high demand and favourable conditions in India, are targeted

in the strategy: energy, including oil, gas and power; telecommunications; and environmental products and services.

To help Canadian companies capitalize on the potential of this market, Focus India proposes an increase in high-level visits, public relations and diplomatic presence to enhance Canada's relationship with India. These measures would include market awareness programs such as ministerial visits, both to and from India, as well as matchmaking programs, seminars, workshops and trade missions. Enhanced bilateral consultations and mechanisms will also help build commercial linkages and gain access for Canadian exports and investment. Furthermore, the strategy recommends increased co-ordination and availability of financing instruments and services to Canadian business.

Canadian Trade Commissioners will continue to be a vital link between Canadian business and the Indian market by providing

timely intelligence and advice to exporters. The Department of Foreign Affairs and International Trade will also extend its presence in India with the appointment of two Honorary Consuls and commercial officers.

Greater Access and Commitment

India is now at a crucial juncture in its development. Canadian companies must be ready to capitalize on the emerging opportunities in this dynamic market. Ultimately, Canada's success will depend on our ability to gain greater access to the Indian market and the commitment of government and the private sector. Focus India is a major step towards helping Canadian companies succeed in the Indian market.

The Focus India publication (code 438CA) is available through the Department's InfoCentre by calling 1-800-267-8376; 944-4000 (Ottawa-Hull area), or by fax at (613) 996-9709.

NAFTA — Continued from page 1

duct market research, market products, negotiate contracts, or to provide after-sales support. Business visitors do not require an employment authorization, as they are travelling for business reasons other than to engage in the local labour force.

The three remaining categories cover traders and investors, professionals, and intra-company transferees, all of whom require employment authorization — but are no longer required to undergo the job validation process.

Thus, a person wanting to establish a business in the U.S. or Mexico could enter the country as a business visitor, look over the opportunities, rent space, hire people and recruit managers. The person could then establish temporary residence in the U.S. to personally operate the enterprise as a trader or investor, or if the enterprise is linked to

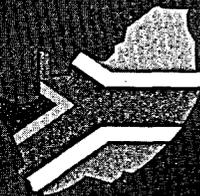
a business in Canada, senior staff could be relocated from Canada as intra-company transferees.

At present, over 60 professional classifications are covered under the NAFTA. These professionals seeking temporary entry into the U.S. should have a letter, or contract, spelling out the terms of their employment or contractual obligations. They are also required to provide proof of their professional-level qualifications.

For more information about temporary entry under the NAFTA, you may wish to obtain the Department of Foreign Affairs and International Trade's recently produced pamphlet entitled *Cross-Border Movement of Business Persons under the NAFTA*. To obtain the pamphlet contact: InfoCentre, DFAIT, 125 Sussex Drive, Ottawa, Ontario K1A 0G2, Toll-free: 1-800-267-8376; in Ottawa-Hull, Tel.: (613) 944-4000; Fax: (613) 996-9709; FaxLink: (613) 944-4500.

CANADEXPORT

Focus on South Africa



The Re-emergence of South Africa

With apartheid ended and trade sanctions a thing of the past, South Africa has quickly re-emerged as a significant export market and business location for Canadian companies. Average annual pre-sanction trade has already been exceeded in the first year following the normalization of trade relations. Export growth is occurring across a broad range of product and service groups, and more ambitious business dealings are beginning to materialize.

The clear verdict from Canadian companies? If you have innovative and competitive products or services, South Africa can be an attractive new market. In a short time, market development investments have already paid off for numerous Canadian companies, and many more are following suit.

This special supplement is your roadmap to doing business in South Africa. It provides useful market information, answers common questions, and points you in the right direction for further assistance. It is easy to detach for use as an ongoing reference guide. Additional copies can be obtained by contacting the InfoCentre at tel: 1-800-267-8376 (in Ottawa 944-4000); or fax: (613) 996-9709.

Examining South Africa's Changing Profile

Few contemporary countries have experienced the kind of dramatic transformation recently witnessed in South Africa. The process of change is continuing and is increasingly encompassing the economic realm.

Following the April 1994 multi-racial elections and the establishment of a federal system of government, South Africa's President

Mandela leads the Government of National Unity (GNU), dominated by the African National Congress (ANC), but including the National Party and the Inkatha Freedom Party. There are now nine provincial governments, which replace the former four provinces, the six black homelands and the four independent states. While the constitution is still being negotiated, provincial powers in South Africa will be broadly similar to those in Canada.

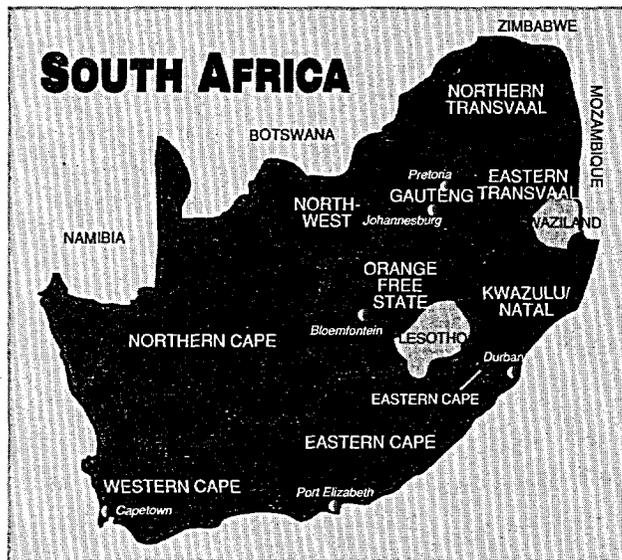
The Republic of South Africa is a country of remarkable diversity and striking disparity. It is situated at the southernmost tip of Africa and possesses a diversity of climatic regions. The country is about 1.23 million km² in

size, or somewhat larger than the province of Ontario. It is bigger than France, Germany and Italy combined. It is flanked by the Indian Ocean on the east and Atlantic Ocean to the west. South Africa shares borders with Namibia, Botswana, Zimbabwe, Mozambique and Swaziland, and completely encompasses the Kingdom of Lesotho.

The estimated population of South Africa in 1994 was 42.5 million, of which 77.4 per cent are black, 12.2 per cent white, 8 per cent coloured (mixed race) and 2.4 per cent Asian (ethnic terminology reflects standard South African practice). There are 11 official languages, including English. English can be used in most parts of the country, especially urban areas.

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South Africa shares borders with Namibia, Botswana, Zimbabwe, Mozambique and Swaziland, and completely encompasses the Kingdom of Lesotho.

"It is one of the happy ironies of South African history that the African National Congress, instead of destroying the economy with socialism as many feared, is recreating a competitive environment not seen in South Africa in over half a century."

Stephen Pincus, Chairman
South Africa-Canada
Chamber of Business

A New South African Economy

South Africa is a small- to middle-sized economy (just smaller than Quebec in terms of GDP) which has been variously described as both developing and advanced. The unique reality of South Africa is that both descriptions are equally true. However, the pace of change in the country is rapidly eroding the validity of simple labels, and a new South African economy is emerging.

South Africa is the dominant economy in the Sub-Saharan African Region, and is estimated to account for a third of all business activity on the African continent. Like Canada, it is rich in mineral deposits, and mining represents the traditional backbone of the South African economy. While mining is still responsible for an estimated 60 per cent of total South African export earnings, its share is down from about 75 per cent a decade ago as the South African economy becomes increasingly diversified.

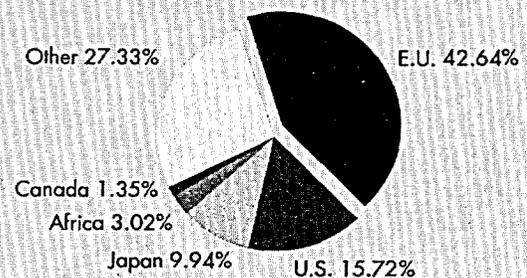
In 1993, primary sectors accounted for only 13 per cent of GDP compared to over 25 per cent in 1960. The secondary sector, including manufacturing, was responsible for close to 31 per cent and tertiary activities for 56 per cent. Manufactured exports constituted approximately 35 per cent of total exports, consisting mainly of basic iron and steel, pulp and paper, chemicals and food and agricultural products.

South Africa has sophisticated and modern financial and industrial sectors, supported by a strong physical infrastructure. It is generally felt that South Africa can support substantial economic expansion based on existing infrastructure capacity alone.

But these basic economic strengths are tempered by several conspicuous weaknesses. Previous policies have resulted in low levels of productivity, high corporate concentration, dramatic skills shortages and higher than average levels of protection. Although the Johannesburg

Continued on page XI — **The Economy**

Major Exporters to South Africa (1994)



Based on figures from Statistics Canada

\$15 - \$30 billion in capital expenditures

The RDP: Blueprint for a New South Africa

Canadian companies looking at the South African market will quickly come across ubiquitous references to the RDP, or the *Reconstruction and Development Programme*. This is not surprising as the RDP represents a blueprint for fundamental change to many aspects of contemporary South African society.

The RDP forecasts anywhere between \$15 to \$30 billion in capital expenditures over a five-year period. Many companies in infrastructure-related sectors anticipate quick and substantial supply opportunities, particularly in such areas as electrification, housing and construction, education and health care.

Capital investments under the RDP framework will indeed create business opportunities for Canadian and other foreign companies. But companies should be careful to separate high RDP objectives from the more sobering realities.

The RDP involves several specific core objectives aimed at redressing the inequities of apartheid, fostering human rights and promoting employment and economic growth. The Government of National Unity is committed to applying sound economic management principles to this sweeping exercise.

Specific RDP targets include:

- building 1 million low-cost housing units in five years;
- providing electrification to 2.5 million homes by the year 2000;
- improving access to sanitation services and an adequate supply of clean water;

Capital investments under the
Reconstruction and Development
Programme (RDP) framework
will indeed create business
opportunities for Canadian and
other foreign companies.

- expanding health-care services and education;
- land reform and restitution;
- small business development;
- economic rejuvenation and export expansion.

It is important for Canadian suppliers to appreciate that conditions can differ significantly from those in North America, particularly in terms of RDP initiatives aimed at disadvantaged segments of the population. Health-care and education facilities can be very basic by Canadian standards, and low-cost housing will be much more rudimentary than most modest housing in Canada.

With a 40-50-percent unemployment rate and profound need for human resource development, the RDP also applies the principle of using local supplies wherever possible. A strong emphasis has been placed on labour-intensive working methods and training which will have a major impact on, for example, the nature of building materials and construction methods used in housing and other infrastructure projects.

RDP funding is expected to come from a variety of sources, including reallocation of existing budget resources, sale of excess oil reserves, state lotteries, privatization of state enterprises and assets, possible electricity hikes, foreign aid and investment, and possible increases in foreign borrowing.

It should not be surprising that the realization of RDP objectives is occurring slower than many had hoped.

Nevertheless, notable successes have been achieved. Free education and a lunch program are now realities for grade-one students. Free medical care for pregnant women and children under six is in place. Campaigns have been launched for electrification and water infrastructure, and state commissions for land claims and human rights were established, as was a Constitutional Court.

Building the New South Africa: Housing a Priority

Canadian housing and construction companies active in South Africa quickly realize that aspects of this complex society differ markedly from Canadian experiences. Many materials suited for low-cost housing in North America and various international markets are not compatible with South African requirements.

While there will inevitably be some variance, a standard "low-cost" South African house is expected to embody certain common characteristics. It is likely going to be about 50m² in size, consist of brick or cement block construction, have steel rather than wooden doors and windows, and contain very modest additional features and finishing, with the exception of basic plumbing and electricity. This basic model is expected to represent the bulk of new low-cost housing construction at least in the short term. Moreover, the average price of such a structure, including land and servicing, is expected to be in the range of Cdn\$10,000-\$20,000.

Is there potential for Canadian companies? For the moment, it appears that opportunities are not substantial but should not be ruled out. There is room for certain niche technologies and products in the housing sector, but for the most part short- to medium-term demand will

be for standard and readily available materials.

According to the Building Industries Federation of South Africa, the need for shopping centres may increase over the next few years as black spending power grows. Hotel building

activity can be expected to accelerate in keeping with a desired surge in tourism activity. In general, the best chances of involvement in the South African construction industry will likely involve some form of joint-venture arrangement.

Canadian Company Tries to Crack Housing Market

Chris Teron, President of *Teron Inc.* of Ottawa, has a lot of international experience under his belt and is hoping to soon add South Africa to the company's growing list of foreign activities. *Teron Inc.*'s successful record is based on the company's innovative moulded concrete technology.

In seeking out new markets, the first thing that Teron looks for is "a national agenda which involves housing in a major way." He first visited South Africa in November 1994, and is now hopeful of "concluding a series of agreements."

According to Teron, the housing industry in South Africa "is very political." It is, therefore, important to find local partners. "Obviously, builders need access to land in order to do business," says Teron. "But you don't go in there as a stranger and get access to land. You need to work with them."

For Teron, this has meant focusing on working with medium-sized, regionally-based black builders who are committed to improving their local communities. By specializing in projects that use predominantly local labour and local materials, Teron hopes to carve out a niche for his company. And this is important when so many foreign companies are looking at South Africa.

"The South African government is not looking for more actors in the market," says Teron. "They're receptive, though, to better ways to build houses."

Interested in Investing in South Africa?

Help is available in Canada to answer basic questions concerning South African investment matters. Information documents dealing with such issues as investment incentives, taxation and labour law can be obtained free of charge. Individual counselling by South African trade and investment experts can also be arranged.

For more information, contact the South African Consulate, P.O. Box 424, Suite 2515, 2 First Canadian Place, Toronto, Ontario M5X 1E3, Tel.: (416) 364-8761; Fax: (416) 364-8761.

Canada-South Africa Trade Growing

"South Africa has a wonderful future. I am sure that Canadian businesses will increasingly be part of that future. I hope that, through their investment and trade with us, they will help us to consolidate the miracle we have achieved."

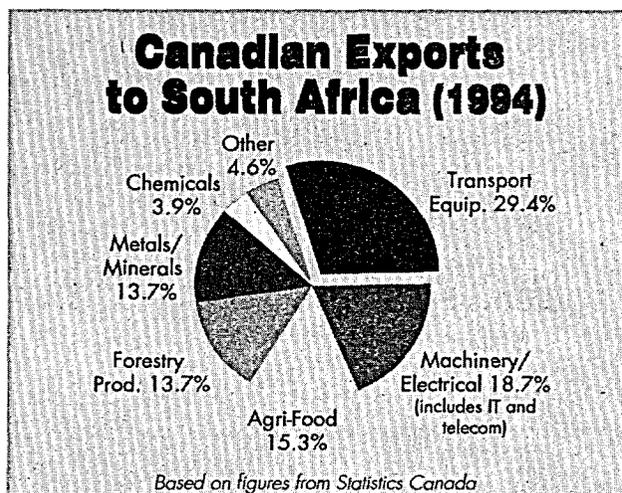
Executive Deputy President F.W. De Klerk to the South Africa-Canada Chamber of Business, 2 February 1995, Johannesburg

Two-way trade has grown markedly since the normalization of Canada's trade relations with South Africa in September 1993 (most trade sanctions were lifted at that time). Moreover, there is widespread optimism regarding potential for further growth of export sales as well as an increase in joint-venture and other partnering arrangements.

According to official Canadian figures, Canada's exports to South Africa surged 42 per cent in 1994, to \$226 million. This ranks the South African export market roughly on the same level as Chile, India and Malaysia. Two-way trade reached \$532 million. South African customs, on the other hand, recorded an increase of over 100 per cent in imports of Canadian products last year, reaching Rand 1.07 billion, or over \$400 million.

Looking beyond national country-wide trends, Canadians expanded sales of goods and services across a wide range of categories, with impressive growth in non-traditional fields, including many manufactured products. Big sales increases were achieved in telecom equipment, information technologies, machinery, instrumentation, automotive components, chemicals, pork and turkey, grains and legumes, and pulp and paper, among other goods.

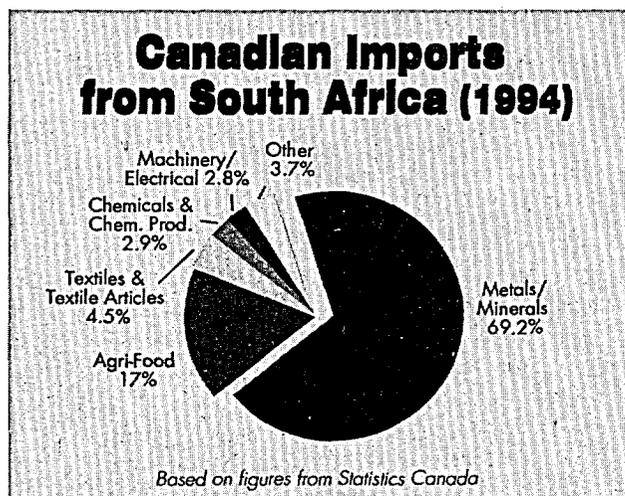
This encouraging picture is bolstered by other short-



and long-term market considerations. South Africa's acceptance by the world community and its reintegration into the international economy, coupled with domestic economic restructuring, is combining to create new business opportunities. Following years of restricted trade and economic relations, South African industry now faces a pressing need to become internationally competitive, and consumers and businesses alike are eager to see lower prices, improved quality and greater selection of goods and services.

Deregulation is also opening up key sectors of economic activity, in some cases ending long-standing monopolies. A number of major long-term contracts are coming to an end, especially in the telecommunications sector. Some of the large conglomerates are beginning to spin off various subsidies in an effort to encourage economic development, with a positive effect on more open market dynamics. The prospect of possible privatization of certain public corporations ("parastatals" in South Africa) would contribute to this overall revitalization. These factors are creating a surge of interest in innovative foreign technologies and diversified sources of supply, resulting in a strong increase in imports. Indeed, whereas exports to the world grew by just under 10 per cent, imports are reported to have increased by a

Continued on page VI — **Trade Relations**



Import Surcharges Dismantled

The abolition of import surcharges applied to finished goods is good news for Canadian exporters. The move was announced in the budget statement in March, to take effect October 1, 1995.

Surcharges were first introduced in 1988 to help redress South Africa's balance of payments difficulties. Varying from 5 to 40 per cent, they generally applied to imported manufactured items.

The removal of the surcharges will make foreign products more attractive to South African importers. The effect will be the same for Canada's competitors of course; all countries will see the cost of getting goods into South Africa decrease. But there are certain Canadian products that will benefit.

Pacific and Atlantic salmon, crustaceans and mollusks, prepared foodstuffs (including specialty hams), a range of beverages and spirits (including mineral waters) and various cosmetic products will no longer be subject to the 40-per cent price hike. The more common 15-per cent surcharge against items such as potato flakes, plastic household articles, automobiles, pharmaceutical articles of vulcanized rubber, ceramic ware and various iron and steel products will also no longer apply.

As the surcharges only applied to imported finished goods — sometimes called "luxury items" — their removal will have little effect on items imported for incorporation into finished products.

Trade Relations — Continued from page V

dramatic 28 per cent last year.

Access to the South African market will be further opened in the months and years ahead as trade-liberalizing measures take effect. The relatively high tariff structure will be reduced appreciably as a result of the country's GATT (General Agreement on Tariffs and Trade) obligations. In keeping with the new government's com-

mitment to a more open economy, certain trade barriers will be reduced or eliminated unilaterally.

Despite the growing match between Canadian capabilities and South African industrial requirements, Canada still supplies only 1 per cent of the country's imports. There is confidence that Canada's share of the South African import market can and will grow. Much will depend on the level of interest among Canadian companies and a willingness to study and visit the market. Many Canadians have done so for the first time over the past year — since the historic democratic elections on April 27, 1994. Despite this short period, a substantial percentage of those companies are undertaking new or expanded trade.

There are many market development realities which play in Canada's favour. Canadians have a positive reputation in South Africa, being viewed as straightforward

Continued on page XIV — Trade Relations

EDC in South Africa

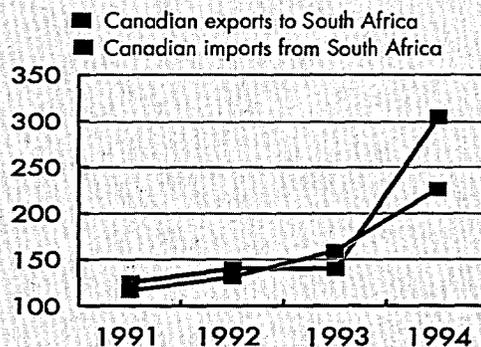
Canadian companies looking to do business in South Africa can benefit from a wide range of risk management services offered by EDC (Export Development Corporation).

EDC financial services specialist Jacques Lacasse says, "We believe that South Africa offers enormous potential for exporters of Canadian goods and services, especially in the mining, telecommunications and transportation sectors"

Up to US\$55 million of financing is available through EDC lines of credit with several major South African banks. This financing is ideal for both small- and large-sized companies. For Canadian enterprises interested in exploring South African investment opportunities, EDC may also be able to provide foreign investment insurance.

For further information on EDC services in South Africa, contact, Jacques Lacasse, Africa & Middle East Department, EDC, 151 O'Connor Street, Ottawa, Ontario K1A 1K3, Tel.: (613) 598-2529; Fax: (613) 598-2503.

Canada/South Africa Trade, 1991-1994 (Values in \$,000)



Based on figures from Statistics Canada

South Africa: Gateway to a Continent

Both Canada and South Africa serve as springboards to continents. In South Africa's case, it is the unrivalled engine for the region. Its growing trading and investment links with regional partners are also expanding rapidly and involve some countries which were once hostile to any contacts with South Africa. The country is well positioned to become a regional trading hub as a result of its superior infrastructure, particularly its transportation sector which includes strong and growing sea, air, rail and road systems.

Aided by growing democratization and liberalizing trade and

"The rebirth that we celebrate in South Africa is indeed a rebirth of the region and the continent."

President Nelson Mandela

investment regimes throughout parts of Sub-Saharan Africa, South Africa witnessed export growth to the rest of the continent of 30 per cent in the first 10 months of 1994. About 28 per cent of all South African exports are now destined for African markets. Economic and trade linkages appear to be growing the fastest in the mining, agricultural, engineering, energy, transportation, machinery and tele-

communications sectors.

South African banking and other service sector organizations are investing in the region and establishing partnerships with regional institutions. South African membership in the African Development Bank (ADB) is expected in the near future and will boost the involvement of the country's construction and engineering companies in projects throughout the continent.

An increasing number of Canadians are securing contracts in the region through South African clients or partners. There is much optimism that this pattern will expand as South African trade and investment links with other African markets intensify. South African organizations are increasingly seeking out Canadian partners with French-language capabilities and experience in French-speaking Africa for joint projects in those countries, especially in mining and engineering.

The Department of Foreign Affairs and International Trade (DFAIT), in co-operation with the Canadian International Development Agency (CIDA), Agriculture and Agri-food Canada, and other federal agencies and provincial governments is finalizing a Southern and Eastern Africa Regional Action Plan (SEARAP) to capitalize on South Africa's emerging role as an African trade hub. The SEARAP initiative will involve enhanced market research, intelligence sharing and dissemination, trade missions and various initiatives to take advantage of regional opportunities.

Trade Support in Southern Africa

Canadian companies interested in doing business in Southern Africa or through the African Development Bank (ADB) can take advantage of support provided by Canadian government offices in the region. Commercial officers are located in several Embassies and High Commissions and can provide counselling on exporting, joint-venture and technology-transfer issues (see contact section).

In addition, the Canadian Exporters' Association, in co-operation with CIDA, operates offices devoted to promoting sustainable business relationships between Canadian and local companies in the region (excluding South Africa). The Canadian Association for the Private Sector in Southern Africa (CAPSSA) provides counselling and support services for joint ventures and other long-term business linkages. For further information contact Executive Director, CAPSSA, P.O. Box 5694, Harare, Zimbabwe, Tel.: 011-263-4-752-011/2; Fax: 011-263-4-752-013.

CIDA to Aid Partnering in South Africa

The end of sanctions has spawned a new era of Canadian government programming to assist South Africa in its reconstruction and development efforts. Some aspects of CIDA's activities in the region could enable Canadian companies to apply their expertise or establish partnerships with South African organizations. Following are two programs of possible interest to Canadian companies.

CIDA INC

Designed to promote sustained development, the CIDA Industrial Cooperation Program provides financial mechanisms to help Canadian firms penetrate the South African market. It has several

potential mechanisms which can support Canadian companies in a variety of commercial activities which have a sustainable development impact. These include licensing of technology, establishing co-production agreements or joint ventures, and providing training. Approved CIDA INC support could cover starter and feasibility studies, professional services, travel and country visit costs, among others. For more information, contact Mr. Paul Skahan, Regional Program Manager. CIDA Industrial Cooperation Program, Tel.: (819) 997-2069; Fax: (819) 953-5024.

CIDA Bilateral Program

This recently established broad-based program supports South

Africa in its ongoing reconstruction and development. In November 1994, the Honourable Christine Stewart, Secretary of State for Latin America and Africa, announced a three-year Canadian commitment, including up to \$20 million in 1995-96.

The program will support projects in four broad areas: governance; human resource development; civil society; and economic development. CIDA officials will work with Canadian non-governmental and private sector groups to implement this important initiative. More information can be obtained by contacting Mr. Stephen Hallihan, Country Program Manager, South Africa, Tel.: (819) 994-0252; Fax: (819) 953-6379.

Canada-South Africa

Chambers of Business Flourishing

More and more Canadian business people with South African market knowledge and experience are joining forces. With three independent but linked bilateral Chambers of Business now in place, there is ample opportunity to exchange market ideas, learn through the experience of others and benefit from seminars, market briefings and ready access to visiting South African decision makers. The Canadian Chambers also maintain a close working relationship with the South Africa-Canada Chamber of Business in Johannesburg.

According to Jean Morin, President of the Southern African Chamber of Commerce of Montreal, "The Chamber acts as a meeting place to exchange information and market intelligence that is not readily available anywhere else. Our members come together because they share an interest in a unique and exciting region, but also

because they know that they can help one another develop business links which can lead to new contracts."

For more information, contact:

Canada-South Africa Chamber of Business, Stephen Pincus, President, c/o Ms. Susan Rakusin, Administrator, 44 Lilac Avenue, Thornhill, Ontario L3T 5K2, Tel.: (905) 709-3011; Fax: (905) 771-8160.

Canada-South Africa Chamber of Business (Vancouver), c/o Mr. Rhino Röhrs, President, Robertson Technologies Corporation, Suite 902, 580 Hornby Street, Vancouver, BC V6C 3B6, Tel.: (604) 684-8072; Fax: (604) 684-8073.

Southern African Chamber of Commerce of Montreal, Jean Morin, President, 10,122 Saint-Laurent, Bureau 201, Montreal, Quebec H3L 2N7, Tel.: (514) 389-5916; Fax: (514) 385-1154.

Focus on Canadian Companies in South Africa

PEN SYSTEMS

PEN Systems is a small Sudbury-based company of 12 employees. Started in 1993, it specializes in customized technical support software for some of the world's largest mining companies. The company is doing business in North and South America, and most recently South Africa, as its first market outside of the Americas.

According to Nigel Leith, one of the company founders, being successful in South Africa means understanding some of the country's unique paradoxes. Leith argues that the mining industry, for example, is both internationally competitive but also suffers from productivity levels that are "the second lowest in the world." By concentrating on products and services that raise the productivity levels of high-skilled technicians, he felt he could position his company as a key supplier of mining software to the South African market. Eight months later, Leith says his efforts are already paying off.

Leith believes that South Africa is a "gold mine" of opportunity for small- and medium-sized Canadian businesses because, although a complex society, he feels it is "much more akin to working in Australia than India." Leith argues that this is due to a small but "very sophisticated" corporate community.

Leith advises companies to participate in trade missions to the market as he did last September when he joined a joint Canada-Ontario mission to the Electra Mining trade show in Johannesburg. He says the mission put him in contact with all the right people during one visit. "There's not a chance we could have made those connections ourselves in such a short period of time."

ARIEL GEOMATICS

Andrew Thruscutt believes the key to success for Canadian companies in South Africa is to have "good, clever, innovative ideas that are within the political framework."

Thruscutt is Director of Marketing for *Ariel Geomatics*, a small Ontario firm that is increasingly finding international markets for its Canadian-developed and -produced aerial digital imager. Already active in a handful of foreign markets, Ariel is working on proposals which could be worth \$1.5 million in South African business

for this five-person firm.

According to Thruscutt, the prospects in South Africa are "brilliant" if you follow a few key rules. First, it is important for companies in this field to be familiar with the RDP, the South African government's blueprint for social and economic renewal.

That means demonstrating "a commitment to the country's economic priorities. They are looking for companies that want to stay for the longer term," says Thruscutt. Ariel is currently negotiating two joint ventures in South Africa.

Thruscutt also strongly recommends touching base with the Canadian High Commission Trade Office. He says that the Trade Commissioners in Johannesburg helped him identify potential clients and provided him with a venue to make initial contacts.

Finally, "play up your Canadian background." On the basis of Thruscutt's personal experiences, he's convinced that black South Africans are particularly interested in doing business with Canadian firms because Canada has no colonial history and "we stood up for sanctions."

WATTS, GRIFFIS AND MCQUAT LTD.

Ross Lawrence has a modest plan: to help turn Toronto into the mining capital of the world. Whether Toronto achieves that goal is tied in part to the changes currently taking place in South Africa.

Lawrence, Executive Vice-President of the engineering consulting firm *Watts, Griffis and McQuat*, argues that Toronto is the second most important mining city in the world after London, England. However, after more than 30 years in business and with experience in 70 countries, Lawrence is now predicting an end to London's pre-eminence. "While still a force in financing, and in many other business services, the city can no longer match the wealth of professional expertise available from Canadian firms," he says.

South Africa is expected to play an important role in that process because its mining sector has been dominated for generations by a handful of large mining houses. The result is that "there has been little incentive and precious little room to develop a junior mining sector such as

Continued on page X — **Canadian Companies**

Canadian Companies —

Continued from page IX

in North America and Australia.

"This is now changing dramatically" says Lawrence. South Africa is opening up at precisely the time when the mining industry is becoming truly global. This is providing opportunities in the financial services industry as mining investment increases in both directions. As South Africa achieves a more open and progressive system of mineral tenure, Lawrence predicts that both domestic and foreign-based firms will be attracted to mineral exploration and development.

"Many of these companies will come to Toronto to seek the financial and technical support they need," says Lawrence. "Canada will be the beneficiary as its consultants, advisors and institutions do what they are very good at."

THE SANAT GROUP

For Canadian companies ready to move quickly, the South African economy is a storehouse of opportunities. David Wolf has been involved in Canada-South Africa trade for just a year and a half, but his company has an enviable reputation for knowing how to penetrate the South African market. The *South Africa North American Trade Group* (SANAT) assists Canadian companies exporting to South Africa, distributing products ranging from flavoured mineral water to grains and split peas.

What opens the door? "If you're trying to sell in South Africa," says Wolf, "find a local partner selling the same type of product or someone who has direct access to buyers. Setting up a distribution centre is costly. You have to have a local representative." Wolf also cautions against investors hoping to make "the big sale" in their first South African business venture. He recommends being prepared for slower market penetration while building strong business relationships to achieve long-term success.

Wolf started SANAT with his brother Jay and David Sword when the South African economy was still considered risky. Now, with a staff of seven, including one based in South Africa, Wolf and his partners have extended sales from beyond South Africa's borders into neighbouring Botswana and Namibia. "South Africa is a warehouse for the rest of the continent," says Wolf.

Any warnings or must-knows for those new to the South African market? "Check out the tariffs before making any commitment," Wolf cautions. "Some tariffs are still high. Combined with surcharges, Canadians can price them-

selves right out of the market. It is also important," he says, "to remember who you could be competing against in the South African market — the Asian tigers, South America, the Germans and Japanese, and so on."

Wolf feels that Canadian companies have a leading edge in high technology and value-added products. And with SANAT expecting to increase its range of export consulting services, as well as to promote Canadian acquisition and investment in South Africa, there's a sure sign of confidence in Canada-South African trade.

ROBERTSON TECHNOLOGIES CORPORATION

Rhino Röhrs is the quintessential middleman in the increasingly technological world in which we live.

Röhrs and his company, Vancouver-based *Robertson Technologies Corporation*, specialize in finding, through its international network of consultants, buyers and sellers for leading-edge mining and environmental technologies. With the opening of its economy, South Africa is becoming both one of Robertson's more important sources and markets for technology-based products and processes. In the process, Röhrs is creating jobs in Canada and transferring technologies which are improving the competitiveness of Canadian industry.

According to Röhrs, doing business in South Africa often involves trying to break down preconceived notions about the country. "There is a certain assumption in North America in which South Africa is viewed as a Third-World country with technology that is inferior," says Röhrs.

In the last 15 months alone, Röhrs has secured North American licensing arrangements for three different South African technologies. The first is a chemical process for desalination which has received "very good initial responses" from public and private sector organizations. Röhrs has also found a unique tubular track system in South African underground mines which has since been introduced in a number of sites in the Vancouver area and is under review by some Canadian mines. His latest find is a dust suppressant which was developed in South Africa over 15 years ago but has never been available in North America.

Röhrs' advice to other Canadian entrepreneurs: "Now is the time for more Canadian companies to think about this part of the world while the window of opportunity is still open. Modern communication systems such as the fax and Internet have dramatically reduced the distance to these countries and communication is swift and easy."

Using your New Trade Office

To help Canadian companies take full advantage of business opportunities in the new South Africa, DFAIT established a Trade Office in Johannesburg in late 1993.

If you are new to exporting or would like to find out more about the services the Canadian government offers all exporters, your first step should be to contact your local International Trade Centre (ITC). There is an ITC staffed with Trade Commissioners in each province to answer questions concerning international business initiatives. You can also take advantage of DFAIT's InfoCentre by calling 1-800-267-8376 (or 944-4000 in Ottawa) to request publications concerning exporting to South Africa, or use your modem to access the round-the-clock FaxLink service at (613) 944-4500.

The Trade Office is staffed by Canada-based Trade Commissioners as well as locally engaged

trade experts. The Johannesburg office also covers trade relations with Mauritius, Lesotho, Namibia, and Swaziland. It can help you establish a presence in the South African market by:

- promoting your company to local customers;
- advising on marketing channels;
- recommending appropriate trade fairs;
- identifying suitable South African firms to act as your agent;
- interceding to help solve market access problems;
- advising you on the country's current trade, business, and financial practices; and
- advising and assisting you with joint ventures and licensing matters.

To assist Trade Office staff in their efforts to help you, it is wise to provide them with as much information about your company and market

interests as possible.

Liaising with the Trade Office should help you determine whether you're ready for fieldwork: planning a business trip, or perhaps attending a trade fair in South Africa. It's a good idea to keep the Trade Commissioners informed of your export activities whether you are new to the region or have an established presence in the South African market. This can help both you and the Trade Office avoid pitfalls and share information on current market trends.

*The Trade Office is located at Craddock Place, 1st Floor, 10 Arnold Street, Rosebank, Johannesburg, South Africa.
Tel.: (011-27-11) 442-3130;
Fax: (011-27-11) 442-3325.*

The mailing address is P.O. Box 1394, Parklands 2121, Johannesburg, South Africa.

The Economy —

Continued from page 11

stock exchange is cited as the tenth largest in the world, only six corporate groups account for 87 per cent of its capitalization.

The Government of National Unity has embarked upon a bold strategy to improve the competitiveness of the economy, enhance South Africa's attractiveness as an investment location and reduce barriers to trade.

The first GNU budget in February 1995 held the line on new spending and tax increases, and the deficit was kept at 5.8 per cent of GDP, down from 9 per cent just three years ago. For concerned foreign observers, the new government reiterated its policy of reducing trade barriers in accordance with their agreement to accede to the Uruguay Round and join the World Trade Organization (WTO). The GNU also confirmed that consideration would be given to the privatization of

South African parastatal corporations (publicly owned) such as Telkom SA and Eskom. Earlier in 1995, the government successfully eliminated the financial Rand without disrupting currency markets, thereby putting an end to the two-tier currency system created in 1985. While exchange controls remain in place, the goal has been set for their eventual elimination. There is growing optimism that this process will begin soon.

While there is much hope for a better economic future, short-term challenges remain. These include modest economic growth of about 3 per cent in 1994 and only marginally better forecasts for 1995. Double-digit inflation has recently returned. Perhaps of greatest concern is continuing high unemployment, particularly among previously disadvantaged groups. The national average is thought to be around 40 per cent. At least double the current economic growth rates will be needed to make a significant dent in unemployment and to absorb new labour market entrants.

PRACTICAL TIPS FOR DOING BUSINESS IN SOUTH AFRICA

With South Africa's history of advanced business dealings, particularly with European companies, and well-organized financial institutions, Canadian business representatives should not be surprised to learn that South African business practices are quite similar to ours.

The market is essentially open. South Africa does protect its local industry through tariffs but these are gradually decreasing in light of GATT and WTO negotiations. In the case of certain agricultural commodities, foodstuffs and pharmaceuticals, there may be stringent import licence and health requirements.

Canadian visitors to South Africa should be aware that, while politically motivated violence has declined significantly, other serious crime (robbery, mugging, car-jacking) is an increasing concern. Experienced travellers will know that this is a pattern throughout many parts of the world. Common sense should be observed when possible, such as avoiding visible signs of wealth, placing valuables in safe-keeping facilities and minimizing travel at night. Travel to the townships and to remote areas should only be undertaken after seeking appropriate advice. Canadians should also be aware that the South African road system involves right-hand drive vehicles, as in the U.K. or Australia. The occurrence of road accidents is higher than in Canada, and driving is generally more hazardous, especially at night.

- ✓ **Visas** — Visitors to South Africa require valid passports but visas are not necessary for Canadians travelling to South Africa.
- ✓ **Currency Exchange** — South Africa's unit of currency is the Rand. The exchange rate as of June 1, 1995, was CDN\$0.3725 to 1 Rand.
- ✓ **Price Quotation** — US\$ on a FOB or CIF basis are preferred.
- ✓ **Method of Payment** — South African payments for shipments from Canada are usually done by confirmed letter of credit, or cash against documents. Letters of credit can be negotiated for payment on a sight basis, or for extended terms. The major South African banks have

extensive international correspondents.

- ✓ **Documentation** — The following are usually required:
 - Commercial Invoice:* It is advisable to send three copies of the commercial invoice giving a breakdown of the FOB or CIF value;
 - Bill of Lading:* There are no regulations specifying the form or number of bills of lading required for any particular shipment;
 - Certificate of Origin:* Exporters to South Africa are required to submit a D.A. 59 form, which is a Declaration of Origin for the export of goods to the Republic of South Africa. These certificates are usually available from customs brokers in Canada;
 - Packing List:* Although not required, this is useful in expediting customs clearance at the port of entry; and
 - Phytosanitary and Health Certificates:* It is advisable to contact the Food Production and Inspection Branch of Agriculture Canada to determine that the conditions required are met before shipping products to South Africa.
- ✓ **Local Representation** — It is usually preferable and sometimes essential to appoint a local representative to promote your company's product or service.
- ✓ **South African Customs Union (SACU)** — SACU is an agreement between South Africa, Namibia, Botswana, Lesotho and Swaziland which provides for free trade and a common external tariff among its members. However, importers may not use permits issued in one state for importation into another.
- ✓ **Business Etiquette** — For those planning a business trip to South Africa, it is a good idea to book as many of your appointments as possible before you depart. South Africans are very hospitable hosts and will often arrange extra luncheons, working breakfasts or dinners which can only benefit the visiting business person. South Africans enjoy entertaining business acquaintances in their homes, and sometimes include their spouses in dinner meetings.

South Africa Market Opportunity Guides

Market Facts at your Fingertips

The following professional reports focus on specific sectors and have been prepared by industry experts. They have been made available through financial contributions by the Government of Canada (DFAIT) and the Government of Ontario (Ministry of Economic Development and Trade). Summary versions in English or French, and complete original versions (English only) can be obtained free of charge by calling the DFAIT InfoCentre at 1-800-267-8376 (Ottawa Region: 944-4000). Please refer to the document numbers provided below. The summary reports can also be obtained by calling FaxLink (from a fax machine) at (613) 944-4500. Other reports focusing on South Africa will become available over the course of the year and, by checking with the InfoCentre regularly, you can obtain new or updated titles.

Software and Services

InfoCentre Document #s

Executive Summary: 161AA/AF

Full Text: 170AA

FaxLink #: 90330

Imports make up 95 per cent of South Africa's packaged software requirements, with software and related services accounting for R3.9 billion in 1994. This makes South Africa the world's twentieth-largest market for information technology (IT) products and services, and one in which Canadian companies can make great gains. The 60-page report covers software products, professional services, and operational services, with details on subsectors within each category. Appendices include lists of local suppliers and IT users.

Computer Hardware

InfoCentre Document #s

Executive Summary: 162AA/AF

Full Text: 171AA

FaxLink #: 90331

Canadian computer hardware exports to South Africa surged by 200 per cent between 1992 and 1994. The computer hardware industry revenue for South Africa in 1994 totalled R5 billion. Subsectors are examined, and appendices list hardware vendors and IT users.

Telecommunications Equipment

InfoCentre Document #s

Executive Summary: 163AA/AF

Full Text: 172AA

FaxLink #: 90332

This 40-page report covers opportunities in both the products and services sectors. The Government has promised the installation of 5 million new telephone lines by the end of the decade. Other growth areas are EDI (Electronic Data Interchange) and X400 to support the EDI and E-mail services.

Automotive Components

InfoCentre Document #s

Executive Summary: 164AA/AF

Full Text: 173AA

FaxLink #: 90333

Imports cover 52 per cent of the auto components market, and that share is expected to increase to 56 per cent over the next three years as trade barriers are lowered. Non-tariff barriers such as standards and regulations do not present a major problem in exporting to South Africa. The 39-page report analyzes both the Original Equipment Manufacturer (OEM) market and the Aftermarket (AM), identifying growth trends for both in the coming years.

Medical Devices and Health-Care Services

InfoCentre Document #s

Executive Summary: 165AA/AF

Full Text: 174AA

FaxLink #: 90334

With most of South Africa's medical devices being supplied by international companies through local vendors, the potential to develop niche markets is great. As well, a policy shift from costly curative services to affordable primary health care will have a marked impact on the equipment industry.

Power Distribution Equipment

InfoCentre Document #s

Executive Summary: 166AA/AF

Full Text: 175AA

FaxLink #: 90335

This in-depth look at the power equipment industry in South Africa outlines Eskom's (the Electricity Supply Commission of South Africa) role as the statutory authority and major producer of the country's electricity, and then offers advice for breaking into the market. The report includes a list of best sales prospects and an extensive potential buyers' list.

Continued on page XIV — **Market Guides**

Market Guides —

Continued from page XIII

Environmental Equipment

InfoCentre Document #s

Executive Summary: 167AA/AF

Full Text: 176AA

FaxLink #: 90336

The South African market is in a state of flux with environmental regulations and practices undergoing major changes — years behind many other Western countries. These changes are providing opportunities to break into the market, particularly for Canadian companies promoting advanced technology equipment. The report provides an extensive contact list.

Mining Equipment and Services

InfoCentre Document #s

Executive Summary: 168AA/AF

Full Text: 177AA

FaxLink #: 90337

South Africa imports most of the equipment used in the mining industry, particularly large capital equipment and there is a growing need for advanced technology products. The report lists mining equipment agents and distributors, and potential buyers.

Transport Equipment

InfoCentre Document #s

Executive Summary: 169AA/AF

Full Text: 178AA

FaxLink #: 90338

This 53-page report covers the rail, air and road (passenger and freight) transport equipment market and identifies niche possibilities for Canadian suppliers. The report includes key contacts in each sector for further reference.

OTHER REPORTS INCLUDE:

Agribusiness Opportunities in the New South Africa (Aug. 1994)

InfoCentre Document #s

Text, English: #149AA

Text, French: #149AF

This report highlights diverse market opportunities, ranging from machinery to biotechnology to value-added processed foods. It includes a list of key contacts in the South African agriculture and agri-food industry.

Housing Sector (Parts I & II)

InfoCentre Document #s

Text, English: 155AA

Text, French: 155AF

This overview provides background on issues affecting the housing and construction market in South Africa as well as a contact list.

Trade Relations —

Continued from page VI

and reliable. Many South Africans are also quite knowledgeable about Canada, partly traced to the tens of thousands of expatriate South Africans who emigrated to Canada over the last 20 years. Business styles are generally similar, and there is no major language barrier. These factors are tempered somewhat, however, by the fact that international competition from all over the globe is aggressively trying to increase market share as well. Moreover, many foreign companies maintained an active presence in South Africa during the apartheid years and now hold dominant market positions.

Canada has taken a number of official measures to promote trade relations with the new South Africa. A Canadian Trade Office was opened in Johannesburg, staffed by a team of Canadian Trade Commissioners and local trade experts. An Economic Counsellor was placed in the High Commission in Pretoria to focus on

market access issues and economic policy analysis. Numerous Canadian trade missions have taken place or are planned, and a series of detailed sector-specific *South African Market Opportunity Guides* is being published. (Planned activities and reports are listed in the supplement.) The two national governments are now also exploring possibilities for bilateral agreements to further facilitate trade and investment relations.

Two-way investment is still modest. South African external investment activity continues to be limited by exchange restrictions. However, measures have recently been taken to begin liberalizing these controls.

An increasing number of Canadian firms are establishing a presence through sales and service operations, franchise arrangements and other modest joint ventures. A small number of larger Canadian investments have also been made. Noteworthy Canadian companies with South African operations include *Cott Beverages*, *Newbridge Microsystems*, *SR Telecom* and *Diversey (Molson's)*.

Directory of Trade Fairs in South Africa

The Canadian Government Trade Office in Johannesburg is expected to participate with an information booth at the trade fairs indicated below. Canadian companies are encouraged to "co-habit" in neighbouring space to take advantage of the support services which can be provided by Trade Office staff and the higher profile of a collective presence. When numbers of Canadian companies warrant, sector briefings will be arranged with local industry experts.

Companies interested in reserving stand space should contact the organizers directly at the co-ordinates provided.

ELECTREX & INSTRUMENTATION '95: Exhibition for the Electronics and Electrical Industries, 30 Aug.-1 Sept. Venue: National Exhibition Centre, Johannesburg

Organizers: Susan Philipson or Celeste Walker, TML - Reed Exhibitions, Tel.: (011-27-011) 789-2144; Fax: 886-7641

Canadian Agents: Reed Exhibition Co., Tel.: (416) 491-7565; Fax: (416) 491-5088

NETWORLD - LANDABA: Info Tech/Networking Trade Fair, 18-20 Oct.

Venue: Gallagher Estates, Midrand

Organizers: African IT Exhibitions and Conferences, Tel.: (011-27-011-886-4033; Fax: (011-27-011) 886-4165

SAITEX '95: The pre-eminent International Exposition in South Africa, covering all sectors, 24-28 Oct.

Venue: National Exhibition Centre, Johannesburg

Organizers: Pep Joubert, Marketing Manager, SAITEX '95, Tel.: (011-27-11) 494-2144; Fax: 494-1020

FISH AFRICA '95: Southern Africa's premiere fishing exhibition, covering all aspects of commercial and sport fishing, fish processing, and fish farming, 30 Nov.-2 Dec.

Venue: International Harbour Services Terminal, B Berth, Duncan Dock, Cape Town

Organizers: Walter Pike, Benchmark Communications, Tel.: (011-27-011) 803-9089 or 706-5957; Fax: 803-9167

Other South African trade fairs of possible interest to Canadians include:

AFRIBUILD '95: International Building Show, focusing on affordable housing, 29 July-1 Aug.

HARDEX '95: International Hardware, Houseware, and Small Appliance Show, 29 July-1 Aug. (with Afribuild '95)

CAPE COMPUTER FAIRE & BEXA I: Information Technology and (Cape Town) '95 Business Equipment Exhibition, 7-9 Sept.

20TH INTERNATIONAL WATER CONFERENCE AND EXHIBITION, 11-14 Sept.

TRANSPORT EXPO '95: 8th International Transport, Warehousing and Distribution Exhibition, 19-23 Sept.

PRINTEXPO '95: 6th International Printing Exhibition, 19-23 Sept.

SOFTWORLD - VANCOUVER: Incoming Mission of South African Info Tech buyers and decision makers, 19-23 Sept.

DIY HOMES & GARDENS SHOW: Exhibition of products for the Do-It-Yourself industry, 20 Sept.-1 Oct.

SECUREX '96: Covert and Traditional Security, Feb. 96

GLOBE '96: Incoming environmental mission, Mar. 96

FRIGAIR '96: Southern Africa's Air Conditioning and Refrigeration Congress and Exhibition, 6-8 March

AVIATION AFRICA '96: 11th Aerospace Expo (civilian and military), 24-27 April

S. A. FOOD & BEVERAGES '96: 4th International South African Food and Beverages Exhibition, 6-9 May (Conference on "Tomorrow's Table" to be held concurrently)

COMPUTER FAIR AND BEXA '96: Information Technology and Business Equipment Exhibition, May

AFRIWATER '96: African Water Technology Exhibition, 4-7 June

MARKEX '96 (Highveld Stereo Marketing '96): Marketing and Promotional Services Show, 19-21 June

INTERBOU '96: 15th International South African Building & Construction Exhibition, 20-25 Aug.

ELECTRA MINING '96: 12th International South African Mining, Electrical Engineering, General Industrial and Materials Handling Exhibition (biennial), 30 Sept.-4 Oct.

Additional details on these South African trade fairs and events are available by calling the InfoCentre (document #154AA/AF) or FaxLink (document #90102) to order the current list of scheduled events.

Additional Sources of Assistance

Canada-based Contacts

Department of Foreign Affairs and International Trade (DFAIT), Lester B. Pearson Building, 125 Sussex Drive, Ottawa, Ontario K1A 0G2

- InfoCentre (DFAIT), Tel.: (613) 944-4000, or 1-800-267-8376
- FaxLink (DFAIT) - Using the telephone on your fax machine, dial (613) 944-4500
- International Bulletin Board (DFAIT) - Using your PC and modem, dial (613) 944-1581, or 1-800-628-1581
- Africa and Middle East Trade Development Division (GBTA) (DFAIT), Mr. Ron Hoffmann or Ms. Larissa Pergat, South Africa Trade Program, Tel.: (613) 944-6589; Fax: (613) 944-7437

Agriculture and Agri-Food Canada, Mr. John Smiley, International Markets Bureau, 10th Floor, Sir John Carling Building, 930 Carling Avenue, Ottawa, Ontario K1A 0C5, Tel.: (613) 759-7632; Fax: (613) 759-7506

High Commission for the Republic of South Africa, 15 Sussex Drive, Ottawa, Ontario K1M 1M8, Tel.: (613) 744-0330; Fax: (613) 741-1639

South African Consulate, P.O. Box 424, Exchange Tower, 2 First Canadian Place, Suite 2515, Toronto, Ontario M5X 1E3, Tel.: (416) 364-0314; Fax: (416) 364-8761

South African Consulate, 1 Place Ville-Marie, Suite 2615, Montreal, Quebec H3B 4S3, Tel.: (514) 878-9217, Fax: (514) 878-4751

South Africa-based Contacts

When dialing to South Africa from Canada, add 011-27 before the number. When making calls within South Africa, drop the first zero from the area codes listed below. Addresses provided are mailing addresses only; should you go to South Africa, be sure to obtain the appropriate street addresses. South Africa is 6 or 7 hours ahead of EST (depending on the time of year).

Canadian Government Trade Office
Street Address: Craddock Place, 1st Floor, 10 Arnold St., Rosebank, Johannesburg, South Africa, Tel.: (011) 442-3130; Fax: (011) 442-3325
Mailing Address: P.O. Box 1394, Parklands 2121, Johannesburg, South Africa

South African Bureau of Standards (SABS), Dr. J. P. du Plessis, President, Private Bag 191, Pretoria 0001, South Africa, Tel.: (012) 428-7911; Fax: (012) 344-1568
Sets product standards and conducts tests to verify confirmation to agreed-upon requirements.

Chamber of Mines of South Africa, Mr. A. Munro, President, P.O. Box 61809, Marshalltown 2107, Johannesburg, South Africa,

Tel.: (011) 838-8211; Fax: (011) 834-1884

A private-enterprise service organization representing the interests of the South African mining industry.

Johannesburg Chamber of Commerce and Industry (JCCI), Mr. M. de Jager, Chief Executive, Private Bag 34, Auckland Park 2006, Johannesburg, South Africa, Tel.: (011) 726-5300; Fax: (011) 726-8421

National African Federated Chamber of Commerce (NAFCOC), Mr. K.J. Hlongwane, President, P.O. Box 61213, Marshalltown 2107, South Africa, Tel.: (011) 832-1072; Fax: (011) 832-1434
Independent, non-profit business support organization targeted at the black business community.

South Africa-Canada Chamber of Business, P.O. Box 1079, Randburg 2125, Johannesburg, South Africa, Tel.: (011) 793-2872; Fax: (011) 793-2872

South Africa Foreign Trade Organization (SAFTO), Mr. John Flach, Senior Manager, Export Development, P.O. Box 782706, Sandton 2146, Johannesburg, South Africa, Tel.: (011) 883-3737; Fax: (011) 883-6569

South African Chamber of Business (SACOB), Mr. R. Haywood, Deputy Director General, P.O. Box 91267, Auckland Park 2006, Johannesburg, South Africa, Tel.: (011) 482-2524; Fax: (011) 726-1344

An employers' organization representing 40,000 businesses country-wide.

Selected Canadian Government Offices in Africa

Côte d'Ivoire: African Development Bank Liaison, Canadian Embassy, 01 B.P. 4104, Abidjan 01, République de Côte d'Ivoire, Tel.: (011-225) 21-20-09; Fax: (011-225) 22-05-30

Ethiopia: Canadian Embassy, P.O. Box 1130, Addis Ababa, Ethiopia, Tel.: (011-251-1) 713022; Fax: (011-251-1) 713033

Kenya: Canadian High Commission, P.O. Box 30481, Nairobi, Republic of Kenya, Tel.: (011-254-2) 214-804; Fax: (011-254-2) 226-987

Tanzania: Canadian High Commission, P.O. Box 1022, Dares-Salaam, United Republic of Tanzania, Tel./Fax: (011-255-51) 46000

Zambia: Canadian High Commission, P.O. Box 31313, 10101 Lusaka, Republic of Zambia, Tel.: (011-260-1) 250-833; Fax: (011-260-1) 254-176

Zimbabwe: Canadian High Commission, P.O. Box 1430, Harare, Zimbabwe, Tel.: (011-263-4) 733-881; Fax: (011-264-4) 732-917

BUSINESS OPPORTUNITIES

Before entering into a contractual agreement with a company, readers are advised to verify the bonafides of the companies listed here.

CHINA — Millian Business Inc. of Toronto, Ontario, has identified a number of business opportunities in the People's Republic of China. The company is looking for Canadian companies that have demonstrated relevant experience and are able to provide technologies for the following: **clean coal technology demonstration project; desulphurization and dust collection technology and equipment for coal-fired generating station; coal ash management technology; coal gasification project; farm manure recovery and utilization technology; complete wastewater treatment systems for brewery and pharmaceutical; turnkey systems for bottled water production.** For more information, contact Ivy Li, Millian Business Inc., Tel.: (416) 805-5018; Fax: (416) 593-8402.

JAPAN — The mail order business in Japan has been increasing regularly since 1987-88. The Manufactured Imports Promotion Organization, affiliated with the Japanese Ministry of International Trade and Industry, maintains a library of mail order catalogues from around the world, but very few are from Canada. The number of visitors to this office is now 300 a day, equally divided between men and women in their twenties and thirties. The items most sought are children's clothes, outdoor wear, and hobby and sports items. If you are a **mail order company** interested in exporting to Japan, please contact the Consumer Products Section of the Canadian Embassy in Tokyo by faxing 011-81-3-3470-7280.

LONDON, ONTARIO — CENSOL INC. is composed of consultants,

equipment manufacturers and environmental specialists who have joined together to offer an integrated Canadian team capable of providing detailed investigations, design, construction, operation, training and after-sales service of industrial and municipal wastewater treatment facilities. CENSOL has been sponsored under the federal government Green Plan for an initiative in the Latin American industrial wastewater sector. The company requires the **expertise of engineers, scientists and equipment suppliers.** Contact Richard V. Laughton, Vice-President, CENSOL INC., 1069 Wellington Road South, Suite 214, London, Ontario N6E 2H6, Tel.: (519) 681-0514; Fax: (519) 681-4995.

VIETNAM — The following potential business opportunities have been identified by Datacom, a private consulting firm that assists Canadian companies in the Vietnamese market. A number of Vietnamese

firms are interested in pursuing **joint ventures or partnerships** in: telephone equipment and electronic apparatus; cable television systems; breweries; custom injection moulds; chemical compounds and solutions. Offers from **Canadian manufacturers and exporters** are being sought in: medicines and vitamin supplements; urea fertilizer and insecticide; sugar cane extractors and crystallizers; kitchen cabinets and accessories; electric motors and equipment. Vietnamese companies are also interested in **representing Canadian interests** in: construction equipment; air-conditioning products. Canadian **architecture, engineering and construction** firms are encouraged to participate in several infrastructure projects under way in Vietnam. Contact Datacom for more information: 30 Elm Drive East, Suite 504, Mississauga, Ontario L5A 4C3, Tel.: (905) 275-3435; Fax: (905) 276-8635.

PHILIPPINE TELECOM NETWORK

Six major telecommunications companies have recently signed a Memorandum of Agreement for the construction and maintenance of a new transmission network to complement the existing backbone facility owned by the Philippine Long Distance Telephone Company. The project is estimated to cost between \$180 to \$200 million. The backbone facility will use the Synchronous Digital Hierarchy transmission technology which can be upgraded to Asynchronous Transfer Mode (ATM).

Submarine cable and microwave systems will be installed to connect the major islands of the country. Request for proposals will likely be issued between July and August this year. For more information, contact Lynn B. Lozada, Commercial Officer, Canadian Embassy, Manila, Philippines, Tel.: (011-63-2) 810 8861; Fax: (011-63-2) 810 1699.

TRADE FAIRS AROUND THE WORLD

Key Event for Publishing Houses

SYDNEY, AUSTRALIA — Recognized as Australasia's premiere book fair, the **ABPA Australian Book Fair**, from July 13-16, has established itself as an essential promotional vehicle in international publishing circles.

Last year's edition had over 6,000 trade visitors and 70,000 public visitors, with over 150 participating publishing houses.

For more information, contact Joe Mabley, Exhibition Manager, Expertise Events, Tel.: (61 2) 977-0888; Fax: (61 2) 977-0336; Australian Book Publishers Association, Tel.: (61 2) 281-9788; Fax: (61 2) 281-1073; or, Elizabeth Treweeke, Canadian Consulate General, Tel.: (61 2) 364-3028; Fax: (61 2) 364-3098.

EXPICA 95

NICARAGUA — **EXPICA**, the Regional Central American Livestock Exposition, was founded 40 years ago to promote livestock development in the region, with the event taking place in a different country each year.

In **EXPICA 94**, some 350 bovines, 150 horses and other pure bred species were exhibited by 200 Central American cattle raisers, with over 200,000 attending the event.

EXPICA 95 takes place in Nicaragua from July 23-31, 1995. Not only a livestock show, it features many other cattle-related products and services such as veterinary products, agricultural equipment and tools, fertilizers, irrigation systems and animal feeds.

The Canadian Embassy will staff a booth and host a catalogue show

at **EXPICA 95**. Companies interested in the Central American livestock market are encouraged to send 15 brochures and business cards, preferably by courier, no later than July 17, to Adolfo Quesada, Commercial Officer, Canadian Embassy, Oficentro Ejecutivo La Sabana, Edificio No 5 Detrás de la Controloría, Sabana Sur, San Jose, Costa Rica, Tel.: (506) 296-4149; Fax: (506) 296-4280. Enquiries made during the show will be forwarded to the company.

Supermercados 95

SANTIAGO, CHILE — In the last couple of years, Chile has met all the necessary requirements to be the leading country in Latin America for international fairs.

The 5th International Fair - **Supermercados 95**, being held on August 2-4, 1995, offers direct contact with 14,000 visitors and delegates from Chile and neighbouring countries. These include institutional buyers, distributors and supermarket executives. This very successful international fair is sponsored by the Chilean Supermarkets Association and the Latino American Supermarkets Association.

Major sectors of involvement in the past have been food products, machinery, equipment technology and services.

Participation in this trade show could assist Canadian companies to break into this market and benefit from the advantages the Chilean market offers, and due to its international nature it can also help companies penetrate other Latin American countries.

For further information, contact Serge Allain, 880 Wellington, Suite 609, Ottawa, Ontario K1R 6K7, Tel.: (613) 567-9627; Fax: (613) 567-

7083; or Katherine Garcia, Tel.: (613) 237-4092.

Interprise Woodland

SWEDEN — September 3-5 — **Interprise Woodland**, being held in Sundsvall, Sweden, is a three-day networking event for companies in the forestry, wood and wood products industries. This is an unparalleled opportunity to meet with representatives from all over Europe and North America. Canadian representatives can book individual meetings in advance upon receiving the list of companies participating in **Interprise Woodland**. It is expected that some 600 companies will take part in the event. For more information, contact Matthew C. Berry, President, EXA management sa, Tel.: (33-1) 39 46 38 72; Fax: (33-1) 34 65 96 75.

Panama City Site of Construction and Health Care Shows

PANAMA CITY — If you are interested in the building market in Latin America, then the place to be from September 20-24 is **CAPAC EXPO HABITAT 95**.

One of the most important building and construction exhibitions/conferences in this part of the world, **CAPAC 95** capitalizes on the region's infrastructure and housing development priorities.

Panama, situated at the crossroads of the Americas, is the ideal venue for this event. The Panamanian market for construction building materials represents between \$550 and \$600 million in annual imports. As the country has few materials of its own, it depends on imports of such products as carpets, lamps, wallpapers, aluminum and steel products, hardware, elec-

TRADE FAIRS AROUND THE WORLD

trical accessories and plumbing fixtures.

The Canadian Embassy will staff a booth and host a catalogue show at CAPAC 95. Companies interested in Central and Latin American building markets should send 10 brochures and business cards, preferably by courier, by July 31, to Manuel Ruiz, Senior Commercial Officer, Canadian Embassy, Oficentro Ejecutivo La Sabana, Edificio No 5 Detrás de la Controloría, Sabana Sur, San Jose, Costa Rica, Tel.: (506) 296-4149; Fax: (506) 296-4280.

Medical Show

PANAMA CITY — Canada will have a National Pavilion at **EXPOMEDICA 95**, an international exhibition organized by the Panamanian Chamber of Commerce from October 4-8. The event attracts medical and health-care professionals from all of Latin America as well as foreign manufacturers of medical and hospital equipment, pharmaceutical and veterinary products and consulting services.

The health-care sector in Latin America is expected to spend US\$3 billion a year over the next 10 years, and EXPOMEDICA is likely to attract many of the purchasers in the field. Due to the good reputation of Canada's health-care systems and its medical technology, opportunities for Canadian companies are promising.

For recruitment information, contact Celine Boies, Latin America and Caribbean Trade Division (LGT), Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2, Tel.: (613) 996-6129; Fax: (613) 943-8806, or the Commercial Division, Canadian Embassy, Apartado Postal 10303-1000/351-1007 c.c., San José, Republic of Costa Rica,

Tel.: (506) 296-4149; Fax: (506) 296-4280.

Five-day Food Partnering Event Set for Mexico City

MEXICO CITY — The Department of Foreign Affairs and International Trade is organizing a **Canada Food Partnering Event** at the Canadian Business Centre in Mexico City (CBCM) from September 25-29. The event is designed to help experienced Canadian exporters pursue business opportunities and give new exporters the opportunity to establish links with businesses and senior Mexican representatives.

This five-day event will feature a breakfast workshop for Canadian participants, a guided tour of supermarkets, retail stores and the central wholesale markets of Mexico City, receptions, a matchmaking program for first-time exporters in the market and a two-day professional exhibition/trade show. The event is organized by the Department's Latin America and Caribbean Trade Division in conjunction with the Exposition Services of Public Works and Government Services, the Canadian Embassy in Mexico City and the CBCM.

In Mexico, imports of food and beverages total approximately \$4.5 billion annually. Canada's share remains minimal. In December 1994, the devaluation of the peso strongly affected the importation of consumer goods, including food products, which declined noticeably. As a result of recent implementation of new economic measures imported goods should likely once again enjoy a competitive edge in Mexico.

Participants who register before

the deadline of June 30 will receive privilege status to attend a session of a cross-Canada seminar on "How to Ship to Mexico" to be presented this fall.

For more information, contact Daniel Vézina, Latin America and Caribbean Trade Division, Tel.: (613) 996-8625; Fax: (613) 996-6142.

Strong International Participation in BAUCON ASIA '95

SINGAPORE — **BAUCON ASIA '95** will take place from September 27-30 at the World Trade Centre in Singapore. The international trade fair features building materials and services, prefabricated parts, construction technology and equipment, and building material machinery.

Seventeen countries are expected to take part in the fair which will include a number of accompanying events such as technical presentations and special demonstrations.

Two congresses of international renown will be held in Singapore at the same time as BAUCON ASIA '95. From September 25-29, experts in housing construction from all over the world will take part in the **23rd World Housing Congress**. The **2nd International Conference on Road and Airfield Pavement Technology**, which runs from September 27-29, is expected to attract over 600 delegates.

With its wide range of building materials and equipment, BAUCON ASIA '95 is an excellent forum for information on the construction industry in East and Southeast Asia.

For more information, contact Messe München GmbH, Messeelände, D-80325 München, Tel.: (089) 51 07-0; Fax: (089) 51 07-506.

BUSINESS AGENDA

Toronto — June 27-28 — Organized by Insight Information Inc. and *INFORMATIONhighways* magazine, the **New Media Investor Summit** focuses on new media companies as an emerging segment of the Canadian market. Participants will have the opportunity to learn firsthand who these companies are, how they plan to finance their growth and how Canadian investors should deal with their unique characteris-

tics and requirements.

For registration information, contact Insight Information Inc., 55 University Avenue, Suite 1700, Toronto, Ontario M5J 2V6, Tel.: (416) 777-1242; Fax: (416) 777-1292.

Toronto — July 25-26 — Organized by Insight Information Inc. and *The Globe and Mail*, **Profiting Through Exports** explores new international opportunities for knowl-

edge-based companies. Topics include new and emerging offshore markets, financing options and instruments, marketing techniques and strategies for building international alliances.

For more information, contact Insight Information Inc., 55 University Avenue, Suite 1700, Toronto, Ontario M5J 2V6, Tel.: (416) 777-1242; Fax: (416) 777-1292.

Indonesia Telecom Forum

Jakarta, Indonesia — The **Indonesian Telecommunications Forum** features a distinguished panel of government officials and key players, including His Excellency Joop Ave, Minister of Tourism, Posts and Telecommunications.

The two-day forum, August 9-10, 1995, will cover many key topics relevant to the telecommunications sector such as regulatory issues, growth potential, structuring market entry, and the cellular market.

For more information, contact Jette Helin, Trade Consultant, Canadian Embassy, Wisma Metropolitan I, 4th and 5th Floors, Jl. Jend. Sudirman Kav, 29 - Jakarta 12920 - Indonesia, Tel.: (62-21) 525-0709; Fax: (62-21) 571-2251.

Secrets

— Continued from page 2

Although Viceroy also has a model home in Thailand, the multi-million dollar company does not focus exclusively on that part of the world. In addition to sales in Switzerland and France, it has also received inquiries from Germany.

No doubt the 35-year old company will successfully apply its marketing skills — visits, product demonstration, patience, trust-building, product adaptability, joint venture and locally adapted marketing tools — to many other parts of the world.

For more details, contact Chris Lindal, Tel.: (416) 298-2200; Fax: (416) 298-9545.

INFOCENTRE

The InfoCentre of the Department of Foreign Affairs and International Trade provides counselling, publications and referral services to Canadian exporters. Companies interested in obtaining trade-related information are invited to contact the InfoCentre at 1-800-267-8376 (Ottawa Region: 944-4000) or by fax at (613) 996-9709. Trade information is also available by calling FaxLink (from a fax machine) at (613) 944-4500, the Department's round-the-clock faxback service.

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CANADIAN EXPORT

Dept. of External Affairs
Min. des Affaires Étrangères
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Vol. 13, No. 12

July 4, 1995

Central America

Stability Paves Road to Trade

With today's favourable political climate, a fresh breeze is blowing over Central America. The past decade's political and economic instability have given way to a resurgence of democracy; with it, structural adjustment measures, imposed by the International Monetary Fund (IMF) and other international financial institutions, are being put into practice. As well, some very interesting business opportunities for Canada are available.

Panama's High Growth Rate

The country took a definite turn toward democracy in the presidential elections of 1994. The return of foreign investors and the private sector's dynamism have given Panama one of the southern hemisphere's highest growth rates. To help the country cope

with fiscal difficulties, state-owned companies will be privatized, and investments will be allowed in areas that were formerly the private preserve of the state.

This is the case with Intel, the state-owned telecommunications monopoly soon to be privatized.

The contract for installing cellular telephone facilities, which Panama does not yet have, and for managing the harbour sector will be granted to the private sector through an operation concession subject to international tendering.

Irhe, the state-owned electrical production and distribution monopoly, should remain under state supervision. However, private investment is welcome in generation and co-generation projects. In addition, the country is facing a significant increase in the demand for electricity, which Irhe alone will not be able to meet.

Many Canadian companies are already doing exploration in the expanding mining sector. The Mina Santa Rosa, owned by Greenstone Resources, is the first Canadian mine here; it will soon begin production. Canadian investment in this sector could

Chile Accession to the NAFTA

Negotiations Officially Launched

On June 7, 1995, in Toronto, negotiations to achieve Chile's accession to the North American Free Trade Agreement (NAFTA) were officially launched.

The Honourable Roy MacLaren, Minister for International Trade, met with trade representatives from the United States, Mexico and Chile to initiate the negotiations.

"The Government of Canada has worked hard during the last year to arrive at this day," said Mr. MacLaren. "We have made Chile's accession to the NAFTA a major trade policy priority. Chile's accession will ensure that the Agreement remains dynamic, flexible and outward-looking and will contribute to the impetus for further trade liberalization throughout the hemisphere," the Minister added.

- *Barrier-free access to Chile's market.* Chile's 6-per-cent growth rate and market-based business practices provide a solid foundation for further significant increases in Canadian exports once its 11-per-cent tariff and certain non-tariff barriers are eliminated under the NAFTA.

- *Protection for Canadian investment.* Canadian investment in Chile is encouraging further exports of Canadian value-added goods and the establishment of joint ventures between Chilean and Canadian companies. Chilean accession will help protect current and future Canadian investments.

- To secure Canada's attractiveness as an investment site by ensuring that Canada is a full

Continued on page 4 - Central

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Canada's Objectives

Specifically, Canada is seeking:

Continued on page 5 - Chile

SHARING TRADE SECRETS

Exporting Art ...

Exporting is more than just selling humdrum goods and services. Artistic products also can be exported. And that is exactly one of the activities and specialties of the Galerie Lilian Rodriguez in Montreal.

Ms. Rodriguez, who has had her own gallery for ten years, concentrates on exporting to Latin America, a region she knows well.

She also represents two art magazines (based in Buenos Aires and Colombia), and this keeps her in close touch with the artistic communities in those countries.

Exploratory Trips

So far, her exploratory trips have taken her mainly to Argentina (her native land), Chile and Mexico.

During her most recent trip in March and April, she arranged for the work of a Quebec artist to be exhibited a year later in two galleries in Argentina and Chile.

She is currently working on a collection of critical writing on Canadian art for publication in an art book in Argentina. This collection will, of course, be translated into Spanish and is to be distributed to all Canadian embassies, thus becoming another tool for promoting Canadian art abroad.

Participating in Shows and Exhibitions

International art fairs are another way to "sell" Canadian art in other countries.

This is the third year in a row that Ms. Rodriguez has participated in Expo Arte Guadalajara, held in

Mexico in late May and early June. She was representing two galleries and the Association des galeries d'art contemporain, a Montreal group of which she is also the president.

The week-long exhibition attracted some 60 exhibitors and more than 40,000 visitors, who were able to buy as well as admire Canadian works of art.

Ms. Rodriguez is already planning to participate in other exhibitions in Argentina, Chile and Mexico in future years.

Knowing Your Markets

Like any self-respecting exporter, she knows only too well that "the golden rule for any export project is to really know the markets we want to develop." This is especially important in the art field.

She emphasizes that the diversity of Latin America is an important point for exporters, who are faced with 27 countries that were originally colonies of Spain, France, Holland or England, and a population of more than 400 million inheritors of "ancient, rich and varied cultures."

Despite such diversity, the Latin American market also has certain shared characteristics. "Personal relations are very important in the South American countries. You have to spend time on this aspect," Ms. Rodriguez says.

She adds: "One trip is never enough to complete and firm up a transaction, whether you are selling a work or planning an exhibition in a gallery. In Latin America, you have to spend a lot of time on exploratory trips, which can pay off in the medium term."

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Secrets*

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ts and International Trade (DFAIT)

Secrets

— Continued from page 2

Art, an Exportable "Product"

Similar to selling Canadian goods or services abroad, putting on or staging an exhibition or live artistic performance in another country is a truly Canadian export activity.

After all, we refer to "cultural industries" in the case of major movie or theatre productions.

And there have been many highly successful tours: theatre and dance companies, orchestras, circuses (such as the enormous success in Europe, Asia and the United States of the Cirque du Soleil, which will now earn 95 per cent of its revenues abroad).

Concerning the Latin American art market, Ms. Rodriguez feels that the increasing number of local and inter-American exhibitions (like the São Paulo Biennale) and the advent of art fairs, as well as the resurgence of galleries as "special intermediaries between artists and the art-loving public" have had "considerable influence."

As Ms. Rodriguez concludes, "cultural trade with Latin America is taking off." So much so that it is profitable and will be easier under the project to expand the NAFTA agreement.

For more information on markets for works of art in Latin America, contact Ms. Rodriguez at (514) 281-8556 or by fax at (514) 281-5607.

Highlights of MacLaren Visit to Central Europe

The Minister for International Trade, Roy MacLaren, led a major Canadian business delegation to Hungary, Poland and the Czech Republic at the end of May.

The following is a summary of results obtained during the visit.

Hungary

- Establishment of a business intelligence unit at Hungary's Investment and Trade Development Agency which will gather information on the Hungarian economy for investment promotion purposes. A Canadian advisor will work within the Agency to assist in setting up the unit.

Poland

- Signature by the Export Development Corporation (EDC) of three important agreements: a Memorandum of Understanding with Bank Handlowy to make available a \$20-million line of credit to help finance Canadian exports to Poland, the first such facility extended by EDC to Poland in 16 years; a Co-operative Framework Agreement with KUKI, Poland's export credit agency, providing a framework whereby EDC and KUKI will seek to increase co-operation in financing and insuring of Canadian and Polish participation in projects in third countries; a Protocol with International UNP Holdings Limited of Canada outlining the intent of EDC and UNP to invest jointly in Poland.

- Signature of a Memorandum of Understanding setting up the Canada-Poland Entrepreneurs Fund (CPEF), a seven-year, \$32-million fund, financed by the

Canadian International Development Agency (CIDA). CPEF is designed to provide financial and technical support to Poland's rapidly growing small- and medium-size enterprises through loans, equity investments and advice.

- Two additional technical assistance projects were also announced.

Czech Republic

- Signature of a co-operation agreement between the Canada-Czech Republic Chamber of Commerce and the Economic Chamber of the Czech Republic committing both parties to strengthen trade and economic relations between companies of both countries.

- Financing by CIDA of a senior advisor to the Czech Republic agency for foreign investment to help design and implement a foreign investment matchmaking service. The advisor will also assist in identifying potential Czech-Canadian commercial links and investments in key sectors.

- Signature of co-operation agreements between EDC and its two Czech counterparts to enhance financing and insurance support for projects in third countries involving Czech and Canadian businesses.



Win Export-Looking for Export Opportunities?

Make sure you are registered in the WIN Exports database which will showcase your company's capabilities to foreign buyers. To register, fax your request on your company letterhead to 1-800-667-3802 or 613-944-1078.

Central America — Continued from page 1

easily exceed \$100 million in the coming years. In addition, more than 80 per cent of the investment in this sector is Canadian.

Under the terms of the Trujillo-Carter Accord, control of the Canal will be returned to Panama in the year 2000. Some Canadian companies have expressed an interest in this strategic zone, one that could become a centre of investment.

Costa Rica Attracting More Investors

The Costa Rican government has retained control over the country's infrastructures and continues to be a very important stakeholder in the financial sector.

Electrical distribution and telecommunications services are still state-run monopolies. On the other hand, private investment has become more involved in hydro, wind and non-conventional thermal electrical generation (the government is not interested in diesel-generated thermal power). A statute has just been amended allowing foreign interests to own a majority of the capital and raising to 30 from 15 the percentage of the country's energy that the private sector is allowed to produce.

Significant business opportunities are anticipated with Ice, the government-owned telecommunications company, which has a significant gross self-financing margin. The company is looking at investments to complete the digitizing of its network and to meet the demand for some 50,000 new telephone lines.

Infrastructures in the transportation sector remain the domain of the government. A lackluster government lease law has been approved by the legislative assembly, but no projects have as yet been forthcoming.

Most banking assets lie in government-owned institutions since the private banks cannot collect demand deposits.

Insurance also continues to be a state monopoly. However, some laws governing the banking sector may be changed shortly.

Although there are no specific regulations in the mining sector, gold mining exploration projects are being carried out by mining companies.

Tourism has undergone annual increases of 15 per cent in recent years. Although growth is down to 10 per cent this year, tourism continues to hold significant promise. Situr, a Mexican company, is developing a hotel complex of several thousand rooms on the Pacific coast.

El Salvador Takes Up the Challenge of the Economy

Last February, the El Salvadoran government unveiled an ambitious economic reform program whereby it seems determined to take economic leadership in the region.

The government hopes to maintain an annual growth rate above 6 per cent by creating the conditions required to attract major foreign investors, and by ensuring an influx of capital and of technology transfers capable of developing many jobs.

Government-owned companies targeted for privatization include CEL (the electricity company), ANTEL (the telephone company), the national and international airports, the harbours, the railway company, ANDA (the water and sewage distribution company), and the sugar refineries. *Preparing these institutions for privatization should afford some excellent business opportunities for Canadian companies in the*

near future. The privatization program is expected to take shape quite rapidly, before the end of Calderon Sol's five-year term as President.

The banks, which were nationalized at the beginning of the 1980s, returned to private ownership in 1992. The main ones manage credit lines provided by foreign banks. The central bank does not exercise direct control over lines of credit extended by foreign banks.

A number of Canadian companies have expressed an interest in El Salvador, particularly in sectors that include energy, telecommunications, transportation, harbours, railway and energy transmission equipment. Projects are planned in co-generation, textile, footwear and pulp and paper manufacturing. Possibilities also exist in livestock raising, especially bovine and pork.

Unexpected Business Opportunities in Guatemala

Guatemala has some excellent business opportunities that Canadian companies should not neglect.

Along with El Salvador, it has Central America's most flourishing economy and its largest centre of population. The industrial and economic infrastructure of these two countries are doubtless the region's most remarkable.

In telecommunications, a new law soon will authorize private telecommunications services and demonopolize the state-owned company's (Comcel) cellular telephone services. Guatemala needs roughly 1.2 million telephone lines, 700,000 more than presently exist.

In the energy sector, electrical

*Continued on page 5 —
Opportunities*

Opportunities —

Continued from page 4

production and distribution have been demonopolized; this should allow private companies to play a more active part in electrical production by hydroelectric turbines and by renewable energy. Major investments are anticipated in this sector by Anacafé, the Guatemalan Coffee Producers Association. Canadian companies have initiated talks for the follow-up on a 50-250 megawatt project.

As regards railway privatization, it is expected that the national company, Fegua, which last year sold some of its non-railway-related assets, will be sold — or that an operating concession will be granted to a national or foreign company.

For a number of years, Canadian companies have expressed an interest in Guatemala in the following activities: oil and mining exploration, environment, energy, telephony, harbour and railway management, rubber ball manufacturing, construction and management of private hospitals, irrigation, footwear and cloth manufacturing, as well as the construction of airports.

There are new opportunities for Canadian companies in Central America, even though they lie beyond the traditional spheres. To take advantage of them, Canadian companies must be financed on the basis of their financial merit rather than by government guarantees.

For information on El Salvador or Guatemala, contact André L. Leblanc, Canadian Embassy in Guatemala, Tel.: (011-502-2) 336102; Fax: (011-502-2) 336189. For information on Costa Rica or Panama, contact Marcel Lebleu, Canadian Embassy in Costa Rica, Tel.: (506) 296-4149; Fax: (506) 296-4280.

Info Entrepreneurs

New Service to Exporters

Exporters in the Quebec region now can obtain reference information from the Department of Foreign Affairs and International Trade (DFAIT) by contacting the Canada Business Service Centre in Montreal (Info Entrepreneurs).

On March 28, 1995, DFAIT's InfoCentre installed their OMNIS database, which contains over 2,500 references and 2,000 publications, in the Montreal office. This valuable information can now be found at the click of a button. All departmental literature is coded to pop up under the respective country and sector category.

Exporters are invited to visit or call the Info Entrepreneur office where staff can conduct searches and place orders for literature.

This pilot project in Montreal is just the beginning of the Government's efforts to establish one-stop shopping centres throughout Canada.

Info Entrepreneurs can be reached at 5 Place Ville Marie, Plaza Level, Montreal, Quebec H3B 4Y2, Toll-free: 1-800-322-4636; Tel.: (514) 496-4636; Fax: (514) 496-5934.

Chile —Continued from page 1

partner in the expanding hemisphere free trade network.

- To demonstrate that the NAFTA is a preferred route for expanding hemispheric free trade.

Why Chile?

Chile is a priority market for Canadian goods, services and investment, and Chilean accession will enhance trade and investment opportunities. Many opportunities for Canadian companies already exist in Chile's mining, forestry, telecommunications, environmental, power generation and agricultural sectors.

Chile's market liberalization and economic stabilization programs have already resulted in increased Canadian business. Two-way trade has more than doubled over the past decade, from \$202.4 million in 1983 to a high of \$547.8 million in 1994. As well, the value of Canada's exports to Chile increased by almost 50 per cent to \$312.1 million in 1994 compared to 1993.

Chilean accession will increase

opportunities for Canadian exporters of telecommunications equipment and consulting services; financial services; wheat, oilseeds and other similar crops; coal, mining and energy generation and transmission equipment; and forestry-related and environmental products and services.

Tight, responsible fiscal policies have created an attractive investment climate in Chile. Investment has grown from 14 per cent of GNP in the middle of the 1980s to an average of 20 per cent in the last three years. Chile attracted a record US\$1.7 billion of total foreign investment in 1993. Canadian investment in Chile has risen dramatically in the last few years. Compared to only \$60 million in 1986, cumulative actual and planned investment is now worth \$5.6 billion, making Canada the second-largest foreign investor in Chile. The bulk of Canadian investment is in the mining sector, although other sectors such as energy, banking and communications are starting to attract more interest.

BUSINESS OPPORTUNITIES

Before entering into a contractual agreement with a company, readers are advised to verify the bonafides of the companies listed here.

CHINA — A Chinese company is looking for **equipment and systems to make strawberry jam**. Interested individuals and companies should contact Mr. C.Y. Hung, Grand Creation Co., Ltd., Suite 101, 416 Sixth Street, New Westminster, BC V3L 3B2, Fax: (604) 540-2689.

CHINA — Companies are seeking **joint-venture Canadian partners for: peanut processing and distribution; pliers; direct burn lithium bromide refrigeration unit; farm transport vehicles**. Contact Linda Lu, Office Manager, China Info Globe Inc., 4002 Sheppard Avenue East, Suite 300, Scarborough, Ontario M1S 1S6, Tel.: (416) 298-2298; Fax: (416) 292-9627.

ENGLAND — A trading house specializing in **commodities and foodstuffs** and trading to Eastern European and former Soviet Union markets is interested in developing business relationships with Canadian manufacturers. Orders for butter, powdered milk, chicken leg quarters, wheat flour and sunflower oil have been confirmed. Interested Canadian companies should contact John Christofinis Enterprises Ltd. by fax at 0044 1908 617163.

EUROPE — For information on **European Space Agency technology transfer opportunities**, call 1-800-387-2282, menu #380 (Media Management System), menu #381 (Electrostatic Vision System), and menu #382 (Electromagnetic Ice and Foreign

Substance Detection).

GERMANY — An importer of fish products, acting as buyer for large German department store chains, is looking for **Canadian exporters of dogfish belly flaps** (Schiller locken). The product should be prepared by hand rather than machine, and the importer is ready to advise potential suppliers on technique. Contact Mr. Winter at U.S. subsidiary, Pioneer Fish, until September 1995, Tel./Fax: (207) 774-7452.

GERMANY — A German importer of Canadian salmon is seeking suppliers of **cedar wood boxes for gift packaging smoked salmon**. Contact Peter Otto, Commercial Officer, Canadian Embassy, Bonn, Germany, Tel.: (011-49-228) 968 3323; Fax: (011-49-228) 968 3900.

MEXICO — Mexican West Coast fishing companies in Baja, California, are interested in receiving offers for **used fishing vessels and fish processing equipment** which are in good operating condition. Offers should be sent to: Lic. Eduardo Chehaibar A., Director of Fisheries, Secretariat of Economic Development, Government of Baja, California, Av. Espinoza y 3a. No. 350, Ensenada, B.C., Mexico, Tel.: (617) 73375, 73380, 73385; Fax: (617) 73390. The Canadian Embassy in Mexico City would appreciate being informed of any communication in this regard for follow-up purposes. Contact, J. Antonio Pahnke,

Commercial Officer, Tel.: (011-525) 724-7900; Fax: (011-525) 724-7982/84. Mr. Chehaibar is planning a fisheries-related visit to Canada later this year, and the Embassy will be providing assistance in co-ordinating his program.

NEW ZEALAND — A distributor of light commercial vehicles has a client that is looking for **diesel/automatic cabs and chassis**. Contact Mr. Darrell Merrie, DRM Commercials Limited, Tel.: (09) 262-0027/28; Fax: (09) 263-5360.

PAKISTAN — A Pakistan importer seeks Canadian dealers of **plastic waste, scrap, plastic moulds and plastic moulding compounds** of all kinds. Contact S.M. Tariq, Tariq Group of Companies, Tel.: 92-42-7652637 or 92-42-7652663; Fax: 92-42-7658664.

PAKISTAN — The Ministry of Railways is seeking **private-sector bids to transport** about 5 million tonnes of **furnace oil** from Karachi. Also, Pakistan Railway is looking to contract out the **maintenance of its fleet of 527 diesel electric locomotives**. International firms may obtain further information from the Ministry of Railways, 520, "D" Block, Pak. Secretariat, Islambad, Tel.: 92-51-820555; Fax: 92-51-828846. Copies of the bidding documents for these requirements can be viewed during working hours at the Consulate General of Pakistan in Montreal, Tel.: (514) 845-2297; Fax: (514) 845-1354.

AGEXPORT

July 1995

The Agri-food Trade Service (ATS): reinventing services to industry

On June 22, speaking at the annual meeting of the *Club Export Agroalimentaire du Québec* in Montreal, Agriculture and Agri-Food Minister Ralph Goodale announced his department is "ready to start the delivery of new and more efficient services to assist industry in marketing and exporting efforts."

These services, called ATS or Agri-food Trade Service, include:

- Implementation, by July, of the Agri-food Trade Network (ATN). ATN will provide on-request customized market information to agribusiness;
- Agri-Food Trade 2000 - a streamlined funding mechanism for new cost-shared initiatives with industry;
- Monitoring of market development policies and practices of our major foreign competitors;
- A program to introduce new exporters to the Asia-Pacific and Latin American markets;
- Agri-FITT - training administered by the provinces for agri-food managers and marketing professionals.

With these and other initiatives

under the ATS umbrella, government is responding to industry's call for better service. The Agri-food Trade Service will provide industry with:

- single-window access to federal trade and market development programs, and
- timely and relevant market info.

The ATS will serve as a focal point for agri-food exporters in Canada. Also, through its partnership with the Department of Foreign Affairs and International Trade's network of trade officers abroad, the ATS will offer a service on international markets information, including exporter counselling and export preparation.

As part of the ATS initiative, Agri-Food Trade 2000 is designed to consolidate export market development support programs, including increased export training for industry, and improve our network of agri-food specialists abroad.

The Agri-food Trade Network (ATN) is AAFC's electronic operator-assisted information service designed to provide customized trade and market information on request to agribusiness.

Although the current service is in its pilot phase, industry feedback is critical in ensuring the final product is relevant to the business of agri-food marketers.

Agri-Marketer & AgExport go on line!

Agri-Marketer and its sister publication have joined the worldwide Internet family. Starting with this issue, Internet users can access *Agri-Marketer* through the Agriculture and Agri-Food Canada Electronic Information Service (ACEIS). The new address is: <http://aceis.agr.ca/cb/agrimark/agmmne.html>.

Along with this new format *Agri-Marketer's* mission has also changed. From now on, this AAFC electronic newsletter will provide access to complete documents on markets and trade to the Canadian agri-food industry and to Internet users around the world.

These documents will be summarized in *Agri-Marketer's* 8-page print format. Both versions will also contain summaries of other documents which may only be available in print form, or through fax-back services.

Contacts and Sources

Readers of *Agri-Marketer* and *AgExport* will find all the information (contacts, phone and fax numbers, Internet address, etc.) required to obtain the documents or publications featured.

Agri-Marketer will also feature other data bases or information services maintained by AAFC or other sources, such as the ATN, InfoCentre (DFAIT) and InfoHort (Statistics Canada).

AgExport

July 1995 - *AgExport* is published by Agriculture and Agri-Food Canada as a supplement to *CanadExport*. Stories are reprinted from AAFC's *Agri-Marketer* newsletter, providing markets and trade information to the Canadian agri-food industry. Comments, tips or suggestions? Reach us by fax at (613) 759-7984 or Internet mail at agmar@em.agr.ca.

Information Kit

includes news release and fact sheets

Internet: available on ACEIS (<http://aceis.agr.ca>)

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Tel.: (613) 759-7920

Fax: (613) 759-7977

E-mail: media@em.agr.ca

Benchmarking Ontario microbreweries

In 1994, through extensive support from AAFC's "Getting Ready to Go Global" program, the Ontario Small Business Association (OSBA) commissioned the Competitive Analysis Centre Inc. (CACI) to under-

take a competitiveness benchmarking analysis of seven of their members' breweries.

The Ontario microbrewing industry is about 10 years old and has reached a point where its presence is

noticeable. It is characterized by rapid growth. The year-over-year sales growth of the sample firms has been on average over 25% per year. The industry is still in its early years, however, and has not reached equilibrium.

In terms of profitability, following half a decade of losses, Ontario microbreweries are beginning to break even. "The time has come for the microbreweries to begin making a profit," states the CACI report issued in May 1995.

Microbreweries must work toward strengthening their competitive advantages, since recent trade developments may prove to be threatening. Removal of trade barriers with the U.S. has resulted in increased competition on the Canadian market, and major Canadian breweries have been entering the premium market segment, thereby creating a more competitive environment for the microbreweries.

Ethnic food markets in Canada

Ethnic foods are increasingly popular in Canada. The growth is being driven by the country's changing ethnic mix, a general demand for variety by all consumers, and other factors.

Many non-European ethnic populations are experiencing dramatic growth in Canada; people of Chinese, South Asian and Middle Eastern origin were among the five fastest-growing ethnic groups from 1986 to 1991. The majority of these consumers live in Toronto, Montreal and Vancouver and their food-spending patterns tend to differ from the Canadian average.

The total market for Chinese foods was estimated at \$2.8 billion in 1993. The South Asian and Middle Eastern food markets were about 10 times smaller at \$228 million and \$240 million respectively.

Restaurants and other food services account for the largest share of ethnic food sales, except in cities with large ethnic communities, where specialty food stores take on added importance. Many so-called ethnic foods and beverages are currently being imported from the home region and other areas. But there may be the potential to manufacture these products in Canada, both for the local market and for export.

An assessment of selected ethnic food markets in Canada

Agriculture and Agri-Food Canada, December 1994

Opportunities in selected ethnic markets in Canada: A literature review

Agriculture and Agri-Food Canada, June 1994

ACEIS: No

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Ontario Small Business Association, 1995

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Increasing our recognition as an exporter of quality agri-food products

In November 1992, discussion at the Agri-Food Competitiveness Conference in Saskatoon focused on the need for Canadians to differentiate and promote the excellence of their agri-food products in export markets. As a result, a cross-branch team within Agriculture and Agri-Food Canada (AAFC) implemented a research project to assess industry perception of what has to be done to increase the recognition of Canada as an exporter of quality, value-added agri-food products.

Goldfarb Consultants of Toronto

was awarded the research contract. Through focus groups, telephone and one-on-one interviews, hundreds of Canadian food business executives were surveyed. Interviews were also conducted with food brokers in the U.S., Mexico, Japan, Germany and England to find out whether they shared the Canadian exporters' views.

Results indicate that while exporters think Canadian products have an excellent quality reputation, they also feel that we need to promote them more. And so do our international customers. Intelligence gath-

ered from Canadian posts around the world also pointed to the need to move quickly as the competition is actively promoting the quality of their products in world export markets.

Agriculture and Agri-Food Canada, November 1994.

ACEIS: /misb/qreports/quality.html

Fax-back: No

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E-mail: vmctaggart@em.agr.ca

Market profile: export opportunities abound in Chile

In 1994, sales of grain accounted for 87% of Canada's agri-food exports to Chile, making it our 16th-largest customer for non-durum wheat. Grain exports have grown from \$38.7 million in 1992 to \$85.1 million in 1994.

In 1992, Canada and Chile signed an Official Bilateral Protocol for grains and pulses from Canada and fruits and vegetables from Chile. Canadian grain only needs a phytosanitary certificate to enter Chile and does not need to be fumigated or meet any other additional requirement.

In short, the bilateral protocol facilitates our grain exports. At the same time, annual wheat consumption has been increasing steadily in recent decades and is the highest in Latin America. With land allocated to grain production declining and consumption on the rise, it is expected that export market opportunities for Canada will continue to grow.

Special crops

In 1994, Chile imported US\$3.2 million worth of lentils, up from

US\$1.4 million in 1993. The Canadian share of this market was 95.6% in 1994. At 71.5%, Canada also holds a major share of the US\$1.3 million pea import market.

Chile has been a consistent buyer of lentils and peas from Canada and the volume is expected to increase in the future. Pea imports allow the processing sector to operate throughout the year, not just during the local production season.

Processed foods and beverages

Canada's sale of processed food to Chile has increased dramatically over the past two years. Exports of sugar confectionery products jumped by 249% from 1993 to 1994. There was significant growth between 1991 and 1993 in such areas as chewing gum (65%), prepared cereals (71%), sweet biscuits, waffles and wafers (45%), chocolate confectionery (69%), prepared meals of bovine meat and offal (114%) and soups and broths (456%).

Increased urbanization, higher income, a relatively young population and more working women have

led to the increased utilization of microwave foods and other processed items in the home. Up to 87% of Chilean consumers make their principal food purchases in supermarkets. This makes the supermarket sector an important target for exporters of processed foods and beverages.

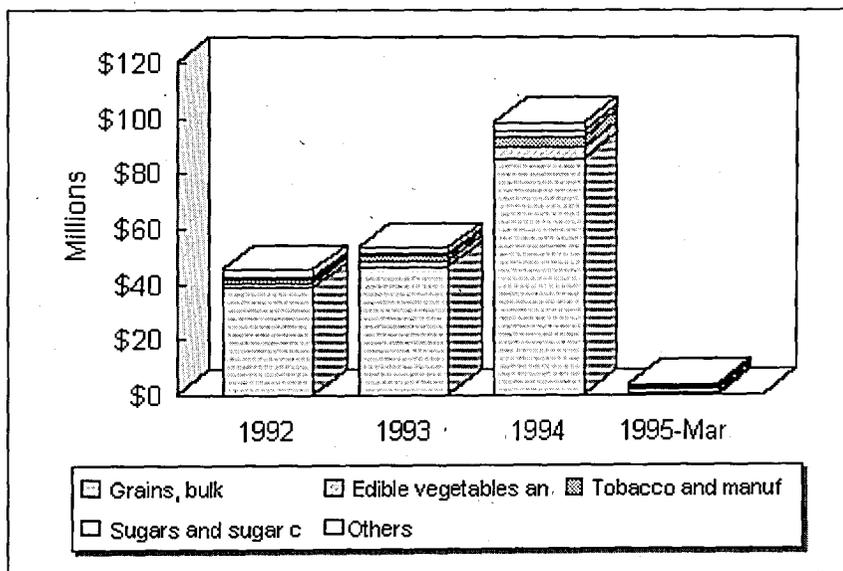
Sales are also being affected by the growth of fast food outlets - McDonald's, Kentucky Fried Chicken, Pizza Hut and Arby's to name a few. This trend creates an opportunity for exporters of food products required to supply these outlets.

Animal genetics

Over the past 15 years, Chile has been importing dairy and beef cattle semen in order to substantially improve the cattle breeds in the country. As far as embryos are concerned, there is a tremendous potential demand in the country, both for beef and dairy cattle.

Chile's current trend of increased genetic purchases, as well as a stated commitment to improving their livestock herds, may make this a very important new market. And Canada is very well positioned to take advantage of the growing demand for high quality animal genetics.

Canadian agri-food exports to Chile



Agri-Food Export Market Assessment, Report on Chile
Agriculture and Agri-Food Canada, 1995.
 ACEIS: No
 Fax-back: No
 Print on demand:
 Jim de Graaf, AAFC
 Tel.: (613) 759-7644
 Fax: (613) 759-7505
 E-mail: jdegraaf@em.agt.ca

Agri-food exports up 24% for first quarter of '95 Strong start in the EU, Japan and Latin America

First quarter agri-food exports in 1995 are up 24%, bringing the year-to-date total for 1995 to \$4.03 billion. Exports in the month of March 1995 were \$1.23 billion, equivalent to the previous month. Monthly exports for the remainder of 1995 would have to average \$1.25 billion to equal the recently revised export figure for 1994 of \$15.3 billion, a record year.

Destinations

Half of Canadian exports have gone to the U.S. so far this year (\$2 B). The pace of export growth to the United States has slowed to 6% by reduced barley, wheat, canola and corn sales.

Live cattle, beef and pork exports are up, and now represent 27% of exports to the U.S. The largest dollar gains over last year have been live cattle, chocolate products, instant coffee, canola oil, pet food and bakery products, all off to double-digit growth in

the first quarter of 1995.

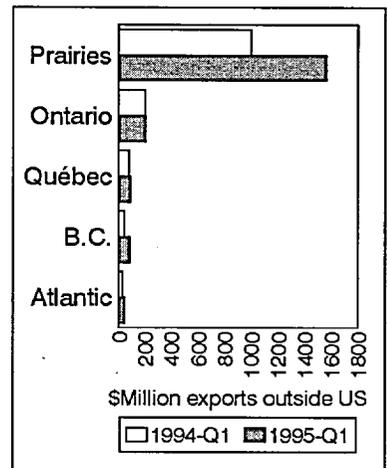
Agri-food exports to the EU continue their growth, currently at \$444 million, or double the first quarter of 1994 and triple the value of first quarter 1991. The EU represents 11% of our exports so far this year. Major growth was in canola, wheat, pulses, linseed, soybeans, potatoes and french fries.

Exports to Japan, Canada's second-largest agri-food market, are at \$494 million, up 32% from first quarter last year. Over 70% of exports so far this year are bulk grains and oilseeds, which are leading the strong start in Japan.

Exports to Latin America and the Caribbean (LAC) in the first quarter of 1995 are at \$264 million, up 14% from last year.

Exports to Mexico, at \$112 million, are up 25% from last year-to-date. Canola represents 62% of exports to Mexico, followed by wheat, milk powder and malt.

Agri-food exports outside U.S. by province



Provincial exports

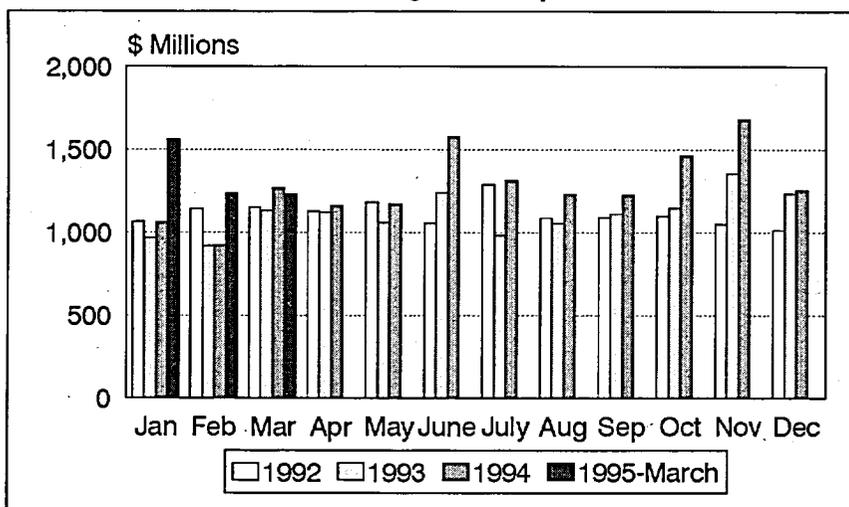
This issue examines provincial exports exclusively outside the United States, where the total Canadian figure is \$2 billion for the first quarter of 1995. Of that, the Prairies' account for \$1.56 billion, where \$1.2 billion is wheat and canola. Ontario's diversified exports make up \$205 million.

British Columbia's exports outside the U.S. were \$85 million in the first quarter. Animal fats, ginseng and apples were the top products.

Québec's exports amount to \$91 million with frozen pork, animal fats, whisky and cigarettes as top products.

Atlantic Canada's exports are \$50 million, with french fries, potatoes, and berries as top products in the first quarter of 1995.

Canadian agri-food exports



Agri-food Export Highlights

Agriculture and Agri-Food Canada, June 1995.

ACEIS: /cb/agrimark/agmhie.html

Fax-back: 1-800-346-2222 (Agri-Marketer)

Print on demand: Bruce Radburn, AAFC

Tel.: (613) 759-7735

Fax: (613) 759-7505

E-mail: bradburn@em.agr.ca

BUSINESS OPPORTUNITIES

SOUTH KOREA — Seven light-weight electric rail projects valued at Cdn\$6 billion are planned by nine different corporations in South Korea from 1995 to 2000. While most civil works and supply of rail vehicles are expected to be provided by local companies, Canada may have business opportunities in the areas of **system consulting, operation and management services, construction supervision, supply of operational software and high-tech controlling, signalling and communications equipment**. For more information, contact Michael Woods, Canadian Embassy, C.P.O. Box 6299, Seoul 100-662, Republic of Korea, Tel.: (011-82-2) 753-2605/8, 753-7290/3; Fax: (011-82-2) 755-0686; for Quebec section: 756-0869; for Alberta section: 773-8966.

SPAIN — The Institut Català de Tecnologia in Barcelona has listed offers and opportunities that include: manufacturers of **tanned bovine leathers** willing to secure subcontracting agreements or technology exchanges; manufacturer of **cord/rope** for various applications; **cotton and cotton/polyester fabrics** for textile sector; products or production systems for **cardboard manufacturing; textile machinery** for folding and measuring ribbons and tapes, and **automatic control devices** for regulating thread tension; manufacturing technology for **prefabricated kiosks**; innovative resins, pigments and additives for manufacture of **industrial liquid paints**. Contact Isidro García, Canadian Embassy, Nunez de Balboa, 35, Apartado 117, 28080-Madrid, Tel.: 34-1-431-43 00; Fax: 34-1-577-9811.

SPAIN — Tecnocar Corporacion Industrial S.A., a well-established Spanish company, is interested in initiating negotiations with Canadian manufacturers to **fabricate, under license in Spain, and assemble the following machines for pallet loads: shrinkwrap; hooding; automatic wrapping systems; automatic strapping; stretchwrap, five-face wrapping; automatic overhead wrapping; ring straddle wrapping; cover dispenser for wrapping machines**. Interested companies should contact Mr. Juan J. Clemente, Manager, Tecnocar Corporacion Industrial S.A., Crta. Alcora, Km. 8,500, 12006 Castellon, Spain, Tel.: (011-34-64) 20.11.00; Fax: (011-34-64) 24.04.82.

TAIWAN — A company is seeking Canadian **suppliers of Pure Terephalic Acid (PTA)**. Contact Mr. M. H. Kao, Lank Sung Enterprises Co., Ltd., No. 356, 2nd Floor, Sec. 4, Chengteh Road, Taipei, Taiwan, Tel.: 886-2-883-3312/3412/3661; Fax: 886-2-882-9339.

UNITED STATES — A U.S. company (clients include Westinghouse and Goodyear) seeks **partner to "Canadianize" software, resell and possibly translate**. It is also looking for companies which own or market **car dealer software packages** for representation or joint-venture ownership in the U.S. For briefing note, call the Canadian Advanced Technology Association, Ottawa at (613) 236-6550.

Firms can Team with Consortia Bidding on Belgian Radio Network

Belgian security and aid organizations will be linked through a radio communication network called ASTRID (All-round Semi-cellular Trunked Radio Communication Network with Integrated Dispatchings). Alcatel, Ascom, Kreutler-Nokia, Siemens-Ericsson and Motorola have all received the go-ahead to submit a proposal that meets the technical requirements for this project.

The network will consist of 130 relay stations and will be able to establish communication links regardless of the location of the user. ASTRID will be compatible with other systems currently being installed by other security and relief organizations. Some additional features will be the standardization of communication material between the different assistance organizations in the territory (fire brigades, Red Cross, police, etc.).

The project is estimated at 9 billion Belgian Francs, with installation to start in 1997.

Canadian companies interested in teaming up with one of the five consortia bidding on this project should contact Freddy Dutoit, Commercial Officer, Canadian Embassy, Av. de Tervuren 2, 1040 Brussels, Belgium, Tel.: 32/2/741.06.21; Fax: 32/2/741.06.06; E-mail: freddy.dutoit@bru03.x400.gc.ca.

TRADE FAIRS AROUND THE WORLD

Internet Fair in Denver

DENVER, COLORADO — Commerce on the Internet: A Symposium and Exhibition will take place September 6-8, 1995, at the Colorado Convention Centre. It will educate attendees on how to make the Internet a strategic corporate tool. Visitors will learn about the technological innovations in the computing world that will allow them to make strategic use of the Internet. Conference tracks led by nationally and internationally recognized experts will address strategy, utilization, security, marketing, tools and resources, and more. Decision makers in business, education, government agencies and municipalities will be in attendance. The **Commerce on the Internet Exhibition** will present the newest technologies and products from leading Internet industry corporations.

Contact ExpoManagement, Tel.: (303) 290-0580; Fax: (303) 290-0195; E-mail: dbeard@expo-management.com.

Bangladesh Apparel and Textile Fair

DHAKA, BANGLADESH — The Sixth Annual Bangladesh Apparel and Textile Exposition (BATEXPO '95) will be held October 4-6, 1995, in Dhaka.

Over the years, Bangladesh has established itself as one of the most reliable sources of excellent quality apparel. There is growing demand in the Canadian market for high-quality apparel made in Bangladesh.

BATEXPO is a unique international event which brings manu-

facturers of garment machinery, suppliers of cotton and yarn, and manufacturers and buyers of garments together in one forum.

Contact Bangladesh Garment Manufacturers and Exporters Association, BTMC Bhaban (Ground Floor), 7-9, Kawran Bazar, Dhaka, Bangladesh, Tel.: (011-880-2) 815597, 815751; Fax: (011-880-2) 813951; or Commercial Counsellor, Bangladesh High Commission, Suite 302, 275 Bank Street, Ottawa K2P 2L6, Tel.: (613) 236-0138/39; Fax: (613) 567-3213.

Building Materials Show Gateway to Massive Chinese Market

SHANGHAI, CHINA — With a population of over 1.2 billion and a Gross Domestic Product of US\$360.7 billion, China is one of the biggest markets in the world. In 1993, China imported US\$104 billion worth of foreign products, a 29-per-cent increase over 1992. This economic development has led to a rapid growth in the construction industry, resulting in tremendous demand for various types of building and interior decoration products.

Building Shanghai '95 (Shanghai International Exhibition on Building Materials, Services and Interior Decoration), October 7-11, provides Canadian companies with a most effective and efficient channel for promoting building products in Shanghai as well as the eastern China region.

For registration information, contact Adsale Exhibition Services

Ltd., 14/F Devon House, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong, Tel.: 852-811-8897; Fax: 852-516-5024.

Systems 95 — Communications, Computers & Software

MUNICH, GERMANY — Canadian companies are invited to participate in the 14th version of **Systems 95**, the computer, software and communications fair, which will take place in Munich October 16 to 20, 1995.

Systems 95 will cover the following sectors, among others: integrated software, application software, data bases, networking and communications technologies. Moreover, the 1995 edition of the show will emphasize the multimedia sector. **Systems 93**, the most recent edition, attracted 119,935 visitors from 65 countries and 1,767 exhibitors from 25 countries.

Contact Derek Complin, Manager, Unilink, 50 Waybright Court, Unit 41, Agincourt, Ontario, M1S 5A8, Tel.: (416) 291-6359; Fax: (416) 291-0025.

Prime Space for Canadian Builders at Dubai's Big 5

DUBAI, UAR — The Middle East is showing constructive interest in Canadian home-building technologies. A group of Canadian exporters have joined the Canadian Showhouse Consortium to explore these new market opportunities. The Consortium is

Continued on page 9 — Trade Fairs

TRADE FAIRS AROUND THE WORLD

led by the Cosmos Pacific Investment and Consulting Corporation in British Columbia.

One of the major initiatives undertaken by the Consortium is participation in the **Big 5 Show (Building; Water Technology & Environment; Municipal Services; Air Conditioning & Refrigeration; Cleaning & Maintenance)**, being held in Dubai October 8-12, 1995.

With the support of the Canadian Consulate, the Consortium has secured 66 square metres of prime exhibition space in the centre of the Exhibition Hall. It has the option of increasing its space to 170 square metres if sufficient interest is shown by Canadian companies.

Contact your local International Trade Centre, or the Canadian Showhouse Consortium, Tel.: (604) 263-6146; Fax: (604) 263-1652.

Pacific Paper '95

VANCOUVER, B.C. — The **Fourth International Conference and Exhibition for the Pacific Rim Pulp and Paper Industry (Pacific Paper'95)**, will take place here October 15-18, 1995.

The conference program includes sessions on: the future of paper; fibre supply; capacity supply and demands in Asia Pacific; North America, South America and Europe; good forest stewardship; global financial and trade considerations; and a partnering for a better future session organized by the Paper Industry Management Association (PIMA), Pacific Section.

Technical subjects will include: optical technology and processes in pulping; optical technology and

processes in papermaking; environmental regulations; workforce adaptation to new technologies and recycling and deinking technology.

Contact Laurie Grant, Conference Manager, Tel.: (604) 891-5615; Fax: (604) 683-8202.

Oil & Gas Expo Key Event in Argentina

BUENOS AIRES, ARGENTINA — The **Argentina Oil & Gas Expo '95** is the major petroleum equipment and services event in Argentina. Running from October 16-20, it is an excellent opportunity for Canadian companies — through participation in Canada's national stand — to make key contacts in this very active sector which now is almost completely privatized.

The Argentine petroleum industry is dramatically increasing its production activities. It is estimated that during the next 10 years some US\$26 billion will be invested in Argentina's oil and gas industry, with \$6 billion in exploration, \$14 billion in production and \$6 billion in transportation, processing and marketing.

Specific opportunities for Canadian suppliers include vibro-type acquisition, 3-D seismic services, horizontal/slant/ underbalanced/slim hole drilling, enhanced recovery (primary production still accounts for 80 per cent of total), environmental damage prevention and remediation, plunger-lift techniques, core testing equipment, corrosion detection and control, field automation and instrumentation, high-pressure valves, oil pumping units and natural gas treatment plants. There are also opportunities in training of oilfield workers as well as services, equip-

ment and materials for pipelines.

To support sales of Canadian equipment, the Export Development Corporation has established lines of credit with three local banks, with the important oil and gas company Bridas, and with TGN, the gas transportation company operated by Novacor.

Several Canadian suppliers of services, equipment or products for the oil and gas industry already have appointed local sales agents, while others have recently established a local subsidiary, joint venture or licensing agreement to secure more substantial business.

For registration information, contact Paul Schutte, Latin America and Caribbean Trade Division, DFAIT, at fax (613) 944-0479.

World Trade 95

TORONTO, ONT. — North America's largest **Agents/Distributors Locator & Recruiter Show, World Trade '95**, will take place here on October 26, 1995.

The show is designed for manufacturers and exporters interested or involved in exporting. It is ideal for Canadian and international agents/distributors interested in identifying new domestic and foreign sources of supply and representation opportunities. The last edition hosted 208 exhibitors representing 62 countries and states/provinces.

For information, contact the Canadian International Trade Association — preferably by fax — at (416) 351-9911; or call (416) 351-9728.

• DFAIT Market Intelligence Services •

The Department of Foreign Affairs and International Trade (DFAIT) is responsible for Canada's international business and export development. It helps Canadian exporters compete in the global marketplace by providing them with market information and intelligence services.

WIN Exports — is DFAIT's database of exporters. Canadian Trade Commissioners around the world use it to respond to requests from foreign buyers for potential suppliers.

DFAIT InfoCentre — the Department's public information resource centre provides information, advice, referral and publications. InfoCentre staff can advise exporters on the full range of DFAIT's trade programs, services and publications.

FaxLink — is a faxback information service operated by the InfoCentre which carries a wide variety of trade and foreign policy-related documents and publications, and makes them accessible to the public automatically by fax. This system is easy to use, convenient, and accessible 24 hours a day, seven days a week.

InfoCentre Bulletin Board (IBB) — is an electronic bulletin board database which can be accessed from a personal computer by dialling through or via a modem. IBB now includes more than 2,000 documents, including: geographic and sectoral market studies; export opportunities; and federal government export programs and information on trade finance services from private-sector financial institutions. Project Information Documents and Operational Summary Reports for the World Bank Group, along with information on Inter-American Development Bank projects are also available. The IBB can be reached 24 hours a day, seven days a week, and new users can register online. Canadian exporters can also initiate their registration into WIN Exports through the IBB.

CanadExport — the Department's bi-monthly trade newsletter, published separately in English and French, is sent to about 40,000 Canadian subscribers. It carries articles about trade activities and issues, including international market developments. A valuable tool for Canadian businesses, *CanadExport* keeps them informed of new export and investment opportunities, programs and services for Canadian exporters, upcoming events such as trade fairs and missions, trade-related publications, and export successes and winning strategies. *CanadExport* is available in hard copy, or in electronic form through the IBB and Internet, as well as on the Open Bidding System.

DFAIT Library Services — The Departmental Library holds a specialized collection of market information materials. It has information resources, services and information specialists to assist its clientele in conducting research and finding statistical data. Reference annuals, directories, newsletters and peri-

odicals offer a wealth of information for those interested in the business climate of a country or region. Books on doing business abroad and other statistical handbooks also form important segments of the market information collection.

The IFI Collection includes a substantial variety of documents from all major IFIs (international financing institutions) of which Canada is a shareholder. The collection is a good source for those seeking procurement and consulting opportunities. Registered companies can review these collections in person or may borrow the documents. Registration for access to this specific collection should be made through the International Finance Division (TPF), at (613) 996-7251, or by fax at (613) 943-1100.

Trade Enquiries Sourcing Team (TEST) — has been implemented as a pilot project to support DFAIT's posts abroad in responding to requests for potential suppliers. Using the WIN Exports database, TEST contacts Canadian companies to advise them of product or service enquiries from foreign buyers.

Internet — DFAIT has established a presence on the Internet which allows the public to obtain relevant information concerning the business of the Department. This Web site features access to the IBB document bank as a Gopher site. The URL address for the DFAIT Web site is <http://www.dfait-maeci.gc.ca>. The general public may direct Internet E-mail enquiries to the InfoCentre by addressing correspondence to infocentre@fait.gc.ca OR infocentre@aeci.gc.ca.

Trade Offices — Market information and intelligence services are also available from DFAIT embassies, high commissions and consulates around the world and at International Trade Centres in each province.

To access these services, obtain more information or register in WIN Exports, please contact:

By telephone or fax

DFAIT InfoCentre: 1-800-267-8376 or (613) 944-4000;
Fax: (613) 996-9709

CanadExport: (613) 996-2225; Fax: (613) 992-5791

WIN Exports: Fax: 1-800-667-3802 or (613) 944-1078

Library Services: (613) 992-6150; Fax: (613) 944-0222

Using the telephone on your fax machine

FaxLink: (613) 944-4500 (long-distance charges may apply)

Using a PC and a modem

IBB: (613) 944-1581 or 1-800-628-1581

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Canadian Designers Set Their Sights on Japanese Markets

A growing Japanese demand over the past two decades for Canadian design, building materials and construction expertise has given rise to the formation of the British Columbia-initiated **Export Council of Canadian Architecture (ECCA)**.

Canadian architects and planners are poised to enter Japan's enormous market for building services.

Several fields of development have emerged recently in Japan, including three-storey, medium-density, wood-frame residential, commercial and institutional buildings, as well as destination resort, ski and marina development — all fields in which Canadian firms have a competitive edge in experience, design capability and cost.

New property laws, building

codes and material specifications that have been adopted to allow for more flexibility in the planning and design of wooden buildings in Japan, represent areas in which Canadian experience can guide the new developments.

The ECCA Alliance will have the added advantage of trading on a Canadian reputation with a 20-year history.

Industry and government agencies have cultivated the Japanese building market for Canadian lumber and plywood, specialty building products and manufactured home sales.

For further information, contact Leslie Ann Wootton, Trade Communications, B.C. Trade Development Corporation, Vancouver, Tel.: (604) 844-1915; Fax: (604) 660-2457.

Building Products Exhibit on One-Year Tour of Japan

What has been described as one of Canada's most successful marketing alliances — Canada Comfort Direct (CCD) — has embarked on a third year-long tour of Japan's construction market.

The **CCD Building Products Exhibit**, showcasing building products and related services from British Columbia and across Canada, will tour at least six exhibition venues, including the **Japan Home Show** and the **Tokyo Good Living Show**.

This year's exhibit presents an expanded format in more ways than one: 29 companies are participating (compared to 17 last year); six out-of-province companies are represented (leading the way for future Canada-wide participation); and the newly-formed **Export Council of Canadian Architecture (ECCA)** is participating (widening the range of products and services featured in the exhibit).

"The **CCD Building Products Exhibit** is one of our finest examples of co-operative export marketing," says Oksana Exell, President and Chief Operating Officer for the British Columbia Trade Development Corporation.

It is the co-operative effort of some 29 companies, as well as of the B.C. Wood Specialties Group, The B.C. Trade Development Corporation, Industry Canada, and the Department of Foreign Affairs and International Trade.

On-line Business Network Goes Public on INTERNET

The Canadian Advanced Technology Association (CATA) has announced that Profiles, a technology industry database, will debut on the INTERNET for a broad spectrum of business users.

Profiles, intended as a springboard to information on the technology industry, will house profiles on individuals and companies that can be used to search for partners and services.

Not intended to replace existing information, any network can connect to the Profiles home page. Its user-friendly point-and-click icon format makes it easily accessible to all INTERNET users. For those without an INTERNET connection, local servers and WEB providers will be able to access the new service.

John Reid, President of CATA, says, "Profiles is technology business networking at its best. It will be a launching pad for electronic products and services to help build technology business."

For more information on Profiles, contact the CATA Database Administrator at 1-800-387-2282, menu #227, or by E-mail at cata@cadvision.com.

ICC Business Publications

Canadian companies looking for good sources of information to help them maintain their competitiveness in the global economy should take a careful look at the publications of the Canadian Council for International Business (CCIB). The Council represents the International Chamber of Commerce (ICC) in Canada, as well as the Business and Industry Advisory Committee to the OECD (BIAC).

The ICC, an organization of thousands of companies in 140 countries, serves world business by promoting trade, investment and the free market system. One of the Council's most active services is the provision of the extensive range of ICC publications to business firms. These publications are the "how to" of international business and, in many cases, are available in English and French. A partial listing of these publications follows:

Banking and Finance

- Uniform rules for contract guarantees (\$14.00)
- Bank guarantees in international trade (\$115.00)
- Futures and options trading in commodity markets (\$26.00)

Documentary Credits

- Guide to documentary credit operations (\$60.00)
- Standby letters of credit (\$245.00)

International Trade

- Key words in international trade (\$72.00)
- The GATT negotiations (\$45.00)

International Contracts

- Electronic data interchange agreements (\$89.00)
- Commercial agency: Guide for drawing up contracts (\$14.00)
- Guide to drafting international distributorship agreements (\$26.00)

International Arbitration

- The arbitration process and the

independence of arbitrators (\$96.00)

- Arbitration and state enterprises (\$80.00)
- The ICC international court of arbitration bulletin (periodical)

Business Law and Practice

- Competition and arbitration law (\$105.00)
- Transnational rules in international commercial arbitration (\$102.00)
- Arbitration and expertise (\$60.00)
- Les contrats de coopération internationale (\$45.00)

International law

- Treaties and international documents used in international trade law (\$115.00)
- International economic agreements (\$105.00)

Art Trade and Law

- International art trade and law, vol. IV (\$135.00)
- International sales of works of art, vol. I (\$120.00)

Comparative Law

- Anti-dumping and anti-subsidy law: the European communities. (\$155.00)

Insurance

- Uniform rules for contract bonds (\$15.00)

Transport

- Maritime joint ventures (\$148.00)
- Piracy at sea (\$70.00)

Environment

- ICC guide to effective environmental auditing (\$35.00)
- Environmental auditing (\$14.00)

Marketing and Advertising

- ICC international code of direct marketing practice (\$10.00)

For ordering information or to receive a complete listing of the publications, call Barbara Fisher at Tel.: (613) 230-5462 or Fax: (613) 230-7087.

INFOCENTRE

The InfoCentre of the Department of Foreign Affairs and International Trade provides counselling, publications and referral services to Canadian exporters. Companies interested in obtaining trade-related information are invited to contact the InfoCentre at 1-800-267-8376 (Ottawa Region: 944-4000) or by fax at (613) 996-9709. Trade information is also available by calling FaxLink (from a fax machine) at (613) 944-4500, the Department's round-the-clock faxback service.

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CANADEXPORT

pt. of External Affairs
des Affaires Étrangères

vol. 13, No. 13

AUG 9 1995

July 17, 1995

Food to Infrastructure

Philippines a Market of Powerful Potential

RETURN TO DEPARTMENTAL LIBRARY
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When it comes to the agri-food industry, market opportunities in the Philippines, quite literally, are growing. The same can be said of infrastructure projects which, as elsewhere in Asia, are big business in the Philippines.

AGRI-FOOD

A developing economy, increasing purchasing power by the general populace, and a consumer taste for Western-style food sets the scene for a growing agri-food market in the Philippines.

The Philippines food and beverage manufacturing industry is the

largest among all the manufacturing sectors, accounting for about 40 per cent of the total sector's output.

The importation of agri-food products is a lucrative market. This area grew by approximately 23.0 per cent in 1994. At 1994 current prices, the share of imports to total food and beverage spending of Cdn\$37 billion was 5.1 per cent, up from a 4.8 per cent share in 1993.

As a result, the coming years will see more domestic food companies forging alliances with major international food and bev-

erage companies. These foreign firms will be looking to utilize the distribution networks of their domestic partners as well as providing these partners with much needed advanced technologies.

Summer Break

CanadExport will return
September 4, 1995

Presence in Philippines

Indeed, many multinational companies already have domestic tie-ups. These include Nestlé, Hormel, Hershey's, and Kraft. Most recently, Labatts Brewing Company Ltd. of Toronto has signed an agreement with Asia Brewery to brew, in the Philippines, the world-famous Labatts Ice Beer for its Asian market.

The International Business Development Section of the Canadian Embassy in Manila has been spearheading an information campaign to Canadian agri-food companies to come and make

Continued on page 6 — Philippines

CHRÉTIEN PRESENTS CANADA-U.S. BUSINESS ACHIEVEMENT AWARD

UAP Inc. of Montreal and Genuine Parts Company of Atlanta, are the recipients of the first Award for Canadian-American Business Achievement, presented June 8, 1995 by Canadian Ambassador to Washington, Raymond Chrétien.

In his presentation address, Ambassador Chrétien noted the enthusiasm and high interest in the new Award, which was launched in December, 1994 to commemorate the centenary of Canada's Trade Commissioner Service.

The Award recognizes the creative richness and sheer scope of the trading relationship between the United States and Canada, a relationship that accounted for almost \$400 billion in two-way

trade in 1994.

The Award selection criteria, used by a prestigious panel of seven judges, include: introduction of innovative products, technologies and/or services; innovative use of current technologies or resources; impact on the market place; successfully overcoming obstacles or barriers; and sustained growth and profitability over a three-year period.

UAP Inc. distributes and markets motor vehicle replacement parts and accessories. The company's sales for 1994 were Cdn\$500 million. Genuine Parts Company distributes automotive replacement parts, industrial replacement parts and office products. Its

Continued on page 6 — Chrétien

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SHARING TRADE SECRETS

CONTRACTS FLOW NATURALLY FOR CALGARY OIL AND GAS COMPANY

A small Calgary-based company has found that when it comes to contracts in Southeast Asia, subcontracts and joint ventures are the way to go. Flow Control Oil & Gas Inc. is expecting to make between \$10 million to \$15 million this year alone.

Success in Vietnam

Part of this success is due to the \$1.5 million contract Flow Control was awarded last year for the supply of valves for the PetroVietnam gas utilization project.

The entire US\$80 million project — the first major one in Vietnam — was undertaken by Hyundai Heavy Industries of South Korea on a turn-key basis.

Hyundai then subcontracted Kvaerner Process Systems Asia Pacific Sdn Bhd (KPSAP) — with plants in Kuala Lumpur and Calgary — to deliver on-shore gas gathering and processing facilities. Flow Control was in turn subcontracted by KPSAP for the supply of valves.

Flow Control's success in Vietnam came about as a result of perseverance, participation in a provincial trade mission and some high-quality trade promotion activities by Canadian officials.

It was as a result of participating in a Government of Alberta-sponsored trade mission that Flow

Control made contact with Hyundai.

Last Fall's visit by Prime Minister Jean Chrétien to the region, and to Vietnam in particular, was also beneficial in tipping the balance in favour of Flow Control.

It was finally last May that Brown tasted "the icing on the cake." That's when the official commissioning ceremony for the PetroVietnam gas utilization project took place at the 350MW Ba Ria station in Vung Tau, Vietnam, which is being supplied by gas from offshore fields.

The ceremony was presided over by the President of Vietnam and the President of the national oil company, PetroVietnam.

Ripple effects in Malaysia... and beyond

Following its successful participation in the PetroVietnam project, Flow Control is currently finalizing arrangements to set up a joint venture plant in Malaysia.

State-owned Gas Malaysia is vastly expanding, creating opportunities for Canadian companies like Flow Control.

Jim Brown wants to tap into these oil and gas projects in the region. One way is by setting up the Malaysian valve manufacturing facility, the company's first outside Canada.

"From our regional headquarters and manufacturing facility in Malaysia, we will bid for contracts in other Asian countries either individually or jointly with other Malaysian-based companies," said Brown.

He will be going over this summer to finalize the deal — worth some \$500,000 — with the plant expected to be operational by the end of the year.

Flow Control has been awarded contracts for exports to countries throughout the world, including: Argentina, Australia, Chile, Columbia, Ecuador, Germany, Indonesia, Iran, Italy, Jamaica, Korea, Kuwait, Libya, Malaysia, Mexico, Nigeria, Peru, Russia, Singapore, Syria, Thailand, Turkey, U.S.A., UAE, U.K., Venezuela, Vietnam, and Yemen.

While many contracts are direct, what also contributed to the company's success is its close working relationships with several Canadian world class fabricators, including Kvaerner Process Systems, Maloney Steel, and Natco, that manufacture high-quality process equipment packages for an international clientele.

Continued on page 7 — Secrets

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SHARING TRADE SECRETS

NEW BRUNSWICK COMPANY FINDS A PLACE IN THE SUN

A telephone call some three years ago was all it took to start a small Moncton, N.B. company's love affair with Cuba — a commitment Swaney Associates Limited has never regretted.

As a consultant specializing in agri-food exports, Swaney's sales to Cuba have reached \$7 million per year — from just below \$1 million two years ago — and are growing.

It was near the end of 1993 that Swaney's Executive Director Kikoo Vaswani decided to launch his own company.

As an export manager to a large Maritime food processing company, Vaswani — he introduced that company to the world of exports — was getting numerous requests from other local and out-of-province firms that wanted to tap his worldwide marketing skills.

One such call came from the Government of New Brunswick in March, 1992, requesting Vaswani to meet with three officials from Cuba while on a business tour of the province.

First foray into Cuba

One of these officials was Alberto Rio, Cuba's Trade Commissioner in Montreal, who later suggested Vaswani visit Cuba and find out for himself about business opportunities there.

Numerous trips later — now at the rate of one every two to three weeks — and after participating in several trade shows in Cuba, Vaswani is even more convinced that opportunities abound there for Canadian business people.

"Cuba is a country which is on the verge of turning around," says Vaswani, "and the Cuban administration obviously supports the changes."

Back in 1992-93, Vaswani had represented his former company in three trade shows in Cuba, with his products being awarded a gold medal in two of them.

But that did not immediately translate into sales. As Vaswani puts it: "My first year of almost monthly visits to Cuba was spent trying to understand the system, getting to know the people, while promoting our products.

"The groundwork was made," explains Vaswani, "many friendships were started and the door was open for business — at the appropriate time and in the right place."

Help available

Exports started a year later. By then, with the requests for his Cuban expertise ever increasing, Vaswani decided to launch his own consulting business — while retaining his former employer as a client as well!

While his success in Cuba is largely based on his own initiatives, Vaswani is first to acknowledge the assistance he has received along the way.

First and foremost is the Cuban Trade Commissioner Alberto Rio who, true to his promise, helped him make the necessary arrangements for his initial trip three years ago.

Vaswani is also quick to attest to "the 100 per cent support and help received from the Canadian Embassy in Havana, from both the current and previous Ambassadors; the Commercial Counsellor and his staff; and encouragement of other members of the Embassy."

Support has also been coming from the New Brunswick Department of Economic Development and Tourism, and the Marketing and Trade Branch of the Department of Agriculture, as well as the Nova Scotia Department of Agriculture and Department of Economic Renewal.

When he went out on his own, Vaswani also greatly benefitted, with both moral and financial support, from the Atlantic Canada Opportunities Agency (ACOA).

Opening an office in Cuba

Now his company is ready to open an office in Havana. As a matter of fact, Vaswani is just back from initiating the arrangements in Cuba.

What is even more significant, that office will serve a dual purpose as he has just been appointed New Brunswick's Trade Representative in Cuba.

As such, not only will he represent Canadian businesses in Cuba — his clients include companies from his own province as well as from neighbouring Nova Scotia and Ontario — but he will offer advice and facilitate the entry of newcomers to that market.

Continued on page 4 — Swaney

New Service Aids Agri-Food Exporters

A new initiative, announced June 22, 1995 at Club Export in Montreal, will help Canadian agricultural exporters explore emerging and growing world markets.

The **Agri-Food Trade Service (ATS)** was announced by Agriculture and Agri-Food Minister Ralph Goodale and Minister for International Trade Roy MacLaren.

ATS will facilitate industry efforts in finding new international markets, provide the industry with quick and easy access to federal trade and market development programs, and make available timely and relevant market information.

The service also will strengthen the partnership between the two departments, taking advantage of the Department of Foreign Affairs and International Trade's (DFAIT) network of trade commissioners abroad to help Canadian exporters succeed in the global economy.

"ATS will provide a better service to the agri-food industry in Canada through an enhanced partnership that will give exporters simplified access to federal programs and services that support international business development," Goodale said.

"This new initiative will streamline government support to help the agri-food sector achieve its export target of \$20 billion by the year 2000," added MacLaren.

Initiatives in the ATS include:

- **Agri-Food Trade 2000**, which consolidates export market development programs to help increase sales of Canadian agriculture, food and beverage products in domestic and foreign markets;
- **Implementation of the Agri-Food Trade Network (ATN)**, an electronic operator-assisted information service that will provide timely, customized market information/intelligence;
- **Increased monitoring** of policies/practices of major foreign competitors;
- **Program to provide increased information** (possibly including missions) for new exporters to Asia-Pacific and Latin America;
- **Agri-FITT**, international trade training materials/tools for potential agri-food exporters;
- **Agri-Food Fund**, to enable Canada's international agri-food trade officers to pursue market opportunities/projects; and
- **Training**, in conjunction with DFAIT, of staff in international business development.

Swaney — Continued from page 3

The Cuban market

"It (Cuba) is a very easy market," explains Vaswani. "The doors for doing business in Cuba are open to everyone."

"What business people have to overcome above all is their mindset. It is not the Cuban administration which forbids us from entering that market and doing business there," says Vaswani, "only a fear of the unknown."

As a matter of fact, he encourages prospective business people to go to Cuba and see for themselves, and judge by what they see and not by what they hear or read about; after all, the recent changes toward liberalization that are slowly taking place in that country could obviously not occur without approval from the top, Vaswani suggests.

This is happening despite all the politics in the

U.S.A. — such as the Helms-Burton bill facing Congress. Yet Vaswani is convinced that American companies themselves are lining up at the starting gate ready to make a foray into Cuba.

All the more reason, according to Vaswani, for Canadian companies to get in on the ground floor now and explore this island country of 11 million people (descended from traders), and with a literacy rate comparable if not higher than that of most Western nations.

Be it in the agricultural, processed food or any other sector, Swaney Associates stands ready to help other enterprising Canadians share in, and build on, the success it has achieved in the Cuban market.

For more information on Cuban opportunities, contact Swaney Associates Limited, Tel.: (506) 388-2552; Fax: (506) 388-9639.

Brazil Reduces Automotive Import Tax

The Brazilian government has lowered — from 18 per cent to 2 per cent — the import tax rate applicable to original equipment manufacturer (O.E.M.) autoparts, new machinery and equipment, and raw materials used by the automotive industry.

Canadian exporters benefitting from this reduction include: manufacturers of raw materials, machinery and equipment used by the automotive industry, and manufacturers of products that have O.E.M. applications (either to the automaker or sub-assembler company).

The Brazilian automotive industry sector will benefit from an all-encompassing reduction in the import tax of raw materials; new machinery and equipment (and their related spare parts, including moulds, tools, and dies); O.E.M. autoparts, assemblies and sub-assemblies used in the assembly and manufacturing of:

Vehicles: (passenger cars, jeeps, and mixed use; light trucks, vans, and pick-ups; public transportation vehicles; merchandise transportation vehicles; agricultural tractors and harvesters; road-paving equipment, tractors, earth-moving equipment, and forklifts; bodies for all types of vehicles; trailers and semi-trailers used for transporting merchandise).

Parts: (components, assemblies and sub-assemblies, finished and semi-finished products, and tires used in the assembly and/or manufacturing of the above-men-

tioned vehicles.

For further information, including a copy of the most recent report on the US\$36-billion-per-year Brazilian automo-

tive industry, contact: Canadian Consulate General, São Paulo, SP Brazil, Fax: (55-11) 251-5057. Attention: Charles E. Perry, Commercial Officer.

Introducing Canada World Calling Services

You know how complicated and expensive long-distance calling can be in a foreign country. Well, now there's **Canada World Calling Services**, the solution to your long-distance problems when you're living abroad. Offered by Canada's major telephone companies, this new service promises to minimize your monthly costs and simplify the entire calling process.

Canada World Calling Services consists of a Calling Card™ phone card — a similar card to the one you probably had when you were living in Canada — used in conjunction with the Canada Direct* service. The phone card is a free international card that has no sign-up or start-up fee, no ongoing monthly or annual costs, and no minimum usage charge.

Using this card with Canada Direct allows you to place calls and faxes to Canada, and around the world, from virtually any public or private phone in

the world.

When you're abroad, just dial the Canada Direct Access Number for the country you are in, give the bilingual Canadian operator your Calling Card phone card number and your call will be completed to Canada (from over 100 countries) or country-to-country (from 50 countries to over 240 other destinations). And you can also use the card when you are in Canada or the United States.

Getting your **Canada World Calling Services** phone card is as easy as calling ("collect" from overseas) (403) 493-4400, position 650; or from within Canada by calling 1-800-667-5813, position 650, Monday to Friday during normal Edmonton business hours; or by fax at (613) 238-2606.

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Win Export-Looking for Export Opportunities?

Make sure you are registered in the WIN Exports database which will showcase your company's capabilities to foreign buyers. To register, fax your request on your company letterhead to 1-800-667-3802 or 613-944-1078.

Philippines - Continued from page 1

their presence felt in this growing market.

Companies such as McCains, Maple Leaf Foods, Sun Rype, and BC Tree Fruit have made initial in-roads and are enjoying the market growth that has occurred concurrently with the economy. New companies such as ItalPasta, McCulloch, Nalleys and Bee Maid (which joined the last Canadian food festival sponsored by the Canadian Embassy) have now developed a steady niche market for their products.

October Food Festival

In October 1995, the Canadian Embassy will be holding another food festival in co-operation with one of the country's largest fast food chain and restaurant outlets — The Triple V Group.

The month-long promotion, through all Triple V outlets, will feature various Canadian food products, dishes and specialties and will be instrumental in establishing a place for Canadian agri-food products in the Philippines market.

INFRASTRUCTURE

Already big business in the Philippines, infrastructure projects will continue to gain momentum — primarily because new and innovative financing schemes are being developed and used.

As well, these big ticket infrastructure projects account, in large measure, for the country's phenomenal economic turn around — a 5.1 per cent growth in 1994, following years of zero and negative growth.

Pipeline Projects

Now is the perfect time to move toward participation in pipeline projects in the Philippines.

The President, strongly supported in recent elections, now has more leverage and can obtain the required backing for the approval of projects that require congressional support. This is particularly true of BOT-financed projects which are highly successful in the Philippines.

Several presidentially-earmarked "flagship" projects, many of them BOT-financed and likely to receive fast approval, include: the 266 km, US\$76 million Northline railway; the US\$635 million Metro Manila Skyway, an elevated highway; the US\$290 million North Expressway connecting Subic Bay with Clark Airfield; a new US\$84 million cargo facility at Manila's International Airport; and numerous other projects, including in power, telecommunications, and port development.

Canada On Site

The business development potential in the Philippines is recognized by many Canadian companies: SR Telecom has just opened an office; Northern Telecom has had one for nearly three years; TransCanada Pipelines is seeking participation in several projects. Other Canadian companies active here include: Chic, SNC Lavalin and Monenco-Agra.

Obviously, there is a growing market here for Canadian expertise for infrastructure projects. With many projects planned for the future, this is not likely to let up until well into the 21st century.

CONTACTS

For further information — *pertaining to agri-food* — contact: Pam Hay, South Asia Trade Division, Department of Foreign Affairs and International Trade, 125, Sussex Drive, Ottawa K1A

OG2, Tel.: (613) 995-7659; Fax: (613) 996-4309; or Brenda Impfang, Program Assistant, International Business Development Section, Canadian Embassy -Manila, 11/F Allied Bank Center, 6754 Ayala Avenue, Makati, Metro Manila, Philippines 1200, Tel.: (632) 810-8861; Fax: (632) 810-1699. E-mail: brenda.impfang@manil01.x400.c.ca.

For further information — *pertaining to infrastructure projects* — contact Pam Hay (as above); or Marife Boscaino (embassy address, phone, fax as above), E-mail: marife.boscaino@manil01.x400.gc.ca.

Chrétien

Continued from page 1

1994 sales topped US\$4.9 billion.

In 1989, the two companies formed the UAP/NAPA Automotive Western Partnership with UAP Inc. as the managing partner. The alliance was formed to develop the Western Canadian market, while simultaneously enabling both companies to share market expertise to the benefit of their respective home markets. The alliance exemplifies the innovation and community contribution the Award was designed to recognize.

Honourable Mention was given to Visual Edge Software of Montreal, Quebec and Hewlett-Packard of Fort Collins, Colorado.

For further information, call Ellen Maidman, Executive Director, The Foundation for Canadian-American Business Achievement, Tel.: (202) 363-1487; Fax: (202) 331-4212.

*Japan to 2000***Economic Transformation and Canadian Business**

The Canadian Embassy in Japan has released the results of its extensive analysis of Japan's economic prospects to the year 2000 and their implications for Canadian business. Entitled *Japan to 2000*, the report concludes that Japanese trade and investment are entering another period of growth and expansion.

The document states that the appreciation of the yen and rapidly changing patterns of consumption will continue to propel imports into the Japanese market at a rate almost double that of GDP growth.

In addition, dramatic changes in consumer preferences and the breakdown of the exclusive Japanese distribution system are expanding market opportunities and creating new areas of demand.

Growth Driven by Consumer Demand

Japan is in the midst of a full-scale consumer revolution. It is anticipated that Japan's propensity to save will decline from its relatively high level of 15 per cent to about 10 per cent to 12 per cent, representing considerable growth in demand.

Another factor contributing to increased business opportunities is

that the Japanese have begun travelling abroad in large numbers. In doing so, they have become aware of the tremendous differences between prices in Japan and other countries — a premium paid to support the extended Japanese distribution system. Similarly, price consciousness as well as familiarity with foreign goods is forcing a change in the market structure.

Many of the new growth sectors, such as building products, processed foods and beverages, as well as nature tourism, are more consistent with Canada's supply capabilities than was the booming demand for luxury imports in the late 1980s.

If Canada can maintain its current share of Japanese imports, Canadian exports to Japan could grow from US\$8 billion to about US\$11 billion to \$13 billion.

The Embassy survey showed that despite some growing pains, Japan's economic significance can only increase. As Chair of the APEC Forum in 1995, Japan will play a key role in refining plans for Asia-Pacific regional trade and investment liberalization.

The import boom which took place in the late 1980s created

opportunities and opened entirely new markets in Japan to international competition. All signs indicate that the dynamism of this market is far from exhausted.

Taking Advantage of Opportunities

The lesson to be learned from developments in recent years is that companies which are able to adapt their offerings to meet the demand for higher-value imports will be more successful than those promoting traditional exports.

To do so effectively, however, attention must be paid to the exacting specifications of Japanese consumers, particularly regarding quality and after-sales service.

Canada's ability to meet the growing Japanese demand will be critical, not only to retain its relevance in this leading marketplace, but to foster relationships with Japanese firms which will continue to define the growth of industry and infrastructure throughout Asia.

Readers can obtain a copy of the full report by contacting Ms. R. Yamamoto at the Canadian Embassy in Tokyo at fax (03) 3470-7280.

Secrets — Continued from page 2

No wonder this five-year-old company already has 70 per cent of its business based on exports.

Partnership works

Brown cannot over-emphasize that the government-private-sector partnership really works.

He has seen for himself how government officials from Canada — be they federal or provincial, posted abroad or on official visits — can get doors opened in foreign

markets. "What is also so invaluable," according to Flow Control President Jim Brown, "is all the ground work being done by Canada's diplomatic representatives abroad."

In this case, Brown was highly impressed by the dedication shown by trade officials at the Canadian High Commission in Kuala Lumpur, Malaysia.

Brown also credits Enterprise Malaysia Canada — which is being funded by the Canadian Interna-

tional Development Agency (CIDA) — for opening doors to Flow Control in Southeast Asia.

Based on his own company's success — with an average growth rate of 70 per cent to 80 per cent per year — Brown knows that "Canadians have a reputation for excellence, and that they can compete anywhere in the world."

Flow Control President Jim Brown can be reached in Calgary, Tel.: (403) 259-2535; Fax: (403) 259-2738.

Upcoming U.S. Federal Contracts

The U.S. General Services Administration (GSA) procures over \$2 billion in goods and services each fiscal year from the private sector, through schedule contracts that are similar to Canada's Master Standing Offer. Interested bidders should call as early as possible to find out how to compete for the following contracts, which have open solicitations during the fall and winter of 1995/96:

Contract	ID Number	Solicitation Due
Cost per Test (Clinical Analyzers)	66 III	Oct 95
Miscellaneous Furniture	71 III M	Oct/Nov 95
Instruments and Laboratory Equipment:	66 II A	Jan 96
	66 II B	Feb 96
Chemicals & Chemical Products	68 V B; 68 V C;	
	68 VI A	Feb 96
Floor Finish & Stripper	79 IV	Mar 96
Sorbents	79 V	Mar 96
Cleaners/Degreasers, Biodegradable	79 VI	Mar 96

To obtain an information kit on selling to the US federal government, please contact InfoCentre, Department of Foreign Affairs and International Trade, Ottawa, Tel.: 1-800-267-8376 (Ottawa area 944-4000); Fax: (613) 996-9709. More details on the above contracts can be obtained from Judy Bradt, Commercial Officer, Canadian Embassy, Washington D.C., Fax: (202) 682-7619.

MULTIPLE AWARD SCHEDULES

Laboratory Instruments/Equipment

Expected schedule value: \$67M

Number of vendors on current schedule: 80

Next solicitation expected to be issued: Jan. 96

Contract Period: 10-1/9-30

Schedule Identification: 66 II A

Contact: Office and Scientific Commodity Center, (703) 305-7400

Small Business Set-Aside: SIN 66-121

Laboratory Instruments/Supplies

glass, plastic, ceramic, metal and other laboratory ware; support apparatus; laboratory distillation and demineralization apparatus, waste solvent recovery systems; tissue culture apparatus.

Expected schedule value: \$40M

Number of vendors on current schedule: 50

Next solicitation expected to be issued: Feb. 96

Contract Period: Nov. 1, 96 - Apr. 30, 2000

Schedule Identification: 66 II B

Contact: Office and Scientific Commodity Center, Jay Willingham, (703) 305-6951

Small Business Set-Aside: None

Cost Per Test

clinical analyzers — laboratory, chemistry, hematology, coagulation urinalysis, microbiology.

Expected schedule value: \$85M

Number of vendors on current schedule: 16

Next solicitation expected to be issued: Sept.-Oct. 95

Contract Period: 04-1-96/09-30-99

Schedule Identification: 66 III

Contact: Office and Scientific Commodity Center, (708) 786-5247

Small Business Set-Aside: Issued by Veterans Administration, Hines, IL.

Miscellaneous Furniture

acoustical partitions, speech privacy partitions, and vertical surface panels.

Expected schedule value: \$50M

Number of vendors on current schedule: 17

Next solicitation expected to be issued: Oct. or Nov. 95

Contract Period: May 1, 1991 - April 30, 1996

Schedule Identification: 71 III M

Contact: Office and Scientific Commodity Center, John Whitfield, (703) 305-5142

Small Business Set-Aside: 3rd party certification.

Chemicals and Chemical Products

water treatment chemicals for heating and cooling systems, and boiler fuel oil additives

Expected contract value: \$60 million

Number of vendors on current schedule: 60

Next solicitation expected to be issued: Feb. 96

Contract Period: 2-1-92/1-31-97

Schedule Identification: 68 V B & C

Continued on page 9 — U.S. Contracts

CROSS-BORDER MOVEMENT

OF BUSINESS PERSONS

AND THE NORTH AMERICAN

FREE TRADE AGREEMENT

To promote trade in goods and services, Chapter 16 of the North American Free Trade Agreement (NAFTA) facilitates the cross-border movement of business persons who are citizens of member countries to the NAFTA. The provisions within Chapter 16 complement rather than replace a country's existing provisions for temporary entry. In addition, the NAFTA does not alter a member country's general immigration provisions governing public health, safety and national security.



Canada
United States
Mexico



Department of Foreign Affairs
and International Trade

Ministère des Affaires étrangères
et du Commerce international

Canada

This pamphlet was produced by Canada's Department of Foreign Affairs and International Trade in co-operation with Citizenship and Immigration Canada. Its purpose is to facilitate the trade in goods and services throughout member countries to the North American Free Trade Agreement. More specifically, it contains information on criteria and procedures for cross-border movement under the NAFTA as well as related immigration requirements, with the aim of making them more transparent. These guidelines pertain to Canadian business persons entering the United States and Mexico, and U.S. and Mexican business persons entering Canada.

It is important to keep in mind that what follows are guidelines, and should not be viewed as the actual legal text of the NAFTA or a member country's immigration regulations. Although basic information about fees and forms is included, this information is subject to change and should be verified before seeking entry.

For more information about Canadian, U.S. or Mexican immigration regulations, contact the relevant embassy, consulate or immigration office nearest you. Canadians who experience difficulty in entering a country for purposes of conducting business are advised to contact a Trade Policy Officer with the Department of Foreign Affairs and International Trade's Multilateral Trade Institutions Division by telephone at (613) 944-1569 or by fax at (613) 944-0757.

NAFTA

The guidelines contained in this pamphlet cover the following four categories of business persons:

1. **"Business Visitors"** are business persons who plan to carry on business activity related to research and design, growth, manufacturing and production, marketing, sales and distribution, after-sales service and general service.
2. **"Professionals"** are business persons who plan to carry out professional activities of the types indicated in NAFTA Appendix 1603.D.1 (see attached) for an employer or on contract to an enterprise located in a member country other than their own.
3. **"Intra-Company Transferees"** are business persons who are employed by an enterprise to perform management or executive functions or who bring specialized knowledge to this enterprise or its subsidiaries or branches established in one of the member countries.

4. **"Traders and Investors"** are business persons who plan to carry out trade in goods and services principally between member countries or to establish, develop, administer or provide consulting or technical services for the administration of an investment to which foreign capital has been committed or is in the process of being committed.

Accompanying Spouses and Dependants must meet existing immigration requirements for temporary entry. In addition, unless a spouse or dependant qualifies on his/her own merit for an employment authorization under the NAFTA, he/she must go through the regular job validation process applicable to all temporary foreign workers. Information on several of these processes applicable to entering the United States are provided in the section "Non-NAFTA U.S. Temporary-Entry Visas."

1. BUSINESS VISITORS

The NAFTA allows business persons to engage in certain business activities without an employment authorization – provided they otherwise comply with existing immigration requirements applicable to temporary entry. Examples of business activities are conducting market research, marketing products, negotiating contracts or taking orders. The intent of this category is to facilitate the entry of the short-term business visitor who has no intention of entering the labour market. If you wish to work for an employer or under contract to an enterprise located in the member country to which you are seeking entry, you are not a business visitor and will need to apply under a different NAFTA category or under the general provisions applicable to temporary foreign workers.

GENERAL QUALIFYING CRITERIA

You may qualify as a business visitor if:

- you are a citizen of a member country;
- you are seeking entry for business purposes;
- the proposed business activity is international in scope;
- you have no intention of entering the labour market;
- your primary source of remuneration is outside of the country in which you are seeking entry;
- the principal place of business and the accrual of profits remain outside of the country to which you are seeking entry; and
- you meet existing immigration requirements for temporary entry.

These requirements can best be satisfied by presenting a letter setting out all the circumstances of the business trip

to an immigration officer at the port of entry. It is also recommended that you carry a passport.

CANADIAN BUSINESS VISITORS ENTERING THE UNITED STATES

Business visitors must meet the "General Qualifying Criteria" listed above. Canadian business visitors entering the United States can request a record of entry document (I-94) to facilitate temporary entry when engaged in activities requiring frequent cross-border movement or an extended stay. The I-94 is inserted into your passport and can be issued for a period of up to six months. I-94's can be obtained from U.S. ports of entry; they do not have to be applied for in advance.

CANADIAN BUSINESS VISITORS ENTERING MEXICO

Canadian business visitors entering Mexico must meet the "General Qualifying Criteria" listed above and complete an FMN form; this can be obtained at no charge from travel agencies, airlines, and Mexican immigration officers at ports of entry. The FMN asks for information such as:

- personal data;
- the type of activity to be carried out; and
- the name and address of the enterprise to which you are affiliated, as well as that of the principal enterprise or natural person in Mexico with which you will be performing the described activity or activities.

The period of validity of the FMN is 30 days but it can be extended once for an additional 30 days if the circumstances of entry into Mexico have not changed and if you are unable to leave and return to Mexico with a new FMN. The FMN must be handed back to immigration officers on departure from Mexico.

U.S. AND MEXICAN BUSINESS VISITORS ENTERING CANADA

Business visitors seeking temporary entry into Canada must meet the "General Qualifying Criteria" listed above. Generally, no immigration document is issued to a business visitor; however, if terms and conditions are imposed on your entry you will be issued a visitor record. A visitor record can also facilitate frequent cross-border entry into Canada or serve as documentation for extended stays. In addition, after-sales service personnel will be issued a visitor record if the intended stay is to be longer than two days.

TEMPORARY IMPORTATION OF GOODS

A business visitor may temporarily import certain goods duty-free. Goods that qualify are professional equipment

(tools of the trade), equipment for the press or for radio or television broadcasters, cinematographic equipment, goods for sports purposes, and goods for display or demonstration. As a condition of duty-free entry, a country may require that these goods not be sold or leased while in its territory, and that they be accompanied by a bond if they are not goods originating in the visitor's country of residence. Commercial samples, advertising films and printed advertising materials (e.g., brochures, pamphlets, leaflets, trade catalogues, yearbooks published by trade associations, tourism promotional materials and posters) may also be imported temporarily without payment of duty.

In addition, none of the member countries may assess customs duty on goods that, pursuant to a warranty, are exported for repair or alteration to another member country and then are re-imported. This is true regardless of the origin of the goods and regardless of whether the goods could have been repaired or altered in the exporting member country.

EXPORTING GOODS

It is part of the Department of Foreign Affairs and International Trade's mandate to provide Canadian exporters with comprehensive information, counselling and problem-solving services related to each country's export and purchasing laws and regulations, including customs, NAFTA rules, government procurement, agricultural quotas, standards, etc. Information or assistance can be obtained from the Department's InfoCentre by telephone at 1-800-267-8376 or by fax at (613) 996-9709.

Canadian enterprises requiring additional information on U.S. or Mexican federal procurement processes for goods, services, and construction services should contact the Department's Tariffs and Market Access Division by telephone at (613) 995-3921 or by fax at (613) 992-6002. U.S. and Mexican enterprises requiring more information on Canadian government procurement processes should contact Government Services and Public Works Canada by telephone at 1-800-361-4637.

AFTER-SALES SERVICE

The purpose of a business visitor entering a member country when performing after-sales service must be to install, repair or service, or to supervise these functions, or to train workers to perform services; and in each case the activity must be pursuant to a warranty or service contract entered into as an integral part of the sale of commercial or industrial equipment, machinery or computer software purchased from an enterprise located outside of the country

where the service is to be provided. A copy of the original sales contract for the purchase of the goods must be shown at the border, and your proposed activities must be supported by clear wording in the contract.

Those seeking entry to perform after-sales services must possess specialized knowledge essential to the seller's contractual obligation. Specialized knowledge is considered to be a very high degree of knowledge that can only be imparted to an already skilled person through extensive training.

Regardless of the existence of the wording in sales, warranty or service agreements, a business visitor is not considered to be performing after-sales service if that person is to perform hands-on building and construction work. However, a person can supervise or train workers performing installation, repair or maintenance work that involves building or construction work.

2. PROFESSIONALS

The cross-border movement of professionals listed in Appendix 1603.D.1 of the NAFTA (see attached) is facilitated between member countries. Professionals are exempt from the job-validation process normally required of individuals looking to enter a foreign country's labour market.

GENERAL QUALIFYING CRITERIA

To qualify as a professional under the NAFTA you must meet the following criteria:

- you are a citizen of a member country;
- the occupation you are to be engaged in is listed in Appendix 1603.D.1 of the NAFTA (see attached);
- you are qualified to work in the occupation in which you are to be engaged;
- you have pre-arranged employment or a contractual agreement with an entity located within the country to which you are seeking temporary entry; and
- you meet existing immigration requirements for temporary entry.

You will need to provide documentation indicating:

- the professional-level activity to be carried out;
- your job title;
- a summary of your job duties;
- the starting date and expected length of the temporary stay; and
- the arrangement for remuneration.

This documentation can take the form of:

- a signed contract between you and an enterprise; or

- a letter from your prospective employer(s) confirming that employment has been offered and accepted; or
- a letter from your present employer confirming that you are entering the member country in order to render professional services pursuant to a signed contract between your employer and an enterprise located within the country to which entry is being sought. (An enterprise can be an individual as well as an entity.)

Proof of your professional-level qualification can be demonstrated by presenting certified copies of your educational or alternative credentials. Proof of citizenship can best be demonstrated by presenting a passport. You will also need to demonstrate to immigration officers that you have no plans to reside indefinitely in the country to which you are seeking entry. Once entrance has been granted, you are entitled to work for, or provide services to, only the enterprise(s) indicated on your employment authorization. Professionals must also comply with all applicable state, provincial or local certification, registration or licensing requirements before commencing work.

SELF-EMPLOYED PROFESSIONALS

Pursuant to a contract under this category, a self-employed business person may enter a member country to engage in activities such as performing training functions relating to the profession, including conducting seminars. However, those wishing to enter solely for the purpose of either being self-employed in the country where entry is sought, or establishing a professional practice also in the country to which entry is sought, do not qualify under this category. Business persons looking to establish a business in a foreign member country may wish to investigate applying for temporary entry in either the intra-company transferee or trader-and-investor categories.

CANADIAN PROFESSIONALS ENTERING THE UNITED STATES

Professionals will be expected to meet the "General Qualifying Criteria" listed above. Application can be made at any U.S. port of entry. No forms need to be completed and determination can be made at the time of application.

You will be issued a record of entry document (I-94) indicating the classification code TN, which serves as your employment authorization. Present the I-94 to the U.S. Social Security Administration to receive a social security number. There is a US\$50 processing fee.

Professionals can renew their status annually and there is no limit on the number of years during which they can remain within the U.S. under this classification. However, when seeking renewal you will be expected to demonstrate

that the employment remains temporary, and that you continue to be qualified to work in your profession.

CANADIAN PROFESSIONALS ENTERING MEXICO

Professionals require an approved FM3 form to work in Mexico. The FM3 form can be obtained from a Mexican embassy or consulate, or from within Mexico.

You can also enter Mexico with an FMN form, which can be obtained at no charge from most travel agencies and airlines or at a Mexican port of entry. (The FM3 form is not issued at Mexican ports of entry.) The FMN form is valid for up to 30 days. However, before commencing work in Mexico, entering professionals must obtain an FM3 form from a National Migration Institute office. You will also need to obtain a professional identity card from the Directorate General of Professions of the Ministry of Education before practising your profession.

When applying for an FM3 form you will be expected to demonstrate that you meet the "General Qualifying Criteria" listed above. FM3 forms are valid for one year but can be renewed for an additional four years before a new FM3 form must be obtained. The processing fee for an FM3 form is 424 pesos, and it is usually issued within five working days.

U.S. AND MEXICAN PROFESSIONALS ENTERING CANADA

U.S. and Mexican professionals can apply for an Employment Authorization at any Canadian embassy, consulate, or port of entry. You must demonstrate that you meet the "General Qualifying Criteria" listed above. When applying at ports of entry, no written application is required and determination can be made at the time of application. The processing fee for issuing an employment authorization is C\$125. After admittance into Canada, a Social Insurance Number can be obtained from a local Canada Employment Centre.

3. INTRA-COMPANY TRANSFEREES

Intra-company transferees are business persons employed by an enterprise who are seeking to render services to a branch, parent, subsidiary or affiliate of that enterprise, in a managerial or executive capacity or in a manner that involves specialized knowledge.

The total period of stay for a person employed in an executive or managerial capacity cannot exceed seven years. The total period of stay for a person employed in a capacity that requires specialized knowledge cannot exceed five years.

GENERAL QUALIFYING CRITERIA

To qualify as an intra-company transferee you must:

- be a citizen of a member country;
- be seeking employment in an executive or managerial capacity, or one involving specialized knowledge (in the case of specialized knowledge, provide evidence that you possess such knowledge and that it is required for the proposed employment);
- have been engaged in a similar position within the enterprise for at least one year within the previous three years;
- be transferring to an enterprise that has a clear relationship with the enterprise in which you are currently employed; and
- comply with existing immigration requirements for temporary entry.

When seeking entry you will be expected to provide:

- a detailed outline of the purpose and length of stay for which entry is being sought; and
- a detailed outline of your current job description, position title and place in the organizational structure of the enterprise.

TERMS

"Branch" means an operating division or office of the same organization housed in a different location.

"Parent" means a firm, corporation or other legal entity that has subsidiaries.

"Subsidiary" means a firm, corporation, or other legal entity with a parent that owns, directly or indirectly, half or more than half of the entity and controls the entity; or that owns, directly or indirectly, 50 per cent of a 50-50 joint venture and has equal control and veto power over the entity; or that owns, directly or indirectly, less than half of the entity but in fact controls the entity.

"Affiliate" means one of two subsidiaries, both of which are owned and controlled by the same parent or individual; or one of two legal entities, owned and controlled by the same group of individuals, each individual owning and controlling approximately the same share or proportion of each enterprise.

"Doing business" means the regular, systematic and provision of goods and/or services on a continuing basis by a parent, branch, or subsidiary or affiliate, and does not include the mere presence of an agent or office. (There

must be business enterprises actively "doing business" in both the country to be entered and your home country.)

"Managerial capacity" means an assignment within an organization in which the employee primarily manages the organization or a department, subdivision, function or component of the organization.

"Executive capacity" means an assignment within an organization in which the employee primarily directs the management of a major component or function of an organization.

"Specialized knowledge" means special knowledge possessed by an individual of the enterprise's product, service, research, equipment, techniques, management or other interests and the application in international markets, or an advanced level of knowledge of, or expertise in, the organization's processes and procedures.

CANADIAN INTRA-COMPANY TRANSFEREES ENTERING THE UNITED STATES

Before a Canadian intra-company transferee seeks entry to the United States, the proposed U.S. employer must submit an application to the U.S. Immigration and Naturalization Service on the "Petition for Temporary Worker" form (I-129). The fee for processing an I-129 is US\$75. In addition to meeting the "General Qualifying Criteria" listed above, the intra-company transferee must show the approved application when seeking entry at a U.S. port of entry, whereupon he/she will be issued a record of entry document (I-94) indicating an L-1 classification code. The I-94 serves as a record of entry document and employment authorization, and should be presented to the U.S. Social Security Administration for the issuance of a social security number.

CANADIAN SMALL BUSINESS OWNERS ENTERING THE UNITED STATES

A Canadian who currently owns and operates a business, and who is considering expanding into the United States, can apply as an intra-company transferee at any U.S. embassy, consulate or U.S. port of entry. You must provide a detailed business plan showing, among other things, how your expansion will result in direct local employment, and you must comply with existing immigration requirements for temporary entry. Before your temporary residency will be extended, a review will be conducted one year after entry has been granted to determine whether you have met the objectives of the business plan. You can temporarily

reside in the United States in this classification for up to seven years.

CANADIAN INTRA-COMPANY TRANSFEREES ENTERING MEXICO

Intra-company transferees require an approved FM3 form to work in Mexico. The FM3 form can be obtained from a Mexican embassy or consulate, or from within Mexico.

Intra-company transferees can also enter Mexico with an FMN form, which can be obtained at no charge from most travel agencies and airlines or at a Mexican port of entry. (The FM3 form is not issued at Mexican ports of entry.) The FMN form is valid for up to 30 days. However, before commencing work in Mexico, transferees must obtain an FM3 form from a National Migration Institute office.

When applying for an FM3 form, you will be expected to demonstrate that you meet the "General Qualifying Criteria" listed above. The FM3 is valid for one year, but can be renewed for four additional years before a new FM3 form must be obtained. The processing fee for an FM3 form is 424 pesos, and it is usually issued within five working days.

U.S. AND MEXICAN INTRA-COMPANY TRANSFEREES ENTERING CANADA

Intra-company transferees must either complete an Application for an Employment Authorization at a Canadian consulate or embassy before departing for Canada, or apply directly at a Canadian port of entry. Intra-company transferees will need to comply with the "General Qualifying Criteria" listed above before they can receive an employment authorization, which is issued initially for a period of up to one year. Extensions may be granted in increments of up to two years. There is a C\$125 processing fee for issuing employment authorizations. Upon arrival, intra-company transferees should obtain a Social Insurance Number from a local Canada Employment Centre.

4. TRADERS AND INVESTORS

Traders are business persons who conduct substantial trade in goods or services principally between their country of residence and the country into which entry is being sought. Investors are business persons seeking to establish, develop, administer, or provide advice or key technical services to the operation of an investment to which they or their enterprises have committed, or are in the process of committing, a substantial amount of capital. Employees of

traders and investors, whose job duties are supervisory or executive in nature or whose skills are essential to the efficient operation of the enterprise, may also qualify.

GENERAL QUALIFYING CRITERIA – TRADERS

When applying for trader status you must demonstrate that:

- you are a citizen of a member country;
- the enterprise has the nationality of a member country;
- your predominant activity is to carry on substantial trade in goods or services principally between your present country of residence and the country to which you are seeking entry;
- the capacity in which you will be acting is executive or supervisory in nature or involves essential skills; and
- you otherwise meet existing immigration requirements for temporary entry.

TERMS

“**Nationality**” of an enterprise is determined by the citizenship of those person(s) who own(s) a minimum of 50 per cent of the enterprise.

“**Trade**” means the exchange, purchase, or sale of goods and/or services.

“**Goods**” are tangible commodities or merchandise having intrinsic value, excluding money, securities and negotiable instruments.

“**Services**” are economic activities with outputs other than tangible goods. Such activities include, but are not limited to, banking, insurance, transportation, communications and data processing, advertising, accounting, design and engineering, management consulting and tourism.

“**Substantial trade**” is determined by the volume of trade conducted as well as the monetary value of the transactions.

GENERAL QUALIFYING CRITERIA – INVESTORS

When applying for investor status you must demonstrate that:

- you are a citizen of a member country;
- the enterprise has the nationality of a member country;
- substantial investment has been or is being made;
- the investment is more than a marginal one;
- the enterprise is a real and operating commercial enterprise that operates on a continuing basis to produce some service or commodity for profit;
- you are in a position to “develop and direct” the enter-

prise or, if an employee of an investor, you are in a position that is executive, supervisory or involves essential skills; and

- you comply with existing immigration requirements for temporary entry.

TERMS

“**Substantiality**” is determined by using a “proportionality” test in which the amount invested is weighed against either the total value of the particular enterprise in question, or the amount normally considered necessary to establish a viable enterprise of the nature contemplated. Only the amount already invested or irrevocably committed for investment can be considered in determining substantiality, and this amount should make up at least 50 per cent of the total investment required. Documentation may be required to show that funds have been either invested or irrevocably committed, and to give evidence of the various forms of investment utilized, e.g., cash, equipment, purchases, inventory, indebtedness, lease/rent payments, etc. Mere intent to invest or prospective investment arrangements entailing no current commitment of funds will not suffice. You must also demonstrate prior or present possession and control of the funds or other capital assets.

“**Real and operating commercial enterprise**” can best be demonstrated by presenting a business plan describing the investment, expansion, and/or development related to the enterprise.

“**Marginal**” investment will result in maintaining or expanding local job opportunities. Passive investment in developed or undeveloped real estate does not qualify.

“**Develop and Direct**” means that you have controlling interest in the enterprise. If you have less than 50-per-cent controlling interest in the enterprise, you must be able to demonstrate how, in effect, operational control will be achieved.

CANADIAN TRADERS AND INVESTORS ENTERING THE UNITED STATES

Before seeking entry into the United States, traders and investors must complete Form OF-156E, available at a U.S. embassy or consulate, and pay a US\$75 processing fee. On approval of the application, you will need to demonstrate that you comply with the “General Qualifying Criteria” listed above before being issued a record of entry document (I-94) indicating the classification code E-1 (trader) or E-2 (investor) at the U.S. port of entry. The I-94 serves as an employment authorization document, and

should be presented to the U.S. Social Security Administration for the issuance of a social security number.

CANADIAN TRADERS AND INVESTORS ENTERING MEXICO

Traders and investors require an approved FM3 form to work in Mexico. FM3 forms can be obtained from a Mexican embassy or consulate, or from within Mexico.

Traders and investors can also enter Mexico with an FMN form, which can be obtained at no charge from most travel agencies and airlines or at a Mexican port of entry. (FM3 forms are not issued at Mexican ports of entry.) The FMN form is valid for up to 30 days. However, before commencing work in Mexico, traders and investors must obtain an FM3 form from a National Migration Institute office.

When applying for an FM3 form, you will be expected to demonstrate that you meet the "General Qualifying Criteria" listed above. FM3 forms are valid for one year, but can be renewed for an additional four years before a new FM3 form must be obtained. The processing fee for an FM3 form is 424 pesos, and it is usually issued within five working days.

U.S. AND MEXICAN TRADERS AND INVESTORS ENTERING CANADA

In addition to complying with the "General Qualifying Criteria" listed above, an Application for an Employment Authorization (Form IMM1295) must be completed at a Canadian embassy or consulate prior to seeking entry. You will also be required to provide information on your business by completing an Application for Trader/Investor Status. There is a C\$125 processing fee for issuing employment authorizations. Upon arrival, traders and investors should obtain a Social Insurance Number from a local Canada Employment Centre.

CHANGING OR RENEWING STATUS

THE UNITED STATES

To obtain status as a business visitor (B-1 classification), a Canadian and his/her dependant(s) may apply from within the United States to the Immigration and Naturalization Service on Form I-539 (Application to Extend/Change Non-immigrant Status). The Immigration and Naturalization Service Form I-129 (Petition for Temporary Worker) should be used for applications to extend or change status for the professional, intra-company transferee, and trader and investor categories. Applications take up to three months to process, and a departure by the appli-

cant from the United States during the processing period can negatively affect the application process. Applications should be forwarded to:

Director
Northern Service Center
United States Immigration and Naturalization Service
100 Centennial Mall North, Room B-26
Lincoln, NE 68508

CANADA

You can extend your stay or change your temporary status while in Canada. Call the local number listed under "Immigration" in the Government of Canada Section (blue pages) of the telephone directory and ask for the application kit entitled "Applying in Canada: for Extension of Visitor Status, Student Authorization, Employment Authorization" or "Extension of Minister's Permit". The form and instructions will be mailed to you. Kits can also be picked up in person at local Canada Immigration Offices or Government of Canada InfoCentres. Applications must be submitted at least one month before your status expires, and there is a processing fee of C\$125.

MEXICO

In cases where changes in temporary residency status are being sought, you can apply in Mexico at a National Migration Institute office. In cases where extensions are being sought, you will be required to make a declaration that there has been no change in the purpose or circumstances that gave rise to your original entry. FM3 holders may request up to four extensions of one year each, and can then request a new FM3 form should they wish to remain longer. The processing fee for an FM3 form is 424 pesos, and it is usually issued within five working days.

NON-NAFTA U.S. TEMPORARY-ENTRY VISAS

PERSONS WORKING IN SPECIALTY OCCUPATIONS

A person qualified in a specialty occupation not covered under the NAFTA may still be granted temporary entry into the United States under existing temporary-entry immigration regulations. (A specialty occupation is generally defined as an occupation that requires the theoretical and practical application of a body of highly specialized knowledge, and attainment of a bachelor's degree in the particular speciality as a minimum for entry into the occupation.)

The U.S. employer seeking to employ a Canadian in a speciality occupation not covered under the NAFTA would

need to secure a certified Labour Condition Application (Form ETA 9035) from the U.S. Employment and Training Administration of the Department of Labour. Once secured, an I-129 petition would then need to be submitted to the U.S. Immigration and Naturalization Service. Upon approval of the I-129 petition, the individual can then apply for temporary entry at any port of entry.

You will be required to meet existing immigration requirements for temporary entry (health, safety, security, etc.) before being issued a record of entry document (I-94) indicating an H-1B classification. Photo identification will need to be shown when applying for entry.

A person working in a specialty occupation is limited to a maximum of six years in the United States with H-1B status. Initial admissions may be for a maximum of three years, with an extension of up to three years.

PERFORMING ARTISTS

Canadian performing artists (e.g., members of a Canadian entertainment group in a creative field such as music, opera, dance, theatre or the circus) who have a signed contract with an enterprise in the United States for single or multiple performances require a temporary employment visa. Canada's Department of Foreign Affairs and International Trade has produced a pamphlet entitled "Guide for Canadian Performing Artists Entering the United States." The pamphlet outlines the major provisions applicable to foreign performers under the United States Immigration Act of 1990 and the amendments and regulations instituted in September 1994. It can be obtained by contacting the Department's InfoCentre by telephone at 1-800-267-8376 or by fax at (613) 996-9709. For a more definitive interpretation of U.S. immigration law and regulations, contact the closest United States Immigration and Naturalization Service District Office or Regional Service Center, or a U.S. embassy or consulate in Canada. If you are experiencing difficulty in entering the United States as a Canadian performing artist, contact the Canadian Consulate General in New York City at (212) 596-1600.

LABOURERS

The H-2B non-agricultural category for temporary worker can be utilized by U.S.-based enterprises that require person(s) to perform temporary services or non-agricultural labour within the United States. An H-2B visa will not be issued if the labour or service to be rendered by the temporary worker is judged as displacing U.S. workers capable of performing such services or labour, or if employment of the

temporary worker adversely affects the wages and working conditions of U.S. workers.

The prospective employer must file an ETA 750 form with the local state job service office, and must demonstrate that the basic recruiting, posting, and advertising for qualified U.S. workers have been carried out. If labour certification is approved, the prospective employer must then file the I-129 petition form with the U.S. Immigration and Naturalization Service.

Once the I-129 petition is approved, the temporary worker will then be issued a record of entry document (I-94) at any port of entry. Temporary workers will be required to meet existing immigration requirements for temporary entry (health, safety, security, etc.), and applicable state or local licensing or certification requirements.

The initial period of stay authorized in the United States to H-2B temporary workers cannot exceed one year. A maximum of two one-year extensions may be granted. However, each new I-129 extension petition must be accompanied by a new labour certification.

APPENDIX 1603.D.1 TO THE NORTH AMERICAN FREE TRADE AGREEMENT

PROFESSION

MINIMUM EDUCATION REQUIREMENTS AND ALTERNATIVE CREDENTIALS

GENERAL:

Accountant	Baccalaureate or Licenciatura Degree; or C.P.A., C.A., C.G.A. or C.M.A
Architect	Baccalaureate or Licenciatura Degree; or state/provincial licence
Computer Systems Analyst	Baccalaureate or Licenciatura Degree; or Post-Secondary Diploma or Post-Secondary Certificate, and three years' experience
Disaster Relief Insurance Claims Adjuster (claims adjuster employed by an insurance company located in the territory of a party, or an independent claims adjuster)	Baccalaureate or Licenciatura Degree, and successful completion of training in the appropriate areas of insurance adjustment pertaining to disaster relief claims; or three years' experience in claims adjustment and successful completion of training in the appropriate areas of insurance adjustment pertaining to disaster relief claims
Economist	Baccalaureate or Licenciatura Degree
Engineer	Baccalaureate or Licenciatura Degree; or state/provincial licence
Forester	Baccalaureate or Licenciatura Degree; or state/provincial licence
Graphic Designer	Baccalaureate or Licenciatura Degree; or Post-Secondary Diploma or Post-Secondary Certificate, and three years' experience
Hotel Manager	Baccalaureate or Licenciatura Degree in hotel/restaurant management; or Post-Secondary Diploma or Post-Secondary Certificate in hotel/restaurant management, and three years' experience in hotel/restaurant management
Industrial Designer	Baccalaureate or Licenciatura Degree; or Post-Secondary Diploma or Post-Secondary Certificate, and three years' experience
Interior Designer	Baccalaureate or Licenciatura Degree; or Post-Secondary Diploma or Post-Secondary Certificate, and three years' experience
Land Surveyor	Baccalaureate or Licenciatura Degree; or state/provincial/federal licence
Landscape Architect	Baccalaureate or Licenciatura Degree
Lawyer (including Notary in the Province of Quebec)	LL.B., J.D., LL.L., B.C.L. or Licenciatura Degree (five years); or membership in a state/provincial bar
Librarian	M.L.S. or B.L.S. (for which another Baccalaureate or Licenciatura Degree was a prerequisite)
Management Consultant	Baccalaureate or Licenciatura Degree; or equivalent professional experience as established by statement or professional credential attesting to five years' experience as a management consultant, or five years' experience in a field of specialty related to the consulting agreement

Mathematician (including Statistician)	Baccalaureate or Licenciatura Degree
Range Manager/Range Conservationalist	Baccalaureate or Licenciatura Degree
Research Assistant (working in a post-secondary educational institution)	Baccalaureate or Licenciatura Degree
Scientific Technician/Technologist	Possession of (a) theoretical knowledge of any of the following disciplines: agricultural sciences, astronomy, biology, chemistry, engineering, forestry, geology, geophysics, meteorology or physics; and (b) the ability to solve practical problems in any of those disciplines, or the ability to apply principles of any of those disciplines to basic or applied research
Social Worker	Baccalaureate or Licenciatura Degree
Sylviculturist (including Forestry Specialist)	Baccalaureate or Licenciatura Degree
Technical Publications Writer	Baccalaureate or Licenciatura Degree; or Post-Secondary Diploma or Post-Secondary Certificate, and three years' experience
Urban Planner (including Geographer)	Baccalaureate or Licenciatura Degree
Vocational Counsellor	Baccalaureate or Licenciatura Degree
MEDICAL/ALLIED PROFESSIONALS:	
Dentist	D.D.S., D.M.D., Doctor en Odontologia or Doctor en Cirugia Dental; or state/provincial licence
Dietitian	Baccalaureate or Licenciatura Degree; or state/provincial licence
Medical Laboratory Technologist (Canada)	Baccalaureate or Licenciatura Degree; or Post-Secondary Diploma or Post-Secondary Certificate, and three years' experience
Medical Technologist (Mexico and the United States)	
Nutritionist	Baccalaureate or Licenciatura Degree
Occupational Therapist	Baccalaureate or Licenciatura Degree; or state/provincial licence
Pharmacist	Baccalaureate or Licenciatura Degree; or state/provincial licence
Physician (teaching or research only)	M.D. or Doctor en Medicina; or state/provincial licence
Physiotherapist/Physical Therapist	Baccalaureate or Licenciatura Degree; or state/provincial licence
Psychologist	State/provincial licence; or Licenciatura Degree
Recreational Therapist	Baccalaureate or Licenciatura Degree
Registered Nurse	State/provincial licence; or Licenciatura Degree
Veterinarian	D.V.M., D.M.V. or Doctor en Veterinaria; or state/provincial licence
SCIENTISTS:	
Agriculturist (including Agronomist)	Baccalaureate or Licenciatura Degree
Animal Breeder	Baccalaureate or Licenciatura Degree
Animal Scientist	Baccalaureate or Licenciatura Degree
Apiculturist	Baccalaureate or Licenciatura Degree

Astronomer	Baccalaureate or Licenciatura Degree
Biochemist	Baccalaureate or Licenciatura Degree
Biologist	Baccalaureate or Licenciatura Degree
Chemist	Baccalaureate or Licenciatura Degree
Dairy Scientist	Baccalaureate or Licenciatura Degree
Entomologist	Baccalaureate or Licenciatura Degree
Epidemiologist	Baccalaureate or Licenciatura Degree
Geneticist	Baccalaureate or Licenciatura Degree
Geologist	Baccalaureate or Licenciatura Degree
Geochemist	Baccalaureate or Licenciatura Degree
Geophysicist (including Oceanographer in Mexico and the United States)	Baccalaureate or Licenciatura Degree
Horticulturist	Baccalaureate or Licenciatura Degree
Meteorologist	Baccalaureate or Licenciatura Degree
Pharmacologist	Baccalaureate or Licenciatura Degree
Physicist (including Oceanographer in Canada)	Baccalaureate or Licenciatura Degree
Plant Breeder	Baccalaureate or Licenciatura Degree
Poultry Scientist	Baccalaureate or Licenciatura Degree
Soil Scientist	Baccalaureate or Licenciatura Degree
Zoologist	Baccalaureate or Licenciatura Degree

TEACHERS:

College	Baccalaureate or Licenciatura Degree
Seminary	Baccalaureate or Licenciatura Degree
University	Baccalaureate or Licenciatura Degree

TERMS:

“State/provincial/federal licence” means any document issued by a state, provincial or federal government, as the case may be, or under its authority, but not by a local government, that permits a person to engage in a regulated activity or profession.

“Post-Secondary Diploma” means a credential issued, on completion of two or more years of post-secondary education, by an accredited academic institution in Canada or the United States.

“Post-Secondary Certificate” means a certificate issued, on completion of two or more years of post-secondary education at an academic institution, by the federal government of Mexico or a state government in Mexico, an academic institution recognized by the federal government or a state government, or an academic institution created by federal or state law.

BUSINESS OPPORTUNITIES

Before entering into a contractual agreement with a company, readers are advised to verify the bonafides of the companies listed here.

PAKISTAN — A company is enlisting vendors for **equipment and services for a five-star, 500-room deluxe hotel and a 2,000-seat convention centre** in Islamabad. Contact Inter Hotels (Pakistan) Ltd., 59 Korangi Creek Road, Karachi 74900, Tel.: (92) 21 506 0290 or (92) 21 506 0546; Fax: (92) 21 506 3694.

PAKISTAN — The Board of Investment, Government of Pakistan, has issued a list of Pakistani entrepreneurs who are seeking **joint ventures** in areas that include: **automobiles; electronics and electrical goods; infrastructure; mining; plastic products; pharmaceuticals; textiles; and wood products.** As the list is quite extensive, interested Canadian com-

panies that would like more information may contact: Mr. Hassan Wasim Afzal, Consul General/Trade Commissioner, Consulate General of Pakistan, 3421 Peel Street, Montreal, PQ H3A 1W7, Tel.: (514) 845-2297; Fax: (514) 845-1354.

POLAND — Established in 1887, a manufacturer of environmentally-friendly **natural and synthetic latex** (used in furniture, automobiles, footwear and hospital equipment) wishes to enter into a **co-operative agreement** with a similarly interested Canadian company. Contact Piotr Faruga, Stomil Warsaw Works Co., Ltd. UI, Goclawska, 03-810, Warsaw, Poland, Fax: (+48-22-10-3617).

RUSSIA — The Board of Foreign Economic Relations of Khabarovsk Territory Administration — 19 Miravjov-Amursky Street, Khabarovsk, 680002, Russia, tel.: (7-421-0)

33-3025; telex: 141131 ASTRA SU) — is soliciting expressions of interest to develop: 1) **Milkanskoye iron ore deposit**; 2) **Noninskoye gold sulphide deposit**; and 3) **Sobolinoye tin deposit.** Additional information (approximately a half page on each project) is available from Barbara Vukovic, Department of Natural Resources Canada, Ottawa, Tel.: (613) 995-2662.

TAIWAN — A company urgently seeks a supplier of **prime hot-rolled steel billets with a chemical composition of ASTM A 615 GR40.** Specifications are, **size: 100mm by 100mm; and length: 6m, 9m and 12m.** Contact Mr. Chin Chih Lin, Ming Din Enterprise Co., Ltd., 15F-38, No. 63, San To 4th Road, Ling Ya Dist., Kaohsiung City, Taiwan, Tel.: 886-7-330-5779; Fax: 886-7-330-5605. (Quotation C&F to Taiwan port).

Continued on page 16 — Business

U.S. Contracts — Continued from page 8

Contact: Paints and Chemical Commodity Center, Tom Westerlund, (206) 931-7887.
Small Business Set-Aside: No

Chemicals and Chemical Products

disinfectants

Expected contract value: \$5M
Number of vendors on current schedule: 8
Next solicitation expected to be issued: Feb. 96
Contract Period: 3-1-93/2-28-98
Schedule Identification: 68 VI A
Contact: Paints and Chemical Commodity Center, Carol McKenzie, (206) 931-7040
Small Business Set-Aside: No

Floor Finish/Stripper

Expected contract value: \$4M
Number of vendors on current schedule: 20
Next solicitation expected to be issued: Mar. 96
Contract Period: 8-1-94/7-31-97
Schedule Identification: 79 IV

Contact: Paints and Chemical Commodity Center, (206) 931-7090

Small Business Set-Aside: No

Sorbents (marine/non-marine)

Expected contract value: \$4 million
Number of vendors on current schedule: 10
Next solicitation expected to be issued: Mar. 96.
Contract Period: 4-1-94/3-31-97
Schedule Identification: 79 V
Contact: Paints and Chemical Commodity Center, (206) 931-7582
Small Business Set-Aside: No

Cleaners/Degreasers (Biodegradable)

Expected contract value: \$10M
Number of vendors on current schedule: 9
Next solicitation expected to be issued: Mar. 96
Contract Period: 7-1/6-30
Schedule Identification: 79 VI
Contact: Paints and Chemical Commodity Center, Tom Westerlund (206) 931-7937
Small Business Set-Aside: Partial.

TRADE FAIRS AROUND THE WORLD

Bangladesh Booked for Canadian Catalogue Show

KHULNA, BANGLADESH — A multi-sectoral **Canadian Catalogue Show** will be held September 5-6, 1995 in this country's second port city, which also lays claim to being the main commercial centre of southwest Bangladesh. The show will be hosted by the Canadian High Commission in conjunction with the Khulna Chamber of Commerce and Industry (KCCI).

Taking advantage of the country's growing open market economy, its moves to privatization and balanced economic growth, the show will promote Canadian capabilities and exports to Khulna-based Bangladeshi companies.

The show will exhibit current videos (vhs format multi-system), brochures, catalogues, business cards, and printed material of Canadian products/services companies. It also will display Department of Foreign Affairs and International Trade, provincial and International Trade Centre promotional materials (including posters).

A High Commission commercial officer will attend full-time to act as a resource person and to monitor attendance. Those attending will include importers, traders, manufacturers, and government officials.

According to KCCI officials, Khulna's main imports are: cement, fertilisers, oilseeds, soda ash, steel sheets, and marine diesel engines. Industries include: fish processing and packaging, semi-intensive fish culture, jute, leather, hardboard, cable, ship-building, edible oil, wood sawing,

furniture, flour mills, light engineering, cement, medicine, cold storage, iron foundry and jute baling.

Interested parties should send — *for onward forwarding to Dhaka no later than August 10, 1995* — all materials to: Ms. Janice Fitchett, South Asia Division (PSA), Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2. Tel.: (613) 992-0665.

Cairo Conference, Fair Focus on Technology

CAIRO, EGYPT — Interested parties have until September 30, 1995 to submit papers and until October 15, 1995 to reserve exhibition space for **Aqua-Tec'95**, being held here December 5-7, 1995.

The discussion part of this **International Conference and Trade Fair on Potable Water Management and Water Treatment Technologies** will feature topics on: water treatment technologies, with particular focus on low-cost technology systems; innovative financial, management and operational sustainability within communities of varying characteristics; and opportunities for co-manufacturing and technology transfer.

The trade fair portion of **Aqua-Tec'95** is aimed at establishing cooperation between the business sector, the scientific community and other institutions participating in the event and will present treatment technologies for different qualities of water.

Aqua-Tec'95 is co-sponsored by the Egyptian Environmental Affairs Agency, and its Technical Cooperation Office for the

Environment. The event will attract government agencies, academic institutions, industry and consulting firms from the Middle East, North Africa and many industrialized countries.

Contact Hany W. Ibrahim, Canadian Embassy, Cairo, fax: (011-202) 354-7659.

Two Fairs in Saudi Arabia

RIYADH — **SaudiAgriculture 95**, the **14th Agriculture, Water and Agri-Industry Show**, will be held here on October 8-12, 1995.

With the most developed and sophisticated agri-economy in the Middle East, Saudi Arabia represents one of the best export opportunities for Canadian companies in the agricultural manufacturing and services sectors.

Held every year, **SaudiAgriculture** is the longest-running event of its kind. In 1994, it hosted over 500 exhibiting companies from 20 countries. Some 14,500 industry professionals attended the event.

Contact Derek Complin, President, Unilink, 50 Weybright Court, Unit 41, Agincourt, Ontario M1S 5A8, Tel.: (416) 291-6359; Fax: (416) 291-0025.

RIYADH — The **8th Building and Construction Exhibition, SaudiBuild 95**, will be held here October 29 to November 2, 1995.

The Gulf's severe climatic conditions put heavy demands on the Kingdom's capital stock and infrastructure. To counter this, considerable investment in operations and maintenance services is

TRADE FAIRS AROUND THE WORLD

required.

Due to a change in the national policy, an increasing number of projects will be carried out by the private sector. They will include industrial and commercial centres, major water projects, roads, public buildings, including hospitals and schools, and private housing and associated amenities (e.g. shopping malls).

The show will cover the following sectors: building; construction; operations and maintenance; interiors; risk control; and water technology.

SaudiBuild's last edition attracted more than 700 companies from 19 countries and 19,764 building industry professionals from throughout Saudi Arabia and neighbouring states.

Contact Rick Clynick, Africa and Middle East Trade Development Division, Department of Foreign Affairs and International Trade, Tel.: (613) 944-5984; Fax: (613) 944-7431.

Cuba Fair Attracts Canadians

HAVANA, CUBA — Canadian businesses interested in the Cuban market should consider participating in the **Havana International Fair**, being held here October 29-November 5, 1995.

As Cuba's top and highly publicized fair, it attracts numerous local buyers and officials who use the one-week presence of foreign suppliers to negotiate contracts and/or establish contacts with new exporters or re-acquaint themselves with established suppliers.

The Department of Foreign Affairs and International Trade (DFAIT), realizing the importance

of this fair in Canada/Cuba bilateral relations, again will be represented by a national stand.

Cuba, despite well publicized economic difficulties, imports some \$US2500 million of goods annually. Tourism is the country's number one economic priority and its major earner of foreign exchange. Indeed, tourism was primarily responsible for the mid-1980s change in Cuba's policy on foreign investment.

The country now promotes the establishment of joint ventures with foreign companies in all productive economic sectors, including agriculture, as a means of acquiring capital, technology, management, and markets. The only sectors excluded from foreign investment are health care and education and retail and wholesale trade and services.

As well, Cuba's network of dollar stores is largely exempt from payment difficulties/foreign exchange shortages and payment is normally on a confirmed irrevocable letter of credit basis.

Canadian exporters interested in attending the 1995 **Havana International Fair** and seeking further information may contact Paul Schutte, Latin America and Caribbean Trade Division, DFAIT, Ottawa, Tel.: (613) 996-5358; Fax: (613) 944-0479.

Santiago Largest Show Site

SANTIAGO, CHILE — The **International Fair of Santiago (FISA 1995)** is an open horizontal fair which concentrates on consumer goods, industrial machinery, environmental goods and services, heavy mining

equipment, construction, and communications systems.

The largest fair of its kind in Latin America, **FISA 1995** takes place from October 28 to November 6. Canada will sponsor a national pavilion

With an area of 34,000 square metres and over US\$100 million worth of equipment on exhibit, last year's edition attracted participants from 38 countries. More than one million visitors attended.

The fair will also be attended by business delegations from neighbouring countries such as Brazil, Argentina and Peru, among others.

Contact Pablo Feres, Canadian Embassy in Santiago at fax 011-562-696-0738, or Charlotte Ward, Latin America and Caribbean Trade Division, DFAIT, in Ottawa at fax (613) 996-4199.

Guatemala Fair Guarantees Business

GUATEMALA CITY, GUATEMALA — The internationally recognized trade fair, **Interfer '95**, being held October 31 to November 12, attracts approximately one million visitors from the region and from around the world.

Sixteen countries participated officially in the 1993 edition, and another 14 were represented in international pavilions. Some 560 companies exhibited their products and services in the 8,000 square metres of display space.

In 1993, 35 per cent of participating companies established some type of representation, agency or distribution in Guatemala, and medium-term operations were calculated at US\$10 million.

Interfer '95 features a broad

TRADE FAIRS AROUND THE WORLD

and diverse range of sectors, including automotive, construction, hardware, furniture, industrial machinery, chemical, textiles, transportation, informatics, food and beverage, home appliances, and finance.

Guatemala is the largest market for Canadian products in Central America. It also has the largest industrial sector in the region and its economy accounts for over 33 per cent of Central America's GNP.

Companies wishing to participate in **Interfer '95** should contact Hugo Cerezo, Commercial Section, Canadian Embassy by fax at (502-2) 33-6189, or Céline Boies, Department of Foreign Affairs and International Trade, Latin America and Caribbean Trade Division at Tel.: (613) 996-6129; Fax: (613) 943-8806.

Paris Hosts Two Shows in One

PARIS, FRANCE — Presented jointly from November 6 to 11, 1995, **BATIMAT**, the International Construction Show, and **INTERCLIMA**, the International Heating, Cooling and Air-conditioning Show, will be the biggest world meeting of the building, construction and climatic engineering sectors.

Some 5,300 exhibitors and 750,000 visitors from more than 120 countries are expected at the Paris and Paris-Nord exhibition grounds which offer a total exhibition area of 418,000 square metres.

The federal government will co-ordinate a Canadian pavilion at **BATIMAT** for all Canadian companies interested in the construction and materials sectors.

Contact Gaston Thompson at DFAIT, Western Europe Trade Division, Tel.: (613) 992-7001; Fax: (613) 944-1008. Alternatively, contact Chantal Balas, Commercial Attaché, Canadian Embassy, 35, avenue Montaigne, 75008 Paris, France, Tel.: (011-33-1) 44.43.23.62; Fax: (011-33-1) 44.43.29.98.

Mexico City Scene of Canada Technology Showcase

MEXICO CITY, MEXICO — The Department of Foreign Affairs and International Trade (DFAIT) will be holding its largest event ever this November at its Canadian Business Centre in Mexico City. Canadian manufacturing technology, equipment and services will be featured at the **Canada Technology Showcase** in three consecutive trading/partnering weeks being held November 6-24.

Week one highlights manufacturing equipment and processes; week two covers manufacturing automation and systems; and week three features manufacturing services such as industrial engineering, management consulting, training and environmental and safety issues.

The Opportunity

Mexican manufacturing industries are facing strong pressure to improve product quality and consistency as well as productivity. However, capital costs have been an obstacle for many smaller companies wishing to upgrade their capability.

This represents an opportunity for Canadian firms that develop, for instance, products and services

that adapt existing conventional machine tools to numeric control.

As well, the Mexican plastics industry has grown by 150 per cent over the past three years — and imports have been the primary source of new equipment and machinery. Total imports for moulds and dies alone were over \$233 million in 1993 — and Canada's market share was slightly less than 6 per cent of this amount.

Target sectors for Canadian manufacturing equipment and services in Mexico include the plastics, food, automotive, furniture, as well as iron and steel industries.

Value-added Feature

One way that a Canadian firm can capitalize on these opportunities is through partnering arrangements such as strategic alliances or joint ventures. The **Canada Technology Showcase** will act as a catalyst to bring potential alliance/joint venture partners together.

For more information on **Canada Technology Showcase**, contact the Latin America and Caribbean Trade Division, Jeff Blackstock at (613) 995-8742 or Bill Ryback, (613) 995-7941.

London the Location for '95 World Travel Market

LONDON, ENGLAND — Rhéal Leroux and Associates, an Ottawa-based company, is co-ordinating a Canadian group participation to **World Travel Market**, being held at Earls Court, November 13-16, 1995.

The 1994 edition of this important international trade show was

TRADE FAIRS AROUND THE WORLD

the most successful to date, attracting some 64,000 people from 157 countries along with more than 46,000 trade visitors. Over 28,000 visitors placed orders during the exhibition in 1994.

For more details on how to participate, contact Rachel Gauthier, Project Officer, Rhéal Leroux and Associates, 37-1010 Polytek Street, Ottawa K1J 9J2, Tel.: (613) 741-9397; Fax: (613) 741-9906.

Productronica 95

MUNICH, GERMANY — **Productronica 95**, one of the world's largest electronics manufacturing exhibitions, will take place from November 7 to 10.

Productronica covers all aspects of electronics manufacturing, including micro-electronics components and hybrid integrated circuit boards, board units and assemblies, measurement and quality control devices, and more. This year, **Productronica 95** will focus on the management of electronic waste.

For further information, contact Messe München GmbH Messegelände, Tel.: (089) 51 07-0; Fax: (089) 51 07-506.

CMA Telecom 95: Top 500 Telecoms in the U.S.

NEW YORK, U.S. — The **Communications Managers Association (CMA) Telecom 95**, being held November 14-16, is an ideal venue to gain exposure and make contacts with the top 500 telecommunications companies in the United States.

Telecom 95 is expected to attract over 7,500 decision makers responsible for identifying company needs, initiating purchases, evaluating software and hardware products and services, recommending or specifying vendors, and approving and signing purchase orders, as well as distributors and sales representatives.

For more information, contact Donald H. Garretson, Jr., Commercial Officer, Trade Section, 1251 Avenue of the Americas, New York, NY 10020-1175, Tel.: (212) 596-1600; Fax: (212) 596-1793.

Recruitment Underway for Mexico Construction Show

GUADALAJARA, MEXICO — The Department of Foreign Affairs and International Trade (DFAIT) now is recruiting companies to participate in a major construction show taking place here November 17-19, 1995.

The three-day construction products and services trade fair, **CONSTRUEXPO'95**, which runs the gamut from basic construction equipment to windows and doors, will be followed by a one-day mission that will explore similar fields in Monterrey, Mexico.

For further information on these events, contact Jon Dundon, Latin America and Caribbean Trade Division, DFAIT, Ottawa. Tel.: (613) 996-6921. Fax: (613) 944-0479.

Interbuild 95

BIRMINGHAM, UK — **Interbuild 95**, the latest edition of which

attracted more than 100,000 visitors, will take place from November 19 to 24.

Interbuild, which celebrates its centenary this year, will include bathrooms and sanitary equipment, tiling, heating and air circulation, air conditioning, insulation, built-in kitchen furniture and appliances, interior design, security and fire prevention equipment, doors, windows and verandas, computers, construction equipment, floor finishing, roofing, carpentry equipment, and others.

Contact Unilink, 50 Weybright Court, Room 41, Agincourt, Ontario M1S 5A8, Tel.: (416) 291-6359; Fax: (416) 291-0025.

Poland Hosts Ecological Fair

POZNAN, POLAND — Canadian companies are invited to participate in **POLEKO'95**, a major international ecological fair being held in this Polish city November 21-24, 1995.

The event, at which Canada will have an Information Booth, is said to offer the largest display of pro-ecological equipment in Central Europe.

Environmental protection is one of Poland's most rapidly growing sectors. Last year in Poland, more than US\$1 billion was spent on environmentally-friendly projects.

Business opportunities have been identified, primarily, in the areas of: water protection; air pollution control; and land surface protection.

POLEKO'95 offers the Cana-

Continued on page 14 — Fairs

Selling to U.S. Government? Here's Help!

The following reports, produced by the Canadian Embassy in Washington, will help Canadian exporters find out about upcoming opportunities, cost-effective market strategies, and resources to help them win new business in this challenging and profitable market. Reports are available from the Department of Foreign Affairs and International Trade (DFAIT) InfoCentre, Ottawa, Tel.: 1-800-267-8376 (Ottawa area 944-4000); Fax: (613) 996-9709. Highlights of many of these reports could be obtained by calling Faxlink from a fax machine at (613) 944-4500. For further assistance with your U.S. federal market strategy, with these or other sectors, contact Judy Bradt, Commercial Officer, Canadian Embassy, Washington, Fax: (202) 682-7619.

Document Number	Report
<i>General</i>	
4/94	A Guide to the U.S. Federal Solicitation
none	Selling Non-Defence Products/Services to the U.S. Federal Gov't (Kit)
<i>Services</i>	
B10/95	Selling Construction Services to the Army Corps of Engineers
B8/95	Selling Architectural/Engineering Services to the U.S. Federal Gov't
11/94	Management Consulting, Education and Training Services Market
12/94	Health Care Consulting Market in U.S. Federal Government
18/95	Health Care Consulting Partnership and Subcontracting Opportunities
<i>Informatics</i>	
17/95	U.S. Federal Informatics Market 1995-96
13/94	U.S. Federal Electronic Imaging Report
B4/95	Public Sector Electronic Kiosk Opportunities
B9/95	Document Imaging and Management
B6/95	Client-Server Opportunities
<i>Geomatics</i>	
10/94	Charting a Course for Contracts: U.S. Geomatics Market
19/95	U.S. Investment Capital Opportunities for Canadian Geomatics Firms
<i>Transportation</i>	
5/94	U.S. Transportation Procurement and Federally-Funded Transit Contracts

Fairs — Continued from page 13

dian environmental business community an outstanding marketing opportunity and, while Canada's capabilities in this field are not widely known in Poland, Canadian participants at **POLEKO'95** are sure to find significant interest in their products,

technologies and services.

The Canadian Embassy will participate in **POLEKO'95** with an Information Booth. Canadian companies are encouraged to exhibit, as participation costs are low and the pay-off potential is high.

For more information, contact

Canadian Embassy, Commercial Section, Warsaw, Poland. Tel.: (48 22) 29 80 51. Fax: (48 22) 29 64 57.

Interested parties may also contact Ms. Agnieszka Malicka, Poznan International Fair Ltd., Poznan, Poland. Tel.: (48 61) 66 63 12. Fax: (48 61) 66 06 43.

PUBLICATIONS

Trade Barriers Catalogued

The Department of Foreign Affairs and International Trade has released the *1995 Register of U.S. Barriers to Trade*, a listing of barriers to the free flow of goods, services and investment. The register provides information on a variety of subjects, including U.S. subsidies, unilateral trade remedies, government procurement and domestic preference laws, customs and administrative procedures, and technical and regulatory practices. To obtain a copy, call toll-free the Department's InfoCentre at 1-800-267-8376, or, in Ottawa-Hull, (613) 944-4000. Fax requests should be sent to (613) 996-9709.

Mineral, Metal Exports to Chile

The Department of Natural Resources Canada has released a paper identifying the main Canadian mineral and metal commodity exports to Chile. Tariff issues and the problems involved in reviewing commodity trade data are discussed. Key Canada-Chile trade statistics are also included. Copies of the paper are available upon request through Barbara Vukovic, Natural Resources Canada at (613) 995-2662.

International Business Events Calendar (Prairie/NWT)

Industry Canada, through its International Trade Centres, has established an *International Business Events Calendar* on a computerized bulletin board system (BBS). The calendar is intended for businesses and individuals in Alberta, Saskatchewan, Manitoba and the Northwest Territories.

The BBS lists business events sponsored by all levels of government, Chambers of Commerce,

business councils, universities and other organizations.

The *International Business Events BBS* is a free, user-friendly service which is accessible 24 hours a day, seven days a week via any personal computer with a standard modem. To connect, dial 1-800-338-8449, or 495-4181 in the Edmonton region. For more information, you may call Kiki Morrell, Industry Canada at (403) 495-2957.

Transportation Report

Whatever one's transportation interest, the *National Transportation Agency of Canada Report (NTA Report)* contains everything one needs to know about the major decisions, orders and reports of the Agency — from decisions on common carrier obligations to conveyances and railway abandonments. Published each year, the NTA Report is a valuable reference for municipal, provincial and federal governments; lawyers and consultants specializing in transportation; and transportation associations and companies. The reports (1992, 1993, 1994), each costing \$95 (plus applicable taxes and handling charges), are available from Canada Communication Group — Publishing (CCG-P), Ottawa K1A 0S9, Tel.: (819) 956-4800; Fax: (819) 994-1498.

New Legal Resources Guide
Establishing a U.S. Corporation discusses legal issues encountered in creating a permanent establishment in the United States. Written by an attorney, Thomas E. Schofield, the guide describes the effect of permanent establishment, identifies and provides guidance on the forms of

business organization in the U.S. It also discusses legal issues of concern to foreign enterprises, including compliance with government regulations, terms of sale, risk management and financing opportunities. It is available free of charge from the U.S. Trade Center, Olympic Towers, 300 Pearl Street, Suite 200, Buffalo, New York 14202, Tel.: 1-800-U.S. TRADE; Fax: 1-800-842-4575.

Ins and Outs of Distribution in China

Finding better ways to distribute goods and services in China can be complex and time consuming. Much has been written on the subject, but *Distribution in China: Getting Down to the Nuts and Bolts* brings together all the information in one report.

Backed by case studies of companies' successes and failures, every aspect of China's complex distribution system is covered — from the traditional state distribution system to the new entrepreneurs and companies with national distribution and wholesaling services.

Distribution in China is a practical, easy-to-read report that is essential reading for companies doing business with China. The book was researched and written by Intercedent, a Canadian firm of international marketing consultants, and published by the Economist Intelligence Unit.

To order, contact: **Hong Kong** - Tel.: (852) 2862-0888; Fax: (852) 2865-1554; **United Kingdom** - Tel.: (44-322) 289-194; Fax: (44-322) 223-803; **New York**, Tel.: 1-800-938-4685, 1-212-554-0600; Fax: 1-212-586-1181.

BUSINESS AGENDA

Ottawa — August 10-11 — **The Canadian Technology Showcase**, presented by Corel Corp., the Canadian Advanced Technology Association (CATA), and Industry Canada, provides a unique opportunity to display technologies to 200 leading media and distributors.

For more information, call CATA at 1-800-387-2282, menu #670.

Calgary — September 25-26, 1995 — The Canadian Energy Research Institute (CERI) hosts the **14th CERI International Oil and Gas Markets Conference**.

Contact CERI Conference Division. Tel.: (403) 282-1231. Fax: (403) 289-2344.

Halifax — September 25, 1995; **Montreal** — September 26; **Toronto** — September 27; **Calgary** — September 28; **Vancouver** — September 29, 1995 — **Shipping to Mexico: Getting It Right the First Time**. This series of half-day seminars, featuring Canadian and Mexican government representatives and businesspeople, provides all the information, tips and guidelines one needs to successfully ship goods to Mexico. The series is presented jointly by the Canadian Council for the Americas and the Department of Foreign Affairs and International Trade. Contact: The Canadian Council for the Americas, Toronto, Tel.: (416) 367-4313; Fax: (416) 367-5460.

Montreal — September 12-14, 1995 — The most important transportation and logistics exhibition in Canada for users and suppliers, **Transfreight '95** will feature more than 170 exhibitors and is expected to attract some 4,000 attendees. Activities include two conference seminars per day on topics that range from ISO 9000 and handling methods to Customs and NAFTA and freight rates. Admission is free to companies in the transportation and logistics industry. The entrance fee for non-members is \$20.

Contact: Jean-Pierre Emmanuel, BOMART Group, Tel: (514) 337-9043; Fax: (514) 337-1862.

In Vitro and Biological Products Seminars Set for Canadian Cities

The Canadian Embassy in Washington, DC, in collaboration with the United States Food and Drug Administration (FDA), intends to hold a one-day training seminar covering in vitro and biological products.

Tentative dates for this seminar are Fall/Winter 1995. Subjects such as pre-marketing requirements, in vitro labelling, good manufacturing practice (GMP), production controls, combination products, and FDA inspections will be covered.

Tentative location sites are Toronto, Montreal, Halifax, Winnipeg and Vancouver. Due to funding limitations, however, it is expected that a maximum of four locations will be selected.

If you and your associates would be interested in participating in such an event, the Canadian Embassy would like to hear from you. Please fax messages to M. M. Ellenbogen, Canadian Embassy, Washington, DC, at 202-682-7619.

Business — *Continued from page 9*

UNITED STATES — A firm with internationally established distribution channels seeks **strategic alliances with software developers** whose programs simplify or make more efficient existing applications. Initial contact requires a demo disc, technical literature, and a statement on the sustainable competitive advantage of the program. Contact Tim O'Pry, President, MicroHelp Inc., 4211 J.V.L. Industrial Park NE, Marietta, Georgia 30066, Tel.: (404) 516-0899. Copy correspondence to Canadian Consulate General, Suite 400 South Tower, One CNN Center, Atlanta, Georgia 30303-2705, USA, Tel.: (404) 577-6810/1512; Fax: (404) 524-5046.

INFOCENTRE

The InfoCentre of the Department of Foreign Affairs and International Trade provides counselling, publications and referral services to Canadian exporters. Companies interested in obtaining trade-related information are invited to contact the InfoCentre at 1-800-267-8376 (Ottawa Region: 944-4000) or by fax at (613) 996-9709. Trade information is also available by calling FaxLink (from a fax machine) at (613) 944-4500, the Department's round-the-clock faxback service.

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Vol.13, No. 14

India's Assam

A State of Interest to Canadian Industry

The State of Assam has been generously endowed with natural gifts — petroleum, natural gas, minerals, vast forests and fertile lands, and most of all, the mighty river Brahmaputra and its tributaries, with their immense potential. Assam's many natural resources have opened possibilities for innumerable industries. Now is the time for Assam to harness these assets and step into the modern industrial world.

Industrial Horizons

India will become an increasingly important market for Canada, both in terms of exports and investment.

That's one message in *Focus India*, a new economic and trade development strategy of Canada's federal government.

In India's Assam state, new horizons are opening for entrepreneurs and investors, encouraged by government incentives for

industrial development.

A growing communications network is linking the hinterlands with the centres of manufacturing and production. The establishment of technical institutions, including an Indian Institute of Technology at Guwahati, promises availability of trained technocrats and managers.

A grid to ensure a steady supply of power and an inland container depot to facilitate the

THE NETHERLANDS SUPPLEMENT

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export of products are only two examples of the changing industrial atmosphere of Assam.

AIDC: The Catalyst

The Assam Industrial Development Corporation Limited (AIDC) was incorporated by the Government of Assam in 1965. Today, it stands as the catalyst in all aspects of the state's industrial development, in the public and private sectors.

Incentives offered by AIDC include facilities such as land, licences, financial benefits and tax concessions. AIDC has also moved to revitalize inefficient facilities and set up new and subsidiary plants.

Continued on page 5 — Assam

1995 Canada Export Awards

Minister MacLaren Welcomes "Partners in Trade"

On July 17, 1995, Roy MacLaren, Minister for International Trade, announced the participation of the Canadian Imperial Bank of Commerce (CIBC) and the Export Development Corporation (EDC) as co-sponsors of the 1995 Canada Export Awards.

Under the theme "Partners in Trade", CIBC and EDC join the Department of Foreign Affairs and International Trade (DFAIT) in celebrating the success of this year's award winners. This marks the first time in its 13-year history that the award program will be sponsored by organizations outside of

the Department.

"Partnership between the private sector and government is one of the best ways to effectively and economically deliver important services to Canadians. This is why it is so very satisfying to have these two respected organizations work with the Department to promote the accomplishments of this year's winners," Mr. MacLaren said.

CIBC is one of Canada's leading financial institutions and is dedicated to helping Canadian companies take advantage of

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SHARING TRADE SECRETS

Vancouver Pharmaceutical Gets Positive Results in The Netherlands and Farther Afield

When it comes to the development of new products and applications for photodynamic therapy (PDT) — including cancer treatment — QLT PhotoTherapeutics Inc. of Vancouver is one of the world leaders in the field.

QLT is no newcomer in the research, development and marketing of light-activated drugs for the treatment and prevention of diseases.

As a matter of fact, it made medical history back in 1993 with its PHOTOFRIN — the first light-activated drug to be approved for use anywhere in the world — when Canada approved its use in the treatment of certain bladder cancers.

One year later, photodynamic therapy (PDT) with PHOTOFRIN was approved in the Netherlands for the treatment of certain cancers of the lung and oesophagus, as well as the treatment of tumours of the oesophagus which affect the ability to swallow.

Market choice

Why did QLT choose the Netherlands as its launching pad into Europe last year?

"It all came down to the choice of the right person," explains QLT's Chief Financial Officer Ken Galbraith. "The representative chosen to run the company's subsidiary happened to be in the Netherlands".

The Dutch office's three employees coordi-

nate QLT's clinical trials in the Netherlands as well as the marketing of the company's drugs in that country.

Another factor that contributed to the choice of the Netherlands is that country's speedier approval process for new drugs.

It is also known that the incidence of lung cancer in the Netherlands is one of the highest, per capita, in the world. Dutch authorities estimate that more than 9,000 new cases of lung cancer and oesophageal cancer are diagnosed in that country each year.

The approved indications of PHOTOFRIN apply to a majority of these cases.

But QLT did not stop its foray into Europe with the Netherlands. It has also submitted marketing applications in France, Germany, Italy, Spain and Greece.

Plans are underway for a submission in the U.K. Since no other light-activated drug has been approved for use in Europe, that should give QLT quite a solid grip on that huge market.

How did QLT do it?

Galbraith is the first to admit that the biggest help came from the Netherlands' Trade Office in Ottawa.

The Canadian Embassy in The Hague was also very helpful in providing local market information that was essential in assessing the company's potential in the Netherlands. After the initial investigations, Canadian lawyers and officials in the Netherlands helped QLT sort out the legal implications and offer tax advice.

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SHARING TRADE SECRETS

Expansion into Japan

Shortly after the breakthrough in the Netherlands, QLT received marketing approval for PHOTOFRIN in Japan, last September. This came just over two years after the original submission by QLT's development and marketing partner, Lederle (Japan) Ltd.

There again, the pattern follows the expansion venture into the Netherlands.

A strategic partner was chosen and the Canadian Embassy in Tokyo was used extensively in helping to arrange meetings, assess information and draw up a list of potential new partners.

According to Galbraith, "Japan also tends to be a very good market for approval and early adoption of new drugs."

In addition, Japanese approval expands QLT's scope of PDT treatment with PHOTOFRIN to cases such as early-stage lung cancer, superficial and early-stage gastric cancers, and early-stage cervical cancer.

The product

Photodynamic therapy (PDT) itself is an emerging medical field that uses light-activated drugs in the treatment of cancer and other diseases. It kills diseased cells while sparing healthy ones. Although QLT's main application is for cancer, many other diseases may also respond to such treatment.

PDT with PHOTOFRIN is a two-step process.

The drug is first injected intravenously into the patient. This is followed by an interval — approximately 48 hours — during which the drug circulates, selectively accumulates, and is retained in abnormal tissue such as tumours while clearing from most other tissue.

PHOTOFRIN has no toxic effect on the

tumour until light from a medical laser is focused on the tumour which activates the drug and destroys the cancer while causing minimal effect to surrounding healthy tissue.

A typical light treatment takes between 10 and 30 minutes, depending on the nature of the diseased tissue.

Future prospects

Just a couple of months ago, QLT received some good news from the U.S. Food and Drug Administration (FDA): an "approvable" letter for its light-activated drug PHOTOFRIN and associated devices.

Full FDA approval is expected, pending some additional technical information on the drug and some minor revisions to the labelling.

"This is a big step toward the first ever marketing approval in the U.S. for a photodynamic therapy drug," said a happy QLT President and CEO, Dr. Randal D. Chase.

Not content with being the first company in any jurisdiction to gain regulatory approval for a light-activated drug for use in photodynamic therapy, QLT has already developed a second-generation drug, Benzoporphyrin derivative (BPD).

BPD has been undergoing clinical trials in Canada and the U.S. as a potential treatment for non-melanoma skin cancer and psoriasis; and in Boston, Massachusetts for age-related degeneration of the eye.

With just under 100 employees, the 15-year-old multi-million-dollar QLT is at the leading edge of Canadian know-how and is recognized throughout the world.

For more information on QLT, contact David J. Main, Director, Investor Relations and Corporate Communications. Tel.: (604) 872-7881. Fax: (604) 873-0816.



Win Export-Looking for Export Opportunities?

Make sure you are registered in the WIN Exports database which will showcase your company's capabilities to foreign buyers. To register, fax your request on your company letterhead to 1-800-667-3802 or 613-944-1078.

FoodNet Answers Immediately the Information Needs of Canada's Food Industry

Did you ever wish you could have instant access to the U.S. Federal Register? trade leads on a daily basis? or export market opportunities on a particular agri-food product? If so, **FoodNet** is the answer!

Developed by the Food Institute of Canada (FIC), in cooperation with Agriculture and Agri-Food Canada, **FoodNet** is an Internet site, dedicated to meeting the information needs of the food industry. It provides companies with immediate access to marketing, technical and regulatory information. It is a dynamic system, with new information added on a regular basis, ensuring that companies have access to the most up to date information.

FoodNet reduces the time wasted "surfing" for relevant information by linking directly to sites (e.g. the Department of Foreign Affairs and International Trade), U.S. sites (e.g. the Department of Agriculture, Food and Drug Administration), and other international sites (e.g. Japan External Trade Organization-JETRO).

FoodNet also has the capability of quickly transferring large files of information to the client, using one of the tools of Internet called File Transfer

Protocol (FTP). This handy feature enables companies to access large reports completely intact (tables included) and download them to their own computers. Examples of current offerings for file transfer are reports on market research, food safety (IACCPC) and regulations (D-19 Memoranda: Customs Notices for Agri-Food Products).

There is also an electronic comment form at the site for feedback on type of information offered and for communication directly with the Food Institute of Canada.

FoodNet's World Wide Web address is "http://foodnet.fic.ca"

For more information, contact Monica Treidlinger, Food Bureau, Market and Industry Services Branch, Agriculture and Agri-Food Canada, 930 Carling Avenue, Ottawa, Ontario K1A 0C5, Tel.: (613) 759-7548; Fax: (613) 759-7480; E-mail: mtreidlinger@em.agr.ca. Interested parties may also contact Joan Anderson, Food Institute of Canada, Suite 415, 1600 Scott Street, Ottawa, Ontario K1Y 4N7, Tel: (613) 722-1000; Fax: (613) 722-1404; E-mail: fic@foodnet.fic.ca

Partners in Trade — Continued from page 1

international business opportunities. Its Trade Finance Division won a Canada Export Award in 1991 in recognition of its support to Canadian exporters.

EDC has long served the interests of Canadian exporters worldwide through its well-established program of financial assistance and lines of credit. No stranger to the Canada Export Awards, EDC

annually hosts a special reception on the evening of the presentation ceremony.

The Canada Export Awards are presented annually by the Department to Canadian companies that have achieved success in international markets. This year's presentation will be held on October 2, 1995, in Fredericton, New Brunswick, in conjunction

with the annual convention of the Canadian Exporters' Association.

For information on how to apply for a Canada Export Award, please contact Beverly Hexter, Trade Development Operations (TOO), Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa, Canada K1A 0G2, Tel.: (613) 996-2274; Fax: (613) 996-8688.

Business Agenda

Ottawa – October 4, 1995 – The socio-economic requirements in procurement, including information on the industrial regional benefits policy, will be discussed at the Fall meeting of the **Industrial Benefits Association of Canada (IBAC)**. Contact Terry King, Ottawa, Tel.: (613) 722-6147; Fax: (613) 238-2802.

CANADA EXPORT



Focus on The Netherlands

The Multifaceted Netherlands Market

Surviving a brief but deep recession in 1992-93, the Dutch economy recovered steadily in 1994, with the Gross Domestic Product (GDP) growing by 2.5 per cent. The outlook for the remainder of 1995 and into 1996 is bright: inflation will remain low (in the 2 per cent to 2.5 per cent range); government deficit reduction appears to be on schedule; and consumer confidence is up. That's just one side of the economic/financial configuration of the Netherlands. Another, even more vibrant side, reveals the multifaceted market that is the Netherlands: a customer, a European test market and beachhead, an entrepot and warehousing centre, a European headquarters site, an

investor, a source of new technology — and a country of much greater commercial importance to Canada than its small population (15.4 million people) would suggest.

The Netherlands as Customer
Canadian exports to the Netherlands averaged \$1.4 billion annually over the past five years, making this country one of the most lucrative for Canadian exporters.

Sixty to 70 per cent of enquiries the Canadian trade office in the Hague receives from Canadian firms about the Dutch market are from companies new to this market. Many of these are newly-established companies, or companies that have

new products which are believed to warrant international promotion.

European Union Test Market

The Dutch economy is based not so much on manufacturing (22 per cent of GDP vs. 39 per cent for Germany), but rather more on trading and physical distribution, much of it centred on Europe's main port and warehousing centre at Rotterdam.

Canadian exporters find the Netherlands particularly attractive as an initial market entry point for penetrating continental European markets because:

- It is one of the world's top 10 importers of both goods and commercial services and has the highest per capita imports of any European Union (EU) country.
- For many products, the only competition is from other imports.

Canada-Netherlands Trade, Investment Relations

It may be small in size, but the Netherlands has been one of Canada's largest export markets. In 1994, Canadian exports to the Netherlands were valued at \$1.17 billion.

Trade

Like Canada, the Netherlands relies heavily on trade, and has the highest per capita imports of any European Union (EU) country.

Among the principal exports in 1994 were metals and minerals, forest products, agricultural and fishery products, machinery, aerospace and electronic equipment, chemicals and pharmaceuticals.

Continued on page X — Investment Relations

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SALE TO NETHERLANDS BOOSTS BUSINESS INTELLIGENCE

Whether large or small, Canadian companies face the same competition on world markets. As the largest company internationally specializing in application development tools, Cognos Incorporated is no exception.

With over 1,000 employees - 600 at its Ottawa headquarters alone - in more than 40 countries, and revenues of over \$168 million, Cognos is not new to foreign markets.

Yet the 25-year-old company is more than ecstatic at having won earlier this year such an important contract with the Dutch Ministry of Finance's Taxation Department.

The contract

The contract is a site license for the use of Cognos' PowerPlay and Impromptu, Windows-based business intelligence tools, plus three years of product support.

The Dutch Taxation Office has more than 30,000 employees located in 50 districts throughout the country. Every manager in every department will be able to use the software.

"Not only is this the largest business intelligence purchase ever announced by any software vendor in the world, but it is also Cognos' single largest order," said Cognos' President and COO Ron Zambonini. "Our previous record was for US\$2.1 million."

The negotiations

It took over 18 months of arduous testing and selection before Cognos emerged the winner among major international competitors.

Negotiations began in 1993, with a shortlist of five companies -- including Business Objects of France, Cognos' main competitor, and the U.S. Paradox -- being selected by December; testing began in January 1994; by March, a laboratory prototype was being built.

Although Cognos emerged with flying colours, a senior official in the Dutch Ministry of Finance asked for

new tests involving competitors such as SAS, Dunn & Bradstreet, Info Resource, and IRI, all from the U.S.

By the end of December 1994, Cognos and SAS were the only companies left in the running. Soon thereafter, the Taxation Department's managers chose Cognos.

According to Dutch Ministry project leaders: "The pilot project we ran with Cognos' products was very popular with our end users. They found the products to be very easy to learn and use. Moreover, the information systems managers were extremely impressed with the power demonstrated for handling even the most complex problems."

This led to negotiations in earnest -- for prices and site licenses -- in January, and the deal was closed in April.

Assistance

Cognos has been operating in the Netherlands for the past ten years, but, according to Cognos' Managing Director in the Netherlands, Wytze R.H. Rijkmans, "We find it very useful to present a letter of recommendation from the Canadian Embassy, stating that Cognos is a bona fide Canadian company.

"It also allows," he adds, "the prospective client to call the Canadian Ambassador to verify our credentials and that we stand in good stead with the Canadian government."

The products

Ideal for managers and management information systems professionals, Cognos' PowerPlay was released in 1990 and is used in Fortune 1000 and other companies.

Its multidimensional technology allows managers to view multiple data perspectives, providing them

with an instant view of what is driving their business.

Previously, this was available only to dedicated analysts.

PowerPlay's built-in data compression capabilities allow managers to make queries directly from the desktop or laptop, making calculations and analyzing trends in a dynamic way.

Impromptu, Cognos' enterprise query and reporting tool, propels business decisions and reporting by allowing end users to access the detail stored in corporate databases. It frees information systems administrators from the time-consuming and expensive task of assembling data for end users who lack the ability to search various databases.

Impromptu also includes dozens of ReportWise intelligent templates, complete with powerful logic calculations and automated macro processing, for use with reports.

Future prospects

While Cognos is still implementing its deal with the Dutch Taxation Department -- also helping with training and consulting -- it is looking for further sales possibilities in the Netherlands. Other Ministries, pharmaceutical and oil companies are showing interest.

Cognos has closed deals with several banks and insurance companies; other prospective clients will be invited to visit Cognos' facilities in Canada later this month.

With over 13,000 customers in 58 countries, Cognos is striving hard to maintain its leadership role in the world of business intelligence.

For more information on Cognos, contact Peter W. Martin, Vice President, Canadian Operations. Tel.: (613) 783-6800. Fax: (613) 235-0809.

Multifaceted Netherlands Market – Continued from page I

- English is spoken almost universally.
- It is easier for new exporters to adapt to the Dutch business mentality than to many other national mindsets.

Entrepot

A large volume of Canadian exports transits the Port of Rotterdam (or Amsterdam International Airport) en route to purchasers in other parts of Europe.

These transit shipments are not recorded by Statistics Canada as exports to Holland, but rather as exports to the country of ultimate destination as shown on the original shipping invoice.

However, apart from this pure transit trade, it has been estimated (as recorded by Statistics Canada) that roughly 20 per cent to 35 per cent of Canada's exports to the Netherlands are, in fact, "entrepot goods". These are usually bulk goods and "commodities" as opposed to fully-manufactured products and do not enter Dutch commerce directly; instead, they are warehoused in Holland by the original purchasers.

They may be traders, whose intention is to resell these products at a markup to their own international clientele, (tallow is a good example), or they may be investors, whose intention is to hold the commodity until they benefit from a price rise (e.g. aluminum). In fact, it is these investors who account for most of the entrepot goods; they include, among others, banks, commodity speculators, and certain Middle East investment firms.

Generally, Entrepot goods are warehoused in the Rotterdam area. Some entrepot goods are eventually resold into the Dutch market, but

since the Single Internal Market has come into effect, it is no longer possible to get accurate statistics on intra-European movements. One cannot know exactly how much is subsequently re-exported and how much eventually enters the Dutch domestic market.

Conversely, an unknown quantity of Canadian products enters the Netherlands through other European Union ports, notably Belgium. After customs clearance in such a port, the

Warehouse for Europe

Even if Canadian firms do not have a Dutch office or a Dutch agent, they can take advantage of excellent Dutch "distriport" facilities. They can ship containerloads of product to a specialized distriport company, which will warehouse the product, ship it to customers all over Europe against approved invoice, and provide such optional extra services as repackaging, final assembly, billing, collection, and total accounting.

Distriport services allow Canadian firms to give quick service to customers while benefitting from the lower cost of containerload shipping. These services are very sophisticated, yet few Canadian companies are taking advantage of them.

A Meeting Place

A number of Pan-European trade fairs (see also Trade Fairs, pages VI-VII) seminars and conventions take place in the Netherlands, thanks to excellent trade fair facilities, air connections, and use of English.

Examples include the International Broadcasting Convention (IBC), which moved there from less advantageous facilities in Brighton; Aquatech, a major international water engineering and wastewater technology exhibition; and the Marine

Equipment and Trade Show (METS), which has evolved into a Pan-European event that now draws visitors from all continents. ATC (Air Traffic Control) is an example of a specialized niche show at which Canada is usually well represented.



goods have free access to all EU markets, including the Netherlands.

In Dutch statistics, such shipments, though originating in Canada, would be recorded as imports from the EU country where customs clearance took place. Statistics Canada may also record these shipments as exports to countries other than the Netherlands, though they may end up there.

*Continued on page X —
Netherlands Markets*

INDUSTRY SECTORS IN THE NETHERLANDS OFFERING GOOD OPPORTUNITIES

A number of industry sectors in the Netherlands, in addition to ones generally mentioned elsewhere in this supplement, offer significant opportunities for Canadian exporters interested in this market. Some of these sectors are profiled here — together with business insights and tips pertinent to the specific sector.

Informatics/Telecom:

Information technology (computer hardware/software) sales in the Netherlands totalled about \$13.5 billion in 1994 and are growing at an annual rate of three per to four per cent. The software subsector is growing by 10 per cent and represents some 55 per cent of total sales.

While domestic software developers lead the Dutch market in financial/administrative software, there are good market opportunities for specialized applications: desktop publishing and expert systems, technical software (CAD/CAM and graphics), LAN/WAN networking software, and documentary information systems, including optical storage. Moreover, the relatively sophisticated Dutch software industry offers good opportunities for strategic alliances between Canadian and Dutch developers.

The highly competitive hardware/software market makes it imperative that a foreign supplier have strong representation and on-the-ground support. The first step usually is to appoint a competent distributor or other "partner" company.

Following deregulation of the PTT in 1989, there is now excellent potential for outside suppliers in the telecommunications subsector.

It is valued at well over \$12 billion and is growing by five per cent to seven per cent annually, and employs about 55,000 persons. Its fastest-growing segment includes mobile and satellite communication, Wans and out-sourcing services with growth expectations often reaching 20 per cent to 40 per cent. The importance of data communications in relation to telephony is also growing and is accompanied by changing traffic profiles (more picture/video, on-demand band width, etc.). Other opportunities exist in certain niche markets such as video conferencing, LAN hardware, routers, wireless telephones and ISDN peripherals. Important segments include Private Mobile Radio and Fleet Management Systems, with expected growth rates of 10 per cent.

Canadian companies are encouraged to familiarize themselves with all major Dutch

telecom players, including manufacturers, users, distributors or agents.

There are no specific barriers to Canadian imports, but telecommunication equipment generally undergoes testing to ensure local technical requirements are met. The CE (Conformité Européenne) mark is mandatory for peripheral equipment.

Environment:

The total market for environmental equipment and services is between \$6.14 billion and \$7.14 billion, with the country spending a relatively large proportion (1.34%) of its GDP on environmental protection.

In 1994, direct investments in environmental technology, equipment and services by industry alone amounted to some \$850 million. Dutch industry will likely double its spending on environmental protection in the next four years. The Dutch environmental industry has shown dramatic progress in water treatment, soil remediation, air protection, solid waste treatment and recycling; as well, pilot schemes have been developed to collect other waste materials such as batteries and used engine oil.

Many opportunities exist for exporters who can supply suitable methods to aid in the Netherlands' environmental efforts. There are good market prospects for water and air purification equipment, solid and chemical hazardous waste processing, soil cleansing and composting.

Finding a strong local partner company is imperative to gain access to this competitive market as well as to sometimes accessing third markets where Dutch firms are often active. The type of partner sought will depend on the service or product offered, ranging from the equipment distributor to the joint venture partner.

Wood/Wood Products:

There is a large market for Canadian forest products, since the Netherlands has virtually no commercial forests and relies heavily on imports.

The Netherlands, in 1994, imported \$45.1 million worth of Canadian forest products. That figure is expected to increase this year to \$47.3 million and

INDUSTRY SECTORS IN THE NETHERLANDS OFFERING GOOD OPPORTUNITIES

may well exceed \$50 million in subsequent years.

Imports from Western Canada consist mainly of Canadian Lumber Standards Spruce Pine Fir (CLS SPF) and Western Red Cedar; Eastern Canada is supplying increasingly more soft and hardwoods. Due to dramatic increases in Scandinavian suppliers' prices and the low availability of softwood from the former Soviet Union, the demand for Canadian CLS SPF has increased.

Numerous opportunities exist in this market's subsectors. Garden centres in the Netherlands require Western Red Cedar and joinery manufacturers need clear Hemlock, Laminated Veneer Lumber (LVL), and Cedar. The Dutch flooring market is growing and its key products include hard maple, white oak and lodgepole pine. Companies in the Dutch building sector may present opportunities to Canadian manufacturers of log homes and pre-engineered housing for joint ventures.

The most effective way to successfully supply the market is via the trade, but the recommended approach for most Canadian suppliers is to be represented by a competent agent or importer. *A key success factor in the wood industry is the ability to produce specifically to client needs, rather than mass produce to a standard specification.*

Defence:

Canadian exports in this sector are well established and growing. The market size in 1994 was about \$2 billion, with Canada's share being close to 3.75 per cent. This share is projected to rise to 6 per cent by 1996. Aggressive marketing is one factor that should aid this increase.

Good market prospects include simulation equipment, gas masks and other protective equipment and clothing, long- and medium-range remotely-piloted vehicles, electronic warfare and anti-submarine warfare equipment, TACAN (tactical air navigation), ammunition, and helmets.

It is essential to either establish a local presence or to work with a well-informed local agent. Regular contact with the Commercial Section of the Canadian Embassy will help companies manoeuvre the complex and often difficult defence procurement requirements.

Agri-food:

The Dutch, in 1994, imported about \$28 billion worth

of agri-food products. Canada's share of this trade is modest but shows healthy growth.

Leading items are canola, flaxseed, specialty soybeans, dry pulses and tallow. Further liberalization of trade widens the potential for Canadian exporters to generate sales to this market.

Rules of thumb: Bulk products may be sold to several buyers; with specialty items, it is best to work with one agent/importer on an exclusive basis. Direct business is growing with food chains which, however, are likely to have special wishes regarding packaging, labelling and presentation.

Instrumentation:

The \$7-billion Dutch instrumentation market can be divided into four subsectors: industrial electronics, industrial automation, laboratory technology and medical technology.

Industrial electronics and industrial automation are the two strongest areas. Opportunities exist for equipment for application in industrial automation systems and in industrial laboratories.

The area of medical technology is suffering from reduced government spending and is not expected to offer significant new opportunities. These cutbacks also affect the laboratory technology sector, where rising demand is expected only in the private sector.

The instrumentation market in the Netherlands is very competitive but already has imports from close to 50 Canadian manufacturers — the majority of whom, like the large number of foreign companies whose products are on the market, *work with a local distributor or representative.*

Business/Professional Services:

Services account for 78 per cent of Dutch GDP, or an estimated C\$410 billion in 1995 (\$308 billion, excluding government and other non-commercial services).

The Netherlands is a net exporter of services, but imports, estimated to be close to \$50 billion for 1995, are significant and Canada's share of the business could grow. In 1992, the latest year for which data are available, Canadian exports of business services to the Netherlands totalled \$143 million.

The services sector would appear to offer good opportunities for strategic partnering and, to some

Continued on page VIII — Good Opportunities

IMPORTANT TRADE FAIRS IN THE NETHERLANDS

AIR TRAFFIC CONTROL

Air Traffic Control (ATC) (Annual)

Location: MECC, Maastricht

Main Product Groups/Sectors: Radar, simulators, training, satellite systems, weather radar, instrument landing systems, ATC towers.

Show Management: Jane's Information Group, Sentinel House, 163 Brighton Road, Coulsdon, Surrey, CR5 2NH, Great Britain, Tel.: 181 763 1030; Fax: 181 763 1006.

AIR TRAINING EQUIPMENT

International Training Equipment Conference (ITEC) (Annual)

Location: Congresgebouw, The Hague

Main Product Groups/Sectors: Civil and military training equipment and simulators.

Show Management: ITEC Ltd., 51 Market Place, Warminster, Wiltshire BA12 9A2, Great Britain, Tel.: 1985 846181; Fax: 1985 846163.

BROADCASTING

International Broadcasting Convention and Exhibition (IBC) (Annual)

Location: RAI-Exhibition and Congress Centre, Amsterdam

Main Product Groups/Sectors: Broadcast equipment, cameras, systems, audio, radio, satellite, cables, HDTV, transmitters, multimedia, film.

Show Management: IBC Convention Office, IEE, Savoy Place, GB-London, WC2R 0BL, Great Britain; Tel.: (071) 2403839; Telex: 261176; Telefax: (071) 4973633.

BUILDING/CONSTRUCTION

International Building and Construction Exhibition (Bouwbeurs) (Biennial)

Location: Jaarbeurshal, Utrecht

Main Product Groups/Sectors: Building machinery, materials and systems, computers and business aids, hand tools, hinges and locks, industrial doors, information and transfer of know-how, insulation and ventilating, interior finishing materials and systems, paints and coatings, roofing systems, windows, doors, walls, kitchen furniture, built-in appliances, kitchen units and worktops, valves, lighting fixtures, special "wood" theme

section for wooden building materials and products.

Show Management: Koninklijke Nederlandse Jaarbeurs, Jaarbeursplein, Postbus 8500, 3503 RM Utrecht, The Netherlands; Tel.: (0) 30-955911; Telex: 47132; Fax: (0) 30-940379.

ELECTRICAL/ELECTRONIC

Trade Fair for Electrical Equipment and Industrial Electronics

(ELEKTROTECHNIEK) (Biennial)

Location: Jaarbeurshal, Utrecht

Main Product Groups/Sectors: Equipment for the transmission, distribution and storage of electrical energy, installations and accessories, measuring, regulating, control and testing devices, electrotechnical equipment, electrochemical applications, electroheating applications, lighting, industrial electronics, automation and computer science, parts for aerial installations, building management systems, telematics, information and trade literature.

Show Management: Koninklijke Nederlandse Jaarbeurs, Jaarbeursplein, Postbus 8500, 3503 RM Utrecht, The Netherlands; Tel.: (0) 30-955911; Telex: 47132; Fax: (0) 30-940379.

ENVIRONMENT

International Exhibition for Water Technology (AQUATECH) (Biennial)

Location: RAI-Exhibition and Congress Centre, Amsterdam

Main Product Groups/Sectors: Products and services related to the water technology industry: Equipment and systems, potable waste and process water treatment, general use of water and pollution control.

Show Management: Amsterdam RAI International Exhibition and Congress Centre, P.O. Box 77777, 1070 MS Amsterdam, The Netherlands; Tel.: (0) 20-5491212; Telex: 16017; Fax: (0) 20-6464469.

International Trade Fair for Waste Processing, Recycling and Environmental

IMPORTANT TRADE FAIRS IN THE NETHERLANDS

Technology (ECOTECH) (Biennial)

Location: Jaarbeurshal, Utrecht

Main Product Groups/Sectors: Appliances and technologies for solid waste processing and environmental technology.

Show Management: Koninklijke Nederlandse Jaarbeurs, Jaarbeursplein, Postbus 8500, 3503 RM Utrecht, The Netherlands; Tel.: (0) 30-955911; Telex: 47132; Fax: (0) 30-940379.

INSTRUMENTATION

Exhibition of Instruments, Apparatus and Systems concerning Industrial Automation and Laboratory Technology (Het Instrument) (Biennial, in alternation with "Medica")

Location: Jaarbeurshal, Utrecht

Main Product Groups/Sectors: Industrial automation: measuring, control and automation of industrial processes and systems. Laboratory: instruments, equipment and appliances.

Show Management: Federatie "Het Instrument", P.O. Box 152, 3760 AD Soest, The Netherlands; Tel.: (0) 2155-18204; Fax: (0) 2155-23739.

MARINE EQUIPMENT

International Marine Equipment Trade Show (METS) (Annual)

Location: RAI-Exhibition and Congress Centre, Amsterdam

Main Product Groups/Sectors: Equipment, material and services, such as marine equipment and accessories for recreational and small professional craft.

Show Management: Amsterdam RAI International Exhibition and Congress Centre, P.O. Box 77777, 1070 MS Amsterdam, The Netherlands; Tel.: (0) 20-5491212; Telex: 16017; Fax: (0) 20-6464469.

MEDICAL EQUIPMENT

International Hospital Equipment Exhibition (MEDICA) (Biennial)

Location: Jaarbeurshal, Utrecht

Main Product Groups/Sectors: Medical apparatus and instruments, medical disposables, hospital furniture, nursing requisites, textiles, clothing, hospital communication equipment and systems,

rehabilitation and home-care products, large kitchen equipment and apparatus, diet foods and foodstuffs, sterilizing and disinfecting equipment, laboratory furniture and equipment, hospital building, technical equipment, data processing, service organizations, consulting, technical literature, educational aids.

Show Management: Koninklijke Nederlandse Jaarbeurs, Jaarbeursplein, Postbus 8500, 3503 RM Utrecht, The Netherlands; Tel.: (0) 30-955911; Telex: 47132; Fax: (0) 30-940379.

SECURITY

International Security Exhibition (Annual, alternating with Essen/Germany)

Location: Jaarbeurshal, Utrecht

Main Product Groups/Sectors: Mechanical and electronic security systems, computerized security systems, security systems for computer software, consultancy, control and surveillance equipment, hold-up, intruder and theft alarm equipment, fire alarm equipment, smoke- and gas-warning equipment, transport security, work and protection wear, disaster protection systems, crime detection systems, surveillance and guarding services.

Show Management: Koninklijke Nederlandse Jaarbeurs, Jaarbeursplein, Postbus 8500, 3503 RM Utrecht, The Netherlands; Tel.: (0) 30-955911; Telex: 47132; Fax: (0) 30-940379.

TELECOMMUNICATIONS

Internetworking Event (Annual)

Location: RAI-Exhibition and Congress Centre, Amsterdam

Main Product Groups/Sectors: Computer networks, data communication, telecommunication, mobile networking.

Show Management: Lan Masters bv, Provincialeweg 4a, 4013 CL Kapel-Avezaath, The Netherlands; Tel.: (0) 34461 2150; Fax: (0) 34461 1546.

TOURISM

National Holiday Fair for Consumers/Trade (VAKANTIEBEURS) (Annual, 2nd week of January)

Location: Royal Dutch Fairs/Jaarbeurs, Utrecht

Continued on page X— Trade Fairs

GENERAL TIPS FOR EXPORTERS TO THE NETHERLANDS

English is the principal international language of business in this multi-lingual trading nation of 15 million people and barriers to trade are few; however, in addition to these ready-made trade facilitators, there are some general trade tips that can assist exporters in experiencing an even easier entry into this multifaceted market.

One tip, especially recommended when introducing a new product into the Dutch market, is to find a reputable agent or distributor — one that must be registered in the Trade Register of the District Chamber of Commerce. That's because it is very difficult to follow up sales leads, develop markets and provide after sales service from Canada.

Considering the Dutch market's competitive nature, importers often insist on exclusive distributorship. This often yields the best results if the

importer is well qualified and experienced.

Appropriate methods of distribution include: establishing a sales office to serve the entire country and provide a distribution base for Western Europe; selling through an agent or distributor whose activity may cover specified areas, the entire country, or other European markets in addition to the domestic market; selling through established wholesalers or dealers; selling directly to stores, chains, retail cooperatives, or central purchasing organizations.

A qualified agent, with language skills and an intimate knowledge of the market can mean the difference between success and failure.

Other Tips:

- Be ready to discuss price matters during the very first call on a Dutch firm. The Dutch drive a hard bargain and want quality at a low price.

- Give advance notice of your company visit and provide product brochures to the Commercial Division of the Canadian Embassy which will advise on the market potential.

- Dutch buyers and agents do not like large buying quotas or sales quotas.

- Price quotations should be Canadian or U.S. dollars, and specifications and product descriptions should be metric.

- Follow up promptly on business contacts.

- Avoid exploratory business visits during Dutch vacation periods (July-August, Christmas-New Year's).

- Year-round international trade exhibitions are a good way to introduce products to the market, to gather market intelligence and identify agents worldwide.

- A large system of bonded warehouses and customs regulations facilitates the use of the Netherlands as a centre for international distribution.

Good Opportunities – Continued from page V

extent, investment. Other service sectors offering export opportunities are: consulting engineering, architecture, environment, geomatics, specialty air services, education and training services (business only), and franchising.

Services may be introduced in a variety of ways, from simply selling a formula to a local party (whether on the basis of a straight lump sum or royalties) to setting up a local subsidiary and working from there.

The Dutch services market is mature and there is generally no lack of local expertise and manpower. Provision of services from a Canadian base cannot be taken for granted (although specialty air services is an exception). This would imply *the need to establish locally*, which involves considerable investment and higher labour costs than in Canada. *A service must be new and unique if it is to find a market.*

Tourism:

The projected revenue for 1995-96 from Dutch annual travel to Canada is \$63 million. The Canadian tourism market's Dutch prospects remain promising due to the Netherlands' strong economy, favourable currency rate and high participation rate in holidays.

To promote Canada as a place to take leisure holidays, marketing efforts should be aimed at theme parks, recreational and outdoor sports and touring.

SPECIAL NUANCES ON TRADE WITH THE NETHERLANDS

In addition to the general, fairly common trade tips on doing business with the Netherlands, there also are some specific or technical procedures and processes of which the exporter should be aware. Among them are:

. Customs Valuation:

Import duties are levied on the "transaction value" which includes freight, insurance, commission and all other charges. In general, no import duty is payable on any goods that are in free circulation between the Netherlands and the European Union and the European Free Trade Area (EFTA).

. Value Added Tax:

All imports into the Netherlands, regardless of where they are from, are subject to value added tax (known as BTW in the Netherlands) at the same rate as domestic goods.

. Samples:

Samples without commercial value are admitted duty-free. Carrying a Carnet (issued by the Canadian Chamber of Commerce) eliminates most of the red tape and eases both entering and leaving the Netherlands with samples and equipment.

. Import Licences:

Although import licences generally are not required, there are a few exceptions: goods of unknown origin or industrial goods from certain countries other than Canada require an import licence, as do textiles governed by the Multi-Fibre Agreement, steel products, coal, and defence equipment.

. Labelling:

Labelling regulations are issued and amended frequently. Some examples with specific requirements are foods, detergents and textiles.

. Hallmarking:

Hallmarking of gold and silver articles is required before they can be sold.

. CE Marking:

The CE (Conformité Européenne) mark has been introduced to show whether a product complies with European requirements in terms of safety, health, environment and consumer protection. The CE mark is not a guarantee of quality. Products for which CE marking is mandatory include pressure vessels, machinery, non-automatic weighing equipment, toys, building products, gas-using equipment, active implantable electromedical devices, peripheral telecom equipment, electromagnetic accountancy and personal protection equipment. CE marking will very shortly be required for another six product groups, while European Union directives are being prepared for at least ten other specific products.

. Certificates:

Health certificates from Agriculture Canada are needed for most live animals, fresh and frozen fish and meats, bones, artificial fert-

lizers, and animal feed. Unprocessed agricultural produce requires a phytosanitary certificate issued by Agriculture Canada. Shipments of softwood lumber need to be subjected to a heat-based treatment such as kiln drying.

With the exception of textile and clothing products, Certificates of Origin usually are not required for imports from Canada.

. Bill of Lading:

There are no regulations specifying the form or number of bills of lading required for any particular shipment. Bills of lading direct "to order" are accepted. On air cargo shipments, the way bill replaces the bill of lading.

. Packing List:

Although not required, a packing list is useful in expediting customs clearance. The list should describe, in detail, the contents of each case, and their respective weights and values.

. Commercial Invoice:

No special form of contents are prescribed for the commercial invoice, it is recommended that you include: date and place of shipment; markings and numerical order of packages; exact description of the goods; price agreed for the goods, including unit cost and total cost F.O.B. factory plus shipping, insurance and other charges.

Netherlands Trade Nuances

Netherlands Markets – *Continued from page III*

European Headquarters

Many established Canadian exporters have chosen the Netherlands as a site for a company sales office or sales support office responsible for all or part of continental Europe.

Sheritt Gordon is one such exporter. Although Britain, Germany and France are much larger markets for Sheritt's cobalt and nickel powders, and London is the normal base for the metals business, Sheritt chose Amsterdam as a European sales headquarters for a number of reasons:

- Its proximity to all major industrial European countries;
- Excellent rail, road, and air access to customers;
- A well-trained multilingual workforce, (including common usage of English);
- Political neutrality and stability;
- Excellent trade support services, including distribution; and
- Less expensive than London.

This preference is also evident in other sectors.

In the high technology sector, for instance, several datacom and telecom companies from Canada have new Dutch subsidiaries. Five major Canadian software companies have set up European operations in the Netherlands to undertake direct marketing, customer

support, product adaptation, supervision of distributors and, in some cases, new product development.

Moreover, the Netherlands offers Canadian firms numerous possibilities to form strategic alliances with Dutch companies that have complementary strengths (e.g. in biotechnology, agri-food, environment, telecommunications, language and image processing, new production systems, and transportation and logistics systems).

In the past, many Canadian companies, for tax reasons, maintained a holding company in the Netherlands. However, recent changes have reduced the advantageous treatment of offshore earnings, and these holding companies are losing importance.

Technology Source

The Netherlands maintains a strong role in Pan-European technology programs and is an important potential partner for joint technology cooperation.

The country's relative strengths in technology lie in agriculture and food processing, biotechnology, environmental technology, chemical products, consumer electronics and physical distribution.

Interesting Dutch technological developments can be found also in niche markets scattered across a number of other sectors.

Investment Relations – *Continued from page I*

Export prospects for Canadian firms are particularly promising in machinery, environmental technologies, forest products, telecommunications and software, defence, instrumentation, pharmaceuticals, medical devices, primary farm products, aircraft parts, and a variety of consumer goods.

Investment

There are few problems hindering investment flows between the two countries and the Netherlands is Canada's seventh-largest source of investment capital. Dutch investment in Canada is estimated at \$3.65 billion, while the value of Canadian investment in the Netherlands currently exceeds \$1.8 billion.

The strong guilder, a traditionally favourable investment climate, and the North American Free Trade Agreement (NAFTA), all make Canada attractive to Dutch investors.

Dutch companies with significant investments in Canada include Philips, Unilever, Shell, ABN AMRO Bank, Internationale Nederlanden Groep, and Akzo-Nobel.

Trade Fairs – *Continued from page VII*

Main Product

Groups/Sectors: Destination marketing organizations, tour operators, adventure travel, airlines, accommodation providers, car rental and other services related to tourism.

Show Management: Royal Dutch Fairs/Jaarbeurs, P.O. Box 8500, 3503 RM Utrecht, The Netherlands;
Tel.: (0) 30-955911;
Fax: (0) 30-940379.

***As of October 10, 1995, all telephone and fax subscriber numbers in Utrecht will be preceded with the number 2.*

Canadian Companies Succeed Where Business is Mutually Beneficial

From signing contracts and entering joint ventures, to setting up shop and establishing an important presence, Canadian companies are discovering that business opportunities in the Netherlands are multifaceted — and that success is possible in this market. They are finding, as well, that trade is a profitable two-way street, with Dutch companies setting up shop in Canada and with companies in both countries establishing profitable strategic alliances. Herewith a sketch of firms that are enjoying mutually beneficial business.

Kanata, Ontario-based **Pika Technologies Inc.**, recently established its European headquarters (Pika Europe) in the Rotterdam area, having successfully penetrated the Dutch market in cooperation with its distributor.

Pika, which designs, develops and markets voice-processing cards, pulse-to-tone converters and voice mail products, now has more approvals in the Benelux countries and Scandinavia than anywhere in Europe.

Factors which influenced the decision to make the Netherlands its European base included direct connections from Canada to Amsterdam-Schiphol airport; the absence of language difficulties; and the ease of access to the large mainland European market.

With three subsidiaries in the Netherlands (including the successful Multicopy express franchise), **The Moore Corporation** of Toronto has teamed up with **Indigo N.V.**, a Dutch printing technology company. The global market for digital colour printing is the target of Moore and Indigo. They will cooperate in developing markets for high performance digital offset colour products as well as advanced applications, such as database publishing.

When **Strait Crossing** was awarded the multi-million-dollar contract to build the 12.9km bridge which will link P.E.I. to the mainland in 1997, they were confronted with a number of technical and logistical challenges.

One was how to construct, transport to site and install the mammoth ice-resistant prefabricated sections, weighting up to 8,200 metric tons each, with a length of 192 meters.

The Dutch partner **Ballast Nedam** was selected, based on experience with a similar project in Denmark.

Strait Crossing will be prefabricating the concrete main bridge sections onshore. Bridge components are transported along the yard by a specially-designed slider track system to the jetty. The vessel "Svanen" transports them to site for installation.

One 250-M bridge section is completed each week. Prospects for delivering the complete bridge on schedule in 1997 look good.

(Postscript: Dutch consulting engineering and international contracting companies are recognized as being extremely successful in international markets.

The Association of Consulting Engineers of Canada (ACEC) concluded in a 1994 report that the technical expertise, international orientation and business acumen of Dutch consulting engineering organizations represent excellent opportunities for strategic alliances with Canadian companies in this sector.

The above example indicates that partnerships (in this case with a Dutch international contractor) can work. There is no reason why similar cooperations should not help Canadian and Dutch companies to jointly access civil engineering opportunities in third country markets.

Montreal has been chosen by a Dutch firm, **Bio-Intermediair**, as the site of a multi-purpose contract manufacturing facility that will produce biopharmaceuticals for clinical trials and licensing.

Bio-Intermediair will invest \$35 million and complement its work with the activities of the Biotechnology Research Institute. The project is expected to create up to 100 knowledge-intensive jobs.

Northern Telecom Limited of Canada (Nortel), under a \$Cd50-million contract signed recently by its Netherlands subsidiary, Northern Telecom B.V., and the Ministry of Defence of the Netherlands, will supply the Dutch Armed Forces with Synchronous Digital Hierarchy (SDH) transmission equipment and a network management system.

The contract is part of the development of the Netherlands Armed Forces Integrated Network (NAFIN) project for voice and data communications to which more than 200 defence sites will be connected.

"The contract is positive for both parties, as well as for the whole Dutch and European telecommunications sector," Nortel Europe President Jacques B. Bérubé said.

"There was fierce competition. The combination of a superior technical solution and our ability to manage complex networks was certainly crucial in the Ministry of Defence's decision," added Bérubé.

AT YOUR SERVICE...

• Main Contacts •

Canadian Embassy

Commercial Division

Street Address:

Parkstraat 25

2514 JD The Hague

Kingdom of the Netherlands

Tel.: (00-31-70) 361-4111

Fax: (00-31-70) 365-6283

Mailing Address:

P.O. Box 30820

2500 GV The Hague

Kingdom of the Netherlands

Michael R. Bell

Ambassador

Claude Fontaine

Minister-Counsellor

(Economic/Commercial)

Sectors: Cross-sectoral.

Darcee Munroe

Second Secretary, Commercial

Sectors: Telecom/datacom, broadcasting/cable, defence/aerospace.

Frits Zechner

Commercial Officer

Sectors: Agri-food and fishery products, transportation, natural resources (except forest products), chemicals, machinery, consumer products, engineering services.

Chris Rowley

Commercial Officer

Sectors: Information technologies including software, electronics, environment, environmental

equipment/technology, forest products, construction, energy (non-nuclear), medical devices, pharmaceuticals.

Prisca Haemers

Commercial Officer

Sectors: Biotechnology, geomatics; also responsible for investment and technology development.

Fred van Cleef

Commercial Officer

Sector: Tourism

Netherlands/Canada Chamber of Commerce:

In Canada:

34 King Street East, Suite 1100

Toronto, Ontario M5C 2X8

Tel.: (416) 368-0305

Fax: (416) 368-7231

In the Netherlands:

Bezuidenhoutseweg 181

2595 AH The Hague

Tel.: (31-70) 385-1336

Fax: (31-70) 347-3732

Netherlands Embassy

350 Albert Street, Suite 2020

Ottawa, Ontario

K1R 1A4

Tel.: (613) 237-5030

Fax: (613) 237-6471

Western Europe Division, Europe Branch,

Department of Foreign Affairs and

International Trade, 125 Sussex Drive, Ottawa,

Ontario K1A 0G2. Tel.: (613) 995-6440;

Fax: (613) 995-6319



Assam: A State of Industrial Interest — *Continued from page 1*

Growth Sectors/Oil, Gas,

Expanding the commercial exploitation of the oil and gas sector is a key feature in the planned development of Assam's economy, a plan that affords opportunities for Canadian exporters.

Called for is the exploitation, by the year 2000, of nearly 1 million tonnes of surplus naphtha to manufacture benzene, o-xylene and p-xylene. This, in turn, will lead to the production of a variety of specialty chemicals.

Similar opportunities are in the offing in the natural gas field. The building in Numaligarh of the Assam Gas Cracker project will pave the way for a series of downstream petrochemical and plastics processing units.

In a similar vein, continuing exploitation of the Digboi, Naharkatia, Moran, Duliajan, Lawka and Geleki oil fields means additional international business opportunities.

The annual market for oil and gas equipment and services, which is about US\$3.5 billion, is expected to grow between 12 per cent and 15 per cent over the next five years. As India begins to invite private-sector participation in oil and gas contracts, the scope for Canadian products and services in this sector widens.

Power, Energy

In the power sector, Assam has in place a generating capacity of some 771 MW and projects under consideration have a potential capacity of 672 MW. Current demand is expected to increase from 2,232 MU to 3,688 MU between now and the year 2000.

Equally well endowed with hydel and coal, Assam is well positioned to supply power — through a strongly endorsed regional grid

integration — not only to other states in India but also to export power to its neighbours Bangladesh and Myanmar. Hydroelectric and coal-based power projects have been identified for foreign investment in Assam.

Food Processing

Food processing is one of India's new growth sectors. The country is a major producer of tropical and temperate fruits with annual production of about 27 million tonnes.

Assam is one of India's best horticultural areas. While it produces large quantities of fruits and vegetables, half of it is often lost or spoiled. Such a situation offers excellent opportunities for Canadian food processing companies for new investments, joint ventures and technology transfers.

Plastics Processing

The AIDC has identified plastics processing as one of the key areas of the future.

The entire North Eastern region utilizes about 15,000 tonnes of plastics products each year, far below the national average.

Agriculture and Forestry

Assam is home to various species of flora and fauna, citrus fruits and vegetables, and rare medicinal plants which have tremendous export potential and value in overseas markets.

Extremely favourable climatic and soil conditions make this an ideal area for investment (with very little risk) in plantations and floriculture.

Aquaculture

The ecological conditions of Assam

— subtropical humidity and cool climate — are extremely favourable for aquaculture development. Fishery resources comprise 100,000 hectares (ha) of lakes, 10,000 ha of low-lying swamps, 2,300 ha of ponds and tanks, and about 1,300 ha of reservoirs. In addition, there is approximately 5,000 km of river water in Assam. All of these elements contribute to abundant potential for aquaculture projects.

Other Sectors

Apart from the areas mentioned, potential opportunities can also be found in sericulture, electronics, engineering equipment, chemical industries and infrastructure development.

Although Assam's poor infrastructure has kept its industries below the level of other developed states in India, its inherent strength lies in the abundant resources which have yet to be fully exploited.

With the government's industrial development strategy and program of incentives, Canadian firms should act now to take advantage of the many opportunities which Assam and India have to offer. This is particularly true for Canadian companies with competitive technologies and expertise in oil and gas, power development, environment, communications, environmental protection, and agri-food processing.

Contact

For more information on developments and opportunities in Assam, contact Robert LeBlond, First Secretary (Commercial), Canadian High Commission, P.O. Box 5208, New Delhi, India, Tel.: (011-91-11) 687-6500; Fax: (011-91-11) 687-5387/687-6579.

BUSINESS OPPORTUNITIES

Before entering into a contractual agreement with a company, readers are advised to verify the bonafides of the companies listed here.

NEW ZEALAND — A distributor of **industrial packaging** wishes to complement its range of existing lines. It seeks: **food services packaging** (up-scale food containers for use in supermarket bakery/meat/pro-

duce departments); **premium-quality adhesive tapes**; **roll-form brown paper**; **up-market gift wrapping paper**; and **toilet tissue**. Contact Ernie Newman, Marketing manager, Carter Holt Harvey Distributors, P.O. Box 22-225, Otahuhu, Auckland, New Zealand, Tel.: (64-9) 276-5065; fax: (64-9) 276-5083.

PAKISTAN — A Lahore-based compa-

ny wishes to contact Canadian **auto parts scrap dealers**, specifically those that can supply **discarded aluminium diesel engine pistons** (no rings, connecting rods or steel components). Contact Atta Ur Rehman, Managing Director, Santiago Syndicate, 84-C Canal Bank (Ext), Mughal Pura, Lahore 54840, Pakistan, Tel.: 0092-42-334458; Fax: 0092-42-6863628.

UNCOVERING GOLD IN DENMARK

While Denmark is not a very big country (population only some 5 million people), it is a giant in many different sectors.

One has only to think of Danish expertise in dairy products, pork production, stereophonic equipment and furniture, for example, to appreciate how Danes have taken the things they're good at and developed state of the art advances in those fields.

Officers from the Canadian Embassy in Copenhagen met recently with some Danish companies in the Jutland region to discuss potential partnering arrangements with Canadian companies. Following are opportunities that have been identified:

Bioline — seeks Canadian partner, possibly already involved in sales, R&D and production of medical/laboratory diagnostic kits for **co-marketing and/or technology transfer of salmonella diagnostic kit** for food testing as well as human salmonella poisoning detection. Other products under development include listeria diagnostic kits.

DTM Medical — seeks Canadian license production partner, possibly already involved in manufacture of medical plastics products (e.g. disposables) to produce/sell **physiodynamic liquid insoles** that provide pain and fatigue relief during prolonged standing or walking.

NFN/Fishing Vessel 2000 — FV2000 is a new generation **fishing vessel concept** created by a consortium of Danish marine suppliers, including one of Denmark's largest yards. NFN seeks a Canadian shipbuilding company to promote the vessel in North America and, ultimately, build it under license.

Dasolas — seeks a Canadian manufacturing and

sales partner to manufacture under license the Dasolas range of **patented aluminium profiles for external solar shading**. The company offers patented aluminium louvre technology.

JBH Engineering — seeks Canadian license production partner, possibly already producing (fire) doors to produce and market a new concept in **fire-proof doors**. JBH's production concept results in low-cost, mass-produced, high-quality, flame-retardant doors.

Lykex — seeks Canadian company interested in producing (under license) and marketing patented **self-adjusting book-end products**. It's preferable that the company have experience in manufacturing extruded pipe plastics products for the furniture/consumer market.

Kinnerup Advokatfirma — a legal firm which represents several furniture manufacturers interested in **sourcing softwood and hardwood** from Canada. It would be interested in receiving profiles of furniture manufacturers that have products which they could produce for European markets or that the firm might manufacture on their behalf for North American markets.

MakroPro — a software company specializing in selling educational and primary school software seeks a dialogue with Canadian suppliers of **educational software** with a view to modifying and selling the Canadian software on the Danish market.

If you wish to obtain further details about any of these opportunities, or about doing business in Denmark, contact: Commercial Division, Canadian Embassy, Kr. Bernikowsgade, DK-1105 Copenhagen, Denmark, Tel.: +45 33 12 22 99; Fax: +45 33 12 42 10.

TRADE FAIRS AROUND THE WORLD

Poland Hosts Agri-Food Fair

Poznan, Poland — Canadian agri-food companies interested in the European food market are invited to attend **POLAGRA'95** being held October 6-11.

POLAGRA, which covers all areas of the agri-food industry, is the largest trade fair in Poland, the third-largest agri-food fair in Europe and the largest annual European agri-food fair. It is known as a fair "where people come ready to do real business."

At **POLAGRA'95**, the Canadian Embassy in Warsaw will operate an information booth at which Canadian firms may participate. Business opportunities are tremendous and costs are low — even more so this year as **POLAGRA** immediately follows **ANUGA**, a major food fair that is held every two years.

Interested firms may contact the Canadian Embassy, Commercial Division, Warsaw, Poland, Tel.: 4822/298051; Fax: 4822/296457.

Food on Menu at Morocco Fair

Casablanca, Morocco — The Casablanca Trade Fair and Show Office is organizing the second edition of Food and Food Equipment.

Alimentaria Maghreb, being held November 10-14, 1995, is the only professional food and food equipment fair currently being held in Africa. The total number of professional visitors in 1993 was 7,400 people.

Companies interested in participating to this show can contact the Canadian Embassy in Rabat-Agdal, Tel.: (011-212-7) 67-28-80; Fax: (011-212-7) 67-21-87.

Mining Big Business in Mexico

Acapulco, Mexico — Limited space still is available for companies wishing to participate at Canada's national stand at the **Mexican Mining Congress** being held here October 18-21, 1995.

Held every two years, the Mexican Mining Congress is "the" major mining event in Mexico, offering excellent opportunities for

Canadian companies to make key contacts in Mexico's very active mining sector.

Details on participation are available from Jon Dundon, Latin America and Caribbean Trade Division, Foreign Affairs and International Trade, Ottawa, Tel.: (613) 996-6921; Fax: (613)944-0479.

Companies Can Display Catalogues at Basel Environmental Tech Show

Basel, Switzerland — This country's major environmental technology show, **M.U.T. European Exhibition for Environmental Technology**, will take place here October 24-27, 1995.

Canadian companies are invited to participate, through the display of product literature, in an information booth being operated by staff of the Canadian Embassy, Berne.

Literature submitted by those interested in participating in this event should be received by the Embassy in Berne no later than October 13, 1995.

The exhibition provides the ideal platform for companies seeking a first or an additional point of entry into the Swiss (or other European) market — be it for exports, licensing, joint ventures, technology transfer or any other form of strategic alliance.

Environmental subsectors covered at **M.U.T.** include: collection/treatment of water; sewage/sludge treatment; waste treatment/recovery/recycling of materials; air pollution control; noise abatement; processing/installation safety; energy and environment; measuring, control and analysis equipment and technology; research, training, documentation; and consultancy/engineering services.

Visitors to the Canadian stand will fill in questionnaires, circling Canadian companies in which they are interested. The names of these interested parties will be forwarded to the appropriate Canadian companies.

Six (6) copies of company material (brochures, possibly video in VHS PAL version), including business cards, should be sent to: Werner Naef, Senior Commercial Officer, Commercial Division, Canadian Embassy, Kirchenfeldstrasse 88, CH-3005, Berne, Switzerland (**Ref. M.U.T.**).

PUBLICATIONS

AGRI-FOOD IN FRANCE

The Canadian Embassy in Paris has just published the report, *Agricultural and Food Trends in France*, which describes agricultural activities in France and outlets for Canadian products. It also mentions fairs, promotional campaigns and the various areas in which the embassy is involved.

To obtain a copy, contact Foreign Affairs and International Trade Canada's InfoCentre, Ottawa. Toll-free: 1-800-267-8376; Ottawa region 944-4000; Fax: (613) 996-9709.

DEFENSE AND ECONOMICS IN CANADA

Monch Publishing is producing a special issue of its journal *NATO'S SIXTEEN NATIONS*. The special, *Defense and Economics in Canada*, will feature a foreword by the Honourable David Collenette, Minister of National Defence and there will be an interview with General A.J.G.D. de Chastelain, Chief of Defence Staff.

Articles will examine force structure, equipment procurement, major programs, and Canada's military role in a changing world. There will also be a section on the Canadian defence industry's products and technologies available for export.

For more information, contact Eleanor Herman, Monch Publish-

ing, 1120 Greenway Road, Alexandria, Virginia 22308, Tel.: (703) 660-6255; Fax: (703) 660-0672.

NAMIBIAN MARKET OPPORTUNITY GUIDES

Two-way trade between Canada and Namibia in 1994 reached almost Cdn\$40 million, the bulk being Namibian exports to Canada.

Namibia, however, is showing growing potential as a place for doing business, particularly in those sectors in which Canada enjoys traditional strengths: fishing, mining, and telecommunications.

Following Namibia's declaration of independence in 1990 and its first post-independence elections in 1994, the country has maintained a stable multiparty, multiracial democracy.

Creating a favourable climate for investment is considered a priority by the government and, in 1994, this developing country achieved a growth rate of 5.8 per cent.

Trade and joint venture opportunities for Canadian companies in Namibia are increasing, and three new reports prepared by Namibian-based researchers provide the details.

These market opportunity guides cover the Namibian telecommunications, fishing and mining industries. Executive summaries

(in English and French) and the full text documents (English only) are available from the Department of Foreign Affairs and International Trade's InfoCentre at 1-800-267-8376.

The executive summaries are also available from FaxLink by dialling 613-944-4500.

Please refer to the numbers listed below:

• Fishing:

InfoCentre Document #s:

- Executive Summary: 182AA/AF

- Full Text: 179AA

FaxLink #: 90401

• Mining:

InfoCentre Document #s:

- Executive Summary: 183AA/AF

- Full Text: 180AA

FaxLink #: 90402

• Telecommunications:

InfoCentre Document #s:

- Executive Summary: 184AA/AF

- Full Text: 181AA

FaxLink #: 90403

HONG KONG REPORT PROFILES MARKET

The Canadian Commission in Hong Kong has prepared the report *Market Profile: Environmental Equipment, Technology and Services in Hong Kong*.

To obtain a free copy, contact Ms. Zita Yau, Commercial Officer, Commission for Canada, Hong Kong, Tel.: 852/2847-7494; Fax: 852/2847-7441.

INFOCENTRE

The InfoCentre of the Department of Foreign Affairs and International Trade provides counselling, publications and referral services to Canadian exporters. Companies interested in obtaining trade-related information are invited to contact the InfoCentre at 1-800-267-8376 (Ottawa Region: 944-4000) or by fax at (613) 996-9709. Trade information is also available by calling FaxLink (from a fax machine) at (613) 944-4500, the Department's round-the-clock faxback service.

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Vol.13, No. 15

September 18, 1995

Colombia a Growth Market for Canadians

Mexico, Brazil and Venezuela may be Canada's three leading export markets in Latin America but the fourth one, no longer a secret to some Canadian companies, is Colombia, a market that is growing in importance.

In 1994, Canadian exports to the four-country region grew by 21 per cent over the previous year. Leading this growth was Colombia with 87 per cent of the share, a figure which translates into Canadian exports to Colombia in excess of \$450 million.

Investment

Much of this growth in activity is due to a rising Canadian investment in the region, including in cellular phone systems and networks, and in investment in petroleum and natural gas delivery

projects which will generate export opportunities for Canadian manufacturers of pumps, valves and monitoring equipment. Investment has not been limited to mega projects. Although privatization in the energy and transportation fields will continue to attract major interests, others

are attracting the interest of: a Canadian business in a chain of frozen yogurt outlets; the manufacturer of modular office systems; and a leading Canadian producer of alcoholic beverages.

The investment climate

in Colombia is very positive — today, the governments of Canada and Colombia are in advanced negotiations to secure an investment protection agreement — and, with the opening of the economy (*apertura*), there has been a rush to modernize existing plants and to manufacture new products.

INVITATION

Zen Burianyk, Commercial Counsellor, Canadian Embassy, Bogota, will be visiting several Canadian cities between September 18 and October 11, 1995. Companies wishing appointments should see the Business Agenda, page 16.

Canadian Initiatives in Singapore

By Catherine Wheeler, Editor, RAPPORT Quarterly, Canada-ASEAN Centre, Singapore

Tiny but dynamic Singapore sits at the heart of the Association of Southeast Asian Nations (ASEAN), a natural centre for Canadian businesses working in the region.

Major Canadian corporations are quickly realizing that Singapore is the ideal location for a regional ASEAN office. Manulife, Teck Resources, Canadian Steamships, SNC Lavalin and Canadian Imperial Bank of Commerce have all hung up their shingles in the past year alone. Smaller Canadian companies, many specializing in consulting and information tech-

nologies (IT), continue to establish themselves here. Industry giants Bata and Northern Telecom have been in Singapore for many years.

Osler Renault, Canada's leading law firm, opened a regional office in Singapore in 1994 to serve the legal needs of Canadians and their trading partners in Southeast Asia — the only Canadian law firm in the region.

Although Singapore's domestic market is smaller than those of neighbouring ASEAN countries, it offers good opportunities

Continued on page 6 — Canadian

Imports

Colombia is continuing its track record of many years of uninterrupted growth (5.6% last year) with the result that there is a high

Continued on page 4 — Colombia

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SHARING TRADE SECRETS

CALGARY COMPANY OUTBIDS COMPETITION IN ISRAELI OIL PATCH

Drilling for oil and gas can be profitable, especially in the Middle East... including Israel. This is what Tesco Drilling Technology of Calgary found out recently.

Inventor and developer of the world's first portable top drive drilling system, Tesco recently signed a \$1.1 million contract with Lapidoth-Israel Oil Prospectors Corp Ltd.

Tesco top drives — a piece of equipment that becomes part of a drilling rig to enhance drilling while cutting drilling costs — are used throughout the world. But this is the company's first foray into Israel.

As a matter of fact, Tesco was surprised to learn that there was an oil business in Israel.

How did this opportunity come about?

Getting wind of the contract

It was in part through its participation in the National Petroleum Show, in Calgary last year, that Tesco came into contact with Lapidoth which was attending the show as part of a mission organized by the Canadian Embassy in Tel Aviv.

But, says Tesco's Senior Vice President and General Manager Per Angman, "It was really through word of mouth that the company heard of the upcoming Israeli contract."

The company had supplied top drives to GreyWolf Drilling of Houston, Texas, which had sold a drilling rig to the Israelis some years ago.

The U.S. company, in turn, had recommended Tesco to the Israelis who were looking for a top drive for this project, despite the presence of strong American competition.

Tesco had also been advised around last Christmas of the pending contract by its local agent, Joel Fisher of Enerserv.

A few letters and faxes, but not much action, followed.

In the running

Then suddenly the ball started rolling last March when Angman and Tesco Senior Vice

President Lindsay Hood stopped in Tel Aviv after a trip to Europe.

"Our agent Fisher, who knew all the key players in the field, got us to meet them during that visit to Tel Aviv," says Angman.

A day and a half of intense negotiations focusing on technical questions and pricing ensued.

According to Angman, "I knew immediately that we had won on our technical merits alone. We have the best equipment. But they still wanted us to give them a good price."

The contract was delivered and officially signed a few weeks after Angman and Hood returned to Calgary.

Key factors for success

Tesco knows that it has one of the best products in the world: a top drive that can be adapted — on location in the field, and in a matter of hours — to land rigs. With offshore rigs being much larger, few companies manufacture a top drive that will fit the much smaller land rigs.

A key factor in Tesco's success was the top-notch agent it had recruited in Tel Aviv.

"Having previously worked for both the Israel National Oil Company (INOC) and Lapidoth — INOC's drilling contractor — Fisher had excellent connections and knew all the key players in the Israeli oil industry. That helped us get to the right people and eventually the contract

Continued on page 3 — Future

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Future Prospects at Tesco — *Continued from page 2*

itself," explains Angman.

Since Tesco's main business is renting equipment, it has agents throughout the world, allowing it to respond quickly to demands.

"Quick response," says Angman, "was also a key factor in our contract."

The company delivered the top drive last July, three months after the signing.

It is interesting that Lapidoth-Israel itself had to compete against an Italian company before getting the nod — on condition that it also supply a top drive.

That's how Tesco got into the picture.

Future prospects

There are about 1,000 land rig prospects throughout the world, but Tesco is already getting some competition.

As a matter of fact, one of its competitors in the Israeli project was Maritime Hydraulics, of Kristiansand, Norway.

Angman also points out that the drilling business, being a close-knit community, it is much easier to know what the competition is up to.

In addition to having gained access to the Israeli market, the 150-employee-strong Tesco, with revenues of over \$25 million — more than 75 per cent export-

based — is currently going after contracts in Abu Dhabi and Egypt. Recent customers include Austria, China, Colombia, Indonesia, Mexico, Papua New Guinea, New Zealand, the Philippines, Turkmenistan, and the U.S.A.

The company's excellence in the field was recognized at the May 1994 Offshore Technology Conference in Houston, Texas where it received the prestigious Meritorious Award for Innovative Engineering.

For more information on Tesco, contact Lindsay Hood, Senior Vice President. Tel.: (403) 720-2858. Fax: (403) 720-2862.

Israeli Market Conditions

Israel consumes approximately 175,000 barrels of crude oil daily, but supplies only 540 barrels from its own resources, according to trade officials at the Canadian Embassy in Tel Aviv.

Since 1975, close to US\$400 million has been invested in oil and gas exploration in Israel: \$140 million in state funding, \$60 million from the Israel National Oil Company, and the remaining \$200 million by private investors, joint ventures, and public companies.

Close to 25 per cent of this was invested in geophysical and geological surveys and infrastructure studies, and the remainder in drilling.

It is expected that some Cdn\$200 million will be invested in oil exploration during 1995-96.

Here are some of the main areas of opportunity for Canadian companies:

- testing and production equipment and procedures, including various pumps;

- coring equipment and methods;
- various logging facilities and services; and
- conventional and special drilling and fishing tools and methods.

Other areas of interest include:

- offshore drilling platforms for deep water, 500-1,500 meters;
- shallow high pressure gas drilling methods;
- coal-bed methane production; and
- generation of electricity with natural gas turbo-generators.

As Israel has almost no local production of tools or equipment for this sector, this market offers excellent opportunities for Canadian suppliers.

For more information on opportunities in the oil and gas sector in Israel, contact John Schofield, Africa and Middle East Trade Development Division, DFAIT. Tel.: (613) 944-6994. Fax (613) 944-7431.

Win Export-Looking for Export Opportunities?

Make sure you are registered in the WIN Exports database which will showcase your company's capabilities to foreign buyers. To register, fax your request on your company letterhead to 1-800-667-3802 or 613-944-1078.



Space for Canada on Colombia Supermarket Shelves

Colombians — from importer to distributor to vendor — want a fresh new source of supply and they have a keen interest in Canada as being that source.

In Colombia, "excellent opportunities exist in the value-added food sector," says a memo from the Canadian Embassy in Bogota.

However, less than one-tenth of one per cent of Canada's more than \$450 million in exports to Colombia in 1994 was accounted for by foods and beverages!

This, Embassy commercial officers say, can be attributed to two factors: the Colombian infatuation with products from the United States; and Canadian producers' neglect of this market.

But a turn-around is in the offing in a country whose economic growth over recent years continues to exceed five per cent.

A revolution in Colombia's food industry is offering Canada a chance to penetrate this market of 34 million people whose shoppers, rather than patron-

izing the mom and pop corner store, will be making their purchases at large super markets and giant, no-name, bulk-buying establishments, some of which are being built by organizations from the Netherlands and the United States.

Canada as Supply Source

Embassy commercial officers, in a recent concentration on the food sector, have discovered that Colombians — from importer to distributor to vendor — want a fresh new source of supply and they have a keen interest in Canada as being that source.

They see Canadian products as a viable alternative to U.S.-made goods for two reasons: Canadian products are comparable in quality and are

Continued on page 7 — Space

Colombia Coming on Strong as Canadian Growth Market

Continued from page 1

level of imports, from consumer goods to plant equipment. The retail service industry is changing rapidly and giant building and hardware products stores are being established.

The same applies to the retail food industry, with "excellent opportunities" existing in the value-added food sector (see separate article above).

Environment

Colombia's Ministry of the Environment is organizing and developing an environmental code that will help rectify damage to the environment that, over the years, has resulted from uncontrolled development of resources and mismanagement of industries, cities and towns.

The country offers many possibilities in the treatment of waste, including in the recycling of waste

newsprint, plastics, and other environmentally abusive products.

Environment Trade Fair

In this regard, between October 25 and 28, 1995, a table-top catalogue show in Cartagena will be hosted by the Commercial Division of the Canadian Embassy in Bogota. The event is being held in conjunction with an environmental expo hosted by both the Colombian Minister of the Environment and of Energy and Mines.

Being sought at the table-top show are Canadian companies willing to transfer technology and know-how through joint ventures or other associations to establish profitable environmental businesses. Examples include companies that might have a process to convert plastic bottles to park benches, or auto tires to flooring.

NOT being sought: studies on the extent of Colombia's environmental problems. The Embassy, too frequently, is hearing: "We don't want companies to come down here, run a study and tell us we have a problem. Now we want solutions."

Where to send: Interested parties should forward, **immediately**, 25 pieces of literature to David Clendenning, Latin America and Caribbean Trade Division (LGT), Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2, Tel.: (613) 996-5548; Fax: (613) 944-0479.

General trade inquiries concerning Colombia may be directed to the person mentioned in the preceding paragraph or to Zen Burianyk, Canadian Embassy, Bogota, Colombia, Tel.: (011-57-1) 217-5555/217-5152; Fax: (011-57-1) 310-4509.

Canada Sponsors Business Show at 1995 Miami Conference

For the second year, Foreign Affairs and International Trade (DFAIT) will be participating officially in the Annual Miami Conference on the Caribbean and Latin America being held December 3-7, 1995.

Not only is DFAIT encouraging and coordinating Canadian private-sector participation, it is organizing a "table-top" mini exhibit and business/trade promotion event, the **Canada Business Show**, at which Canadian Conference participants can display their services and capabilities to potential clients.

This Conference is the leading non-government forum in the U.S. where Caribbean, Central American and Latin American government and business leaders meet to discuss trade, investment and business policy and to explore or initiate new business opportunities.

The event, as last year's Canadian Conference participants discovered, is an excellent venue at which to become acquainted with the business climate and opportunities in the Caribbean Basin and Latin American region.

Conference Agenda

Making the Summit Work for Business is the theme of this year's Conference which, in addition to highlighting progress on business policy issues as embraced in the Declaration of the Miami Summit (promotion of hemispheric free trade, removal of impediments to investment, creation of more attractive environments for international business) will focus on translating that policy consensus into practical business results.

Conference highlights will include:

- Major addresses by heads of government and other top business and policy officials representing the Caribbean, Latin America, U.S., Canada, Mexico and other nations.

- Two days of practical business sessions by sector — **agribusiness, tourism, telecommunications, health, environment, manufacturing/ social responsibility, transportation, and financial services.**

- Workshops on geographically-focused topics, including Mercusor, Haiti and Cuba.

- Workshops on broad Summit concerns such as environmental issues, infrastructure issues and investment promotion as a development tool.

Additional activities will include:

- * a **Business and Trade Exposition**, featuring investment-promotion presentations by Latin American and Caribbean country delegations representing companies, ports, financial institutions, and government agencies.

- * the application of **advanced telecommunications and information technology** to the region's business and service sectors, including pilot **Telemedicine** demonstrations for Latin America and the Caribbean.

- * individual meetings with potential trade, investment or finance partners and "collateral events" built around the presence of so many hemispheric business and policy leaders.

Nowhere else does this unparalleled combination of public- and private-sector decision makers come together to address — and help shape — the economic future of the Caribbean and Latin America.

Canada Business Show

On the first full day of the Conference (December 4), the two-hour **Canada Business Show** affords participants the opportunity

to network, to expand contacts and raise Canada's profile in the region. It will feature Canadian business and government organizations promoting trade, investment and tourism.

This networking event was extremely effective and successful last year as it set the right tone and gave Canadian business the necessary Canadian visibility and unique opportunity to quickly identify important clients and establish regional contacts at the beginning of the four-day Conference.

Registration

Firms/organizations wanting to attend the **1995 Miami Conference** must register (and make hotel reservations, if desired) with the Conference organizers: Caribbean Latin American Action, 1818 N Street, N.W., Suite 310, Washington, DC 20036, Tel.: (202) 466-7464; Fax: (202) 822-0075.

Contacts

Further details/registration forms for the Conference and the special **Canada Business Show** (space in this cost-sharing show is limited; participants must be offering Canadian services and/or manufactured products with a minimum Canadian content level of 60 per cent) contact: Latin America and Caribbean Trade Division (LGT), Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa, Ontario K1A 0G2.

To the Attention of: David Clendenning, Trade Commissioner and Project Manager, Tel.: (613) 996-5548; Fax: (613) 944-0479; or Jon Dundon, Canada Business Show Manager, Tel.: (613) 996-6921; Fax: (613) 944-0479.

Canadian Initiatives in Singapore - Continued from page 1

in niche markets. At least two Canadian joint ventures are bringing Canadian software to the regional marketplace through partnerships with Singapore companies.

Digital Imaging manufactures hightech identification cards with a difference. The technology prints a photograph directly onto a tamper-resistant identification card, and records the photo, fingerprints and other personal data in a computer where it can be quickly retrieved. The card can also include a number of active security applications.

The software was developed by Canadian company G&A Imaging. G&A teamed up with a Singapore partner which is a security printer for credit cards.

A second software joint venture is between QNX Software Systems and Eutech Cybernetics, a Singapore firm. The S\$2.5-million joint development project will produce multi-tasking operating systems for power plants, electronics industries and communication mechanisms, devices and systems.

Eutech Cybernetics is of interest because it's one of five commercially-oriented companies in Asia to have spun off directly from research funded by the International Research Development Centre (IDRC).

In the manufacturing sector, the Chinook Group opened a choline (vitamin B4) production plant on the Singaporean island of Merbau in February 1995. The company plans to build an animal feed plant in Surabaya

(Indonesia), using the choline produced in Singapore.

Singapore plans to become a regional supplier of environmental expertise, and Canadian firms are positioning themselves to participate. Last year, an MOU was signed between the Singapore

established the West East Centre in Vancouver. The Centre will engage in collaborative research with academic and industrial partners for productive applications. Largely funded by a Cdn\$2.3 million grant from Singapore's Science and Technology Board (NSTB), the West East Centre will identify new organisms and evaluate them to determine whether they have properties of interest to the pharmaceutical and bioremediation industries. The Centre will seek collaboration with industrial partners in both countries in the

Singapore PM Visits Canada

His Excellency Goh Chok Tong, Prime Minister of Singapore, met September 11-14 with government and business leaders in Toronto and Ottawa, where discussions focused on further strengthening the already substantial bilateral relations between the two countries. The Department of Foreign Affairs and International Trade (DFAIT) is following up on the areas of cooperation discussed. DFAIT, through its InfoCentre, also has available A Guide to Doing Business in Singapore. Call toll-free 1-800-267-8376 (Ottawa region: 944-4000).

Association of Environmental Corporations (SAFECO) and the Canadian Environmental Industries Association (CAIS). Their first joint venture is already underway in the Philippines, where Canora (Asia) Inc., a consortium of Canadian environmental companies, is working with Environmental Engineering Services Pte Ltd. Singapore to build a waste water treatment plant. ECO, a Canora shareholder, is supplying equipment to the project valued at US\$ 700,000 - \$800,000.

The Canada-ASEAN Centre has been the catalyst in a number of initiatives in the science and technology sector — an area of enormous potential in high-tech Singapore. Of particular note is the joint development of Canadian technology for the international marketplace.

In 1994, the National University of Singapore's Institute of Molecular and Cell Biology and the University of British Columbia

form of joint ventures, licensing of technology, commercial spin-offs or contact research.

The NSTB also has developed a strategic partnership with Ontario's Ministry of Economic Development and Trade for joint research initiatives with a goal of eventual commercialization. Over S\$3 million has been earmarked to support collaborative research projects between Singapore and the Ontario universities research institutes in the areas of manufacturing, biotechnology, IT and environment.

Dr. Geraldine Kenney-Wallace has been invited to serve a second term on the NSTB's International Advisory Panel. She is the only Canadian on this prestigious and influential panel.

Small as Singapore may be, it offers excellent opportunities for Canadian high technology. In joint ventures with Singaporean partners, this expertise finds a ready market in neighbouring ASEAN countries.

Strategy to Increase IFI Procurement Gets Nod

The government has accepted a proposed strategy to win Canadian business more capital projects financed by International Financial Institutions (IFIs) such as the World Bank and regional development banks.

Foreign Affairs Minister André Ouellet and International Trade Minister Roy MacLaren announced the government had accepted the *Final Report of the Interdepartmental Task Force on IFI Procurement* on June 14, during the Annual Consultations between the Canadian Exporters' Association and the Canadian International Development Agency.

The task force's report contains 25 recommendations outlining a three-year program to provide more government support for Canadian firms pursuing capital projects financed by IFIs abroad.

IFIs currently supply more than US\$40 billion each year for such projects, but recent studies suggest that Canadian firms do not pursue and win as many contracts as their counterparts in the Organization for Economic Cooperation and Development (OECD).

The task force's recommendations will be carried out by an Interdepartmental Capital Projects Action Team involving the Department of Foreign Affairs and International Trade (DFAIT), the Canadian International Development Agency, Industry Canada, the Department of Finance, the Export Development Corporation (EDC) and the Canadian Commercial Corporation (CCC).

Under the task force's strategy, government programs will focus on specific IFI projects in five key sectors in several Asian and Latin American countries. Those countries and the five sectors targeted — energy, environment, telecommunications, transportation and health — stand to offer the greatest potential returns.

The new plan recommends

coordinating the various fragmented government programs currently in place so all departments and agencies work towards a common goal of increasing Canadian IFI procurement.

Similarly, existing financial instruments, such as trust funds and co-financing, will be linked and geared towards the priority countries and sectors specified. This strategy does not require new resources, simply the reallocation of existing funds.

The action program, to be implemented in partnership with the private sector, will also seek to make basic IFI information and project intelligence more easily accessible to Canadian business.

In addition, the task force recommends establishing a network of national IFI specialists which will work with provincial governments to keep the private sector informed of project opportunities.

The Task Force on IFI Procurement was established in April 1994, after studies indicated that the government could play a more active role in improving Canadian IFI procurement performance. By accepting the task force's report, the Canadian government has taken an important step towards doing just that.

Copies of the report may be ordered by calling DFAIT's InfoCentre, Ottawa at 1-800-267-8376, (Ottawa area: 944-400).

Space for Canada —Continued from page 4

attractively packaged (thus selling themselves); and the lower Canadian dollar, vis-a-vis, the U.S., provides attractive profit margins.

Assistance

Since most very large retail vendors prefer to deal with importers/distributors, the Embassy maintains an active list of representatives that have expressed an interest in Canadian products. Interested Canadian firms should contact the Embassy (see address end of article) and be prepared to forward samples.

Of assistance, as well, is a joint promotion program, **Agri-food Trade 2000**, recently announced by Foreign Affairs and International Trade and Agriculture and Agri-Food Canada. The program objective is to vastly increase the sale abroad of Canadian value-added food products.

Using this initiative and other promotional devices, the Embassy will mount several table-top shows (see Environment Show, Colombia article, page 4) in the major cities of Colombia. Samples definitely will be required but interested companies first should describe their products to the Embassy which can then advise on regulations regarding packaging or labelling.

Contacts

Zen Burianyk, Counsellor (Commercial), Canadian Embassy, Bogota, Colombia, Tel.: (011-57-1) 217-5555/217-5152; Fax: (011-57-1) 310-4509.

David Clendenning, Latin America and Caribbean Trade Division, Foreign Affairs and International Trade, Ottawa, Tel.: (613) 996-5548; Fax: (613) 944-0479.

Canadians Selling to Government of Hong Kong

Canadian companies in 1994 sold about Cdn\$16 million worth of goods to the Hong Kong government, mainly telecommunications, medical and information technology (IT) equipment.

In 1995-96, the Hong Kong government forecasts spending some Cdn\$100 million on major purchases. Among the upcoming purchases, where opportunities exist for Canadian companies, are:

- * Hospital/Medical/Clinical Equipment (MRI, CT Scanner, Gamma Camera, Linear Accelerator and X-ray);

- * Pharmaceutical items;

- * Electronics Products (PABX, Tracking System for Mail, SCADA Systems); and

- * Telecommunications/Scientific Equipment (Radio Pager, PABX, ATC, Windshear & Turbulence Warning System for the new Hong Kong Airport).

All Hong Kong government purchases are done through the Government Supplies Department (GSD).

The Commission for Canada in Hong Kong alerts possible Canadian suppliers of tenders as they come up but the GSD also maintains lists of registered sup-

pliers that are invited direct to tender. Companies based in Hong Kong and/or overseas may apply for GSD registration. Applicants are required to provide a company profile, financial information, as well as details on the goods they can offer.

Interested companies should contact trade commissioners in Hong Kong for details on announced planned purchases by the Hong Kong government and how to register with the GSD. The contact is: Commission For Canada, Commercial Division, Hong Kong, Fax: (011-852) 847-7441.

Exports to Brazil Bolstered by EDC Lines of Credit

Canadian companies selling goods or services to Brazil can benefit from up to \$30 million in new export financing from the Export Development Corporation (EDC).

EDC has signed a US\$15 million line of credit with Unibanco, one of Brazil's leading commercial

banks, which can "on-lend" funds to Brazilian companies purchasing Canadian goods and services.

As well, EDC signed a US\$15 million line of credit with Petroleo Brasileiro S.A., Brazil's state-owned oil company, to finance its purchases of goods and services from Canada.

"Although Canadian exporters have a strong track record in the sale of capital goods and services to Brazil, demand for value-added, high-tech and manufactured goods is growing and Canadian companies are well positioned to seize these new opportunities," said International Trade Minister Roy MacLaren.

EDC lines of credit give Canadian companies a competitive advantage when doing business in foreign markets because they can offer their customers pre-established financing terms, which accelerate approvals.

Exporters interested in knowing more about these and other EDC export finance and insurance services may contact an EDC regional office in Vancouver, Calgary, Winnipeg, London, Toronto, Ottawa, Montreal or Halifax.

Smaller exporters (with annual export sales under \$1 million) may call EDC's Emerging Exporter Team at 1-800-850-9626.

Canada Pakistan Business Development Board

The Canada Pakistan Business Development Board (CPBDB) is a non-profit organization incorporated under the Canada Corporations Act. Its aim is to promote business joint ventures and trade between the two countries as well as a socio-economic and professional development environment related to various industry sectors, agencies, universities, world institutions, governments and similar organizations.

Membership benefits include business and cultural orientation services, interpretation services, joint venture investment opportunities, trade link recommendation services, project funding advisory services, trade shows, representation service to governments and financial institutions, business delegations, market studies, and travel discounts.

For more details, contact CPBDB, P.O. Box 37088, Ottawa, K1V 0W0, Tel.: (613) 731-0404; Fax: (613) 731-8530.

Culture is In!

Canadian Books Bound for International Markets

The Association for the Export of Canadian Books (AECB) reports that, between 1988-89 and 1992-1993, every dollar invested in international marketing by the partnership between the Government of Canada and Canadian publishers has generated, on average each year, \$10.54 in export revenues, or more than ten times the partnership's original investment.

During this period, partnership investment of \$16.5 million has generated over \$171 million in export revenues for the industry.

Statistics Canada states that the Canadian-owned sector of the industry has doubled its export sales over the past five years, moving from \$21.9 million in 1988-89 to \$56.6 million in 1992-93.

The 120 publishers that applied to the Export Marketing Assistance Program in 1995-96 reported export sales of nearly \$100 million, based on results for the most recently completed financial year.

Association Profile

AECB is a private-sector, non-profit organization comprised of the various professional publishers' associations in Canada. Governed by a board of 12 members, the AECB's mission is to promote the export of Canadian books by developing and sustaining Canadian publishers' export sales.

Activities

The AECB's mission is achieved by:

- * managing two funding programs in support of international marketing efforts by individual publishers and by the industry as a whole;
- * coordinating and organizing the Canadian collective presence at major international book fairs;
- * producing a series of publications, including an export newsletter and international marketing catalogues, pro-

moting Canadian books and the sale of foreign rights; and

- * collecting and disseminating export-related information and organizing workshops on export and foreign markets.

For more information, contact the Association for the Export of Canadian Books, Ottawa, Tel.: (613) 562-2324; Fax: (613) 562-2329.

Canada/U.S. Business Costs

An analysis of the relative costs of doing business in the United States and Canada in 1995 has been carried out for the Government of Canada by KPMG Management Consulting.

KPMG used a computer-based financial model to compare typical operating costs, from start-up to 10 years of operation, for facilities in 15 cities — seven in the U.S. and eight in Canada.

The study examined the impact of location on key location-sensitive capital and operating costs for seven industries: Autoparts, Environmental Waste Treatment Systems, Frozen Foods, Medical Devices, Pharmaceuticals, Software and Telecommunications.

A summary of the findings: 1) For every industry, overall costs are lower in Canada than the U.S.; 2) The Canadian advantage is consistent among cities and regions; and 3) Most individual cost components are favourable to Canada.

For assistance in addressing specific opportunities or information on this study and its results, contact KPMG Management Consulting, 777 Dunsmuir Street, Vancouver, British Columbia, V7Y 1K3, Tel.: (604) 691-3410/3086/3340; Fax: (604) 691-3031.

For information on Canada as a place to do business, contact Jean-Yves Dionne, Deputy Director, USA Trade and Investment Development Division, Tel.: (613) 944-7348; Fax: (613) 944-9119; or Greg Meredith, Deputy Director, Investment Promotion and Services Division, Tel.: (613) 995-9468; Fax: (613) 996-1370, Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa, Ontario K1A 0G2.

BUSINESS OPPORTUNITIES

Before entering into a contractual agreement with a company, readers are advised to verify the bona fides of the companies listed here.

CHINA — An Israeli company which maintains offices throughout the People's Republic seeks Canadian companies interested in **environmental projects** in China. The company has been involved in numerous industrial contracts in China where it has introduced technologies and equipment from many countries, including Canada. Contact United Development Inc., 3501-15 China World Tower, China World Trade Centre, No. 1 Jianguomenwai Avenue, Beijing, China 100004, Tel.: 011-86-10-505-2222; Fax: 011-86-10-505-2357.

CHINA — The Nuclear Energy Power Agency of China seeks Canadian companies that might form **partnerships with Chinese environmental equipment manufacturers**. The Agency hopes to combine foreign capital, technology, and management with Chinese production. Sectors of interest are: Clean processes and technologies for coal fire power plants (for reduction of SO₂ emission), production of cement, textile, and wastewater treatment for small and medium-size paper mills using straw. Contact the Canadian Embassy, 19 Dongzhimenwai Dajie, Chaoyang District, Beijing, China 100600, Tel.: 011-86-1-532-3536; Fax: 011-86-1-532-4072.

GERMANY — A leading German importer of confectionery products would like to receive **samples and price quotations of candies, chewing gums, confectionery items**. Samples and quotations should be sent to

Helga Diezel Trawigo Gruppe GmbH & Co. KG, Am alten Kaninsberg 10-12, D-52146 Würselen, Tel.: 011-49-2405-61-0; Fax: 011-49-2405-61-300.

GERMANY — A major German manufacturer and distributor (of pastas, soups, ready-made meals, and bread) with an annual turnover of DM 450 million in 1994 would like to receive **price quotations and/or samples** from Canadian manufacturers of: **Durum wheat (not Canadian Wheat Board), semolina, dried egg, eggs, lentils, beans, peas, ready-made meals (mashed potatoes), bison meat, frozen raspberries, jams**. Price quotations should be FOB and C&F Hamburg or Bremen. Samples and quotations should be sent to Manfred Possek, BSB Nahrungsmittel GmbH, Postfach 12 20, D-71366 Weinstadt-Endersbach, Tel.: 011-49-7151-601-241; Fax: 011-49-7151-601-300.

GERMANY — This country's number two delicatessen importer seeks **samples and price quotations** from Canadian manufacturers/producers/export agents for: **wild rice, sweet crisp corn (canned), corn on the cob (canned), canola oil, peanut butter (creamy), snackfood (all kinds of potato chips, tacos, nachos), Mexican-style dips and food products, salad dressings, maple products (other than syrup), honey (creamy), all kinds of kosher food products**. Prices should be C&F Hamburg or Bremen. Samples should be sent to Dietrich

Nolte, RILA Feinkost Importe GmbH & Co. KG, Hinterm Teich 4, D-32340 Stemwede-Levern, Tel.: 011-49-5745-945-0; Fax: 011-49-5745-945-139.

HONG KONG — An environmental consultant company seeks Canadian companies specializing in **environmental studies**, for a building project specifically concerning energy minimization, water conservation, waste recycling studies, indoor air quality assessment, acoustic control studies, and external wind studies. Contact Ms. Zita Yau, Commercial Officer, Commission for Canada, Hong Kong, Tel.: 852/2847-7494; Fax: 852/2847-7441.

INDIA — A New Delhi-based company seeks industrial equipment, including **used diesel generator sets (2,500kw capacity); cryogenic tank trailers (10,000-15,000 litres); and argon purification systems**. Contact Thomas Schanz, Tri-Star International, Montreal, Tel./Fax: (514) 696-6960.

INDIA — An Indian subsidiary of an Ottawa-based firm has a client that seeks: **grid-connectable and stand-alone solar power systems (single and 3-phase 50HZ DC output of 200KW); grid-connectable and stand-alone wind generator; micro/mini hydel power generating systems; and energy auditing and management systems**. Contact Mike Bolar, Bolar Bolar & Associates Inc., Ottawa, Tel.: (613) 834-2956; Fax: (613) 834-3642.

BUSINESS OPPORTUNITIES

IRAN — A company is seeking Canadian suppliers of **root preparation plant**. Contact Mrs. Helen Bolvardi, Nimatec Import/Export, Scarborough, Ontario, Tel.: (416) 287-0934; Fax: (416) 287-8133.

KOREA — A company seeks up to **1,000,000 MT a year of scrap steel from knockdown vessels or railroads**. Contact Andy Santos, Calgary, Alberta, Av-car International, Tel.: (403) 280-8424; Fax: (403) 280-6719.

MAURITIUS — A Mauritian importer of **hardware and building materials** for both interior and exterior finishes is seek-

ing contact with Canadian companies that produce high-quality, value-added products. Canadian firms wishing to explore this export opportunity should contact: C. Jaunbocus, Managing Director, Decorius Ltd., 4, Ramputh Lane, Clairfonds, Phoenix, Mauritius, Tel: (011-230) 696-5085; TeleFax: (011-230) 696-5085.

NEW ZEALAND — A subsidiary of the largest company in New Zealand wishes to source **GMC Chevrolet vehicles** (diesel, dual or single cab, 4x2 or 4x4, flat deck or welded side, new or used). Contact John Davis, Fletcher Wood Panels Limited, P.O. Box 946, Taupo, New Zealand, Tel.:

(64-7) 378-5000; Fax: (64-7) 378-2759.

SPAIN — A Spanish textile company is seeking Canadian manufacturers/suppliers of **fabrics for mens garments** (jackets, trousers and suits): 100 per cent pure wool raw fabrics, dyed and finished; raw wool-polyester and wool-polyester fabrics, dyed and finished. Contact Institut Catala de Tecnologia, Via Laietana, 37. 3a planta 08003 Barcelona, Tel.: 343-319-8811; Fax: 343-319-8306.

TAIWAN — A company seeks suppliers of **rubber products for automobiles**. Other automobile components being sought are: **engine mounts, radiators, condensers and tighteners**. Contact Hunter Hwu, Fine Credit Company Ltd., P.O. Box 77-04, Taipei, Taiwan, Tel.: 886-2-8801898; Fax: 886-2-8801897.

UNITED STATES — Venture Capital Corporation, located in the Greater Washington DC area and with the capability of raising up to US\$ 60 million investment capital, is looking for **firms in the telecommunications, software and computer hardware business** well advanced in their line of development and capable of attracting the interest of potential investors. Parties interested in further investigating this matter may contact — by fax or letter — Manuel M. Ellenbogen, Commercial Officer, Canadian Embassy, 501 Pennsylvania Avenue N. W., Washington DC, 20001. Fax: (202) 682-7619. Replies should include details of the business. The inquiries will be referred to the financial corporation that contacted the Embassy.

Aussies Seek Strategic Alliances

Canadian information technology (IT) companies will be targeted when a delegation of eight Australian IT companies visit Canada this month.

The delegation, which also includes a representative of the Australian Information Industry Association (AIIA) and an officer from the Canadian Consulate General in Sydney, will participate in **Softworld'95**, being held in Vancouver September 17-20. Then, it's on to Toronto for the **Ontario Software Showcase** and a **Canadian-Australian Strategic Alliance Breakfast**, September 22.

Mission participants primarily are small- to medium-size software companies, some of which are active in markets in the Asia Pacific region.

Their objectives are to seek and augment their products and services offerings in Australian and Asia-Pacific markets and, in collaboration with Canadian companies, to explore options for entry to the North American market.

Further information on the visiting Australian companies and where you can meet them is available from the International Trade Centres in Vancouver (tel.: 604-666-1436; fax: 604-666-8330) and Toronto (tel.: 416-973-6154; fax: 416-973-8161.)

TRADE FAIRS AROUND THE WORLD

Montreal Exhibition Eyes Business World

MONTREAL, QUEBEC — The 11th **International Business World Exhibition** will be held at Place Bonaventure from September 28 to October 1, 1995.

With 30,000 visitors, 500 exhibitors and an exhibition area of 200,000 square feet, **International Business World** is considered to be Canada's foremost trade show.

Each year sales from the exhibition reach about \$10 million. Importers, distributors, wholesalers, buyers and manufacturers are welcome.

Business delegations from

throughout the world are taking part in this annual event. Among them are some 40 exhibitors from China (representing the cities of Shanghai, Beijing, Xiamen and Maoming), and a dozen or so companies from India promoting the many business opportunities afforded by this growing country.

Other countries such as Pakistan, Turkey, Morocco, Tunisia, Portugal, France and Russia, and a number of Caribbean countries will be represented.

A wide range of consumer products, in addition to textiles, chemicals, appliances, leather and

sporting goods, auto parts, hardware, toys and industrial supplies will be offered by these foreign businesses.

Exhibitors will be looking for Canadian suppliers of new and used equipment to help them improve productivity in their plants. They are also interested in Canadian expertise in finance, marketing and quality control.

The **International Business World Exhibition** is an excellent opportunity for the forming of joint companies and for technology transfers.

For further information, contact Frederick Letia, Martin International, 500 Place d'armes, Room 2910, Montreal, Quebec H2Y 2W2, Tel.: (514) 288-3931; Fax: (514) 288-0641.

Pollution, Environment of Concern in Jakarta

JAKARTA, INDONESIA — The Canadian Embassy in Jakarta will be participating — November 7-11, 1995 — in **Pollution and Environment Technology Indonesia 95** with an information booth which will display catalogues, brochures and videos from Canadian environmental firms showing their capabilities in environmental products and technology.

The show will focus on water treatment, wastewater treatment, waste management, industrial air control equipment (including monitoring and analytical technology), and consultancy services.

Current research indicates that the total value of the environmental equipment services market in Indonesia may be in

excess of US\$970 million. This indicates that this is an excellent opportunity for Canadian firms to capitalize on Canada's respected environmental technologies and to focus on Indonesia as an option in Southeast Asia.

Canadian environmental firms wishing to participate in the show are requested to forward — **for arrival no later than October 15, 1995** — their catalogues, brochures (100 copies), video cassettes (VHS: PAL or NTS), to: Husni Djaelani, Commercial Officer, Canadian Embassy, Jakarta, Wisma Metropolitan 1, 5th Floor, Jl. Jenderal Sudirman Kav. 29, Jakarta, Indonesia, Tel.: 62-21-525-0709; Fax: 62-21-571-2251.

South Africa Site of Two Major Shows

JOHANNESBURG — The second edition of the successful **Networld - LANdaba Information Technologies and Networking Trade Fair** will be held here October 18 - 20, 1995.

The show is expected to attract over 8,000 visitors and will include hands-on technical laboratories.

Running alongside the exhibition, the **LANdaba Conference** features local and international speakers addressing a range of topics pertinent to tomorrow's networking computing environment.

Continued on page 13 — Africa

TRADE FAIRS AROUND THE WORLD

Africa — *Continued from page 12*

CAPE TOWN — Southern Africa's premiere fishing exhibition, **Fish Africa'95**, running November 30 to December 2, will cover all aspects of commercial and sport fishing, fish processing, and fish farming — with special emphasis on machinery and equipment.

With enviable marine resources and with South Africa now fully reconnected with the world economy, southern Africa is a market that fishing and fish processing equipment manufacturers should not overlook. Even aquaculture and related industries are set to expand rapidly, opening up further opportunities for suppliers.

The Canadian Trade Office will be participating at both of these shows with an information booth, around which interested Canadian companies are encouraged to exhibit.

As space is at a premium, firms interested in either show should *contact as soon as possible*, Ms. Sylvia Cesaratto, Canadian Trade Office, Johannesburg, Tel.: (011-27-11) 442-3130; Fax: (011-27-11) 442-3325.

German Plastics Show

Way to Win World Markets

DUESSELDORF, GERMANY — Participating in the **13th International Trade Fair for Plastics and Rubber (K'95)**, being held here October 5-12, is an excellent way for Canadian firms seeking to kick-start their marketing and industrial development efforts in Europe.

Nineteen Canadian firms are confirmed exhibitors at Canada's national stand and four Canadian

firms are exhibiting independently, promoting their export potential to an estimated 500,000 visitors.

What's more, Canadian trade commissioners at Canada's national stand also will strongly promote Canadian firms that are interested in strategic alliances and, where appropriate, in investment.

In this regard, such firms should contact the Canadian Consulate in Duesseldorf to request a brief questionnaire (asking for information on what Canadian firms are seeking and what they can offer) which they should complete and return to the Consulate — by fax (011-49-211-35-91-65) no later than September 30, 1995.

Partnerships (e.g. two-way marketing and production agreements; cooperative product development; and cross-licensing of technology) between Canada and Germany are expanding rapidly in a number of sectors, not the least of which is in the plastics and rubber sector.

This is due, in great measure, to the fact that German companies appreciate that Canadian firms can offer them a beachhead to introduce their products or technology into the North American Free Trade (NAFTA) market.

Equally significant, German firms that are strong in plastics and rubber equipment and technology have preferential market access in Europe and often have marketing ties in the emerging economies of Eastern Europe, thereby opening markets in this region to Canadian firms

K'95 is one of those major

shows "where the world shops." It is an outstanding venue to round out the Canadian government promotion effort by packaging what Canada has to offer in trade, investment and technology.

Here's what **K'95** promises by way of exposure to buyers and sellers:

* 2,335 exhibitors from 46 countries have registered.

* Germany will have the most exhibitors (1,058) and over 55 per cent will come from abroad.

* There will be three times the number of exhibitors (44) from Eastern Europe this year as there was last time in 1992.

* 1,355 exhibitors will be exhibiting machinery and equipment; 464 — industrial parts and reinforced plastics products; 418 — raw and auxiliary materials; and 118 — services.

Contact the Canadian Consulate as italicized above.

Petroleum Technology Fair Well Placed in Texas

DALLAS, TEXAS — Organized by the Society of Petroleum Engineers (SPE), the **70th Annual Technical Conference and Exhibition** — being held October 22-25, 1995 — will embrace the theme *Technology Management in a Commodity Business*.

Some 10,000 SPE members and oil and gas professionals from around the world will share strategies on how to best manage and utilize both new and existing technology.

The three-day program covers

Continued on page 14 - Petroleum

TRADE FAIRS AROUND THE WORLD

Information Technology Spotlighted in Singapore

SINGAPORE — A leading information technology (IT) event, **Singapore Informatics'95** is celebrating its 10th anniversary and, for the first time, will incorporate **COMDEX-ASIA'95**, being held October 26-29.

At **COMDEX-ASIA'95**, the Canadian High Commission in Singapore will have an information booth at which Canadian IT companies are invited to dis-

play (up to 20 sets) their product literature.

The show has consistently attracted over 100,000 attendees, including distributors, resellers and corporate decision makers.

For details on **COMDEX-ASIA'95**, contact Jason Crosby, Director, Canadian Government Relations, The Interface Group, Tel.: (617) 449-6600; Fax: (617) 444-3322.

Display literature should be forwarded to: Frank Quah, Senior Commercial Officer, Canadian High Commission, 80 Anson Road, # 14-00, IBM Towers, Singapore 0207. Clearly mark the top left corner of your package "**COMDEX-ASIA'95**".

Any relevant enquiries received at the show, will be channelled back to the companies concerned.

Petroleum

continued from page 13

the gamut of exploration, drilling, and production technology and features four sessions on emerging technology (core analysis, reservoir simulation, improved oil recovery and geothermal, and well completions) and two special panel sessions.

SPE's international exhibition will feature the industry's leading manufacturing, service, and supply companies. More than 400 companies are already committed to showcase their products and services essential to efficient oil-field operations.

Exhibits include tools, equipment, and supplies for drilling exploration, oil and gas production, and offshore operations, plus computer hardware, software, and services. Exhibitors represent six countries — Canada, Denmark, France, Norway, United Kingdom, and United States.

For more information, contact Fred Herbst, SPE Public Relations Manager, Tel.: (214) 952-9393; Fax: (214) 952-9435.

International Environment Fair in Central Europe

Poznan, Poland - Space is still available, until September 30, for Canadian companies interested in participating in **POLEKO'95**, the largest international environment fair in Central Europe which will take place in this Polish city November 21 - 24, 1995.

The Canadian Embassy will participate in **POLEKO'95** with an information booth.

Canadian companies are encouraged to participate, as this trade event offers the Canadian environmental business community an outstanding marketing opportunity in an area of rapid growth.

For more information, contact Canadian Embassy, Commercial Section, Warsaw, Poland. Tel.: (48 22) 29 80 51. Fax: (48 22) 29 64 57.

Build, Operate, Transfer Focus of Indonesia Summit

JAKARTA, INDONESIA — A major summit and exhibition on opportunities for greater public-private-sector participation in Indonesia's burgeoning infrastructure sectors will be held November 6-9, 1995.

B.O.T. (Build-Operate-Transfer) Indonesia is considered the ideal platform to promote a company's infrastructure capabilities and to heighten its profile in Indonesia.

In addition to outlining projects that range from power, telecommunications, roads and railways, to ports, airports, water and

chemical waste, the conference includes sessions on the foreign investment climate in Indonesia, the bankability of BOT projects in Indonesia, as well as finance, legal and taxation matters.

For registration details and other information, contact Audrey Au or Lisa Kieffer, Exhibition and Sponsorship Managers, IIR Pte Ltd., 89 Short Street, Golden Wall Centre, Suite 0803, Singapore 0718, Tel.: (65) 338-3521; Fax: (65) 336-4017.

PUBLICATIONS

BOOKS BRING FOREIGN, DOMESTIC REPRESENTATIVES WITHIN REACH

Two bilingual books of interest to government personnel, business persons and travellers now are available from Canada Communication Group.

Diplomatic, Consular and Other Representatives in Canada (Cat. No. E12-3-1994) is an invaluable reference source for dealing with embassies and foreign officials residing in Canada.

Canadian Representatives Abroad (Cat. No. E12-5-1994) provides a comprehensive list of Canada's diplomatic representatives abroad, including addresses and a name/location list of offices.

The books, each costing \$15.95 (plus taxes, shipping, handling), may be obtained by writing Canada Communication Group—Publishing (CCG-P), Ottawa, Ontario, Canada K1A 0S9, Tel.: (819) 956-4800. Fax: (819) 994-1498. To order by Visa or Mastercard: 1-800-565-7757.

TAKE A WORLD VIEW... EXPORT YOUR SERVICES

Get practical advice from experienced services marketers and exporters with the ***Take a World View*** electronic reference manual. This interactive self-help tool is available on diskette and contains information of interest to all services exporters. The manual consists of six diskettes: 1) an overall description of the exporting process; 2) an analysis tool to assess export-readiness; 3) & 4) specific country studies, including Western Europe, U.S., Mexico, Japan, among others; 5) suggestions and tips from successful services exporters; 6) contacts and references. To order the ***Electronic Exporters Manual*** (\$49.95 plus GST), call (819) 956-4800 or fax (819) 994-1498. For VISA or Mastercard fax orders, 1-800-565-

7757, or by mail from Canada Communication Group Publishing, Ottawa, K1A 0S9

DEVELOPMENT BANK STUDIES

Six of the nine publications to come out of the North-South Institute's two-year development bank project have been published. The studies include: ***The Asian Development Bank; The Caribbean Development Bank; Middle Power Clout: Sweden and the Development Banks; Shocks and Strategies: Jamaica and the Caribbean Development Bank; High Stakes and Low Incomes: Canada and the Development Banks;*** and the French version, ***Mises Élevées et Faibles Revenus : Le Canada et les Banques de développement.*** For further information, contact Melanie Gruer, The North-South Institute, 55 Murray St., Suite 200, Ottawa, Ontario K1N 5M3, Tel.: (613) 241-3535; Fax: (613) 241-7435.

CHILEAN FISHERY REPORT

The Canadian Embassy in Santiago, Chile, has completed a new report on the ***Chilean Fishery Sector*** (code 104LA). The report lists a brief summary of the areas which have the greatest commercial potential for Canadian business. It also provides statistics and specific information on the country's market, the regulatory environment, the productive structure of the Chilean fisheries sector, and a description of the pelagic fishery, demersal fishery, benthonic fishery and aquaculture. Copies of the report are available through the Department of Foreign Affairs and International Trade's InfoCentre (see box bottom of page 16).

Index to Mexico

Small- and medium-size companies that cannot afford expensive marketing junkets to foreign countries now have an opportunity — without leaving Canada — to reach 20,000 businesses in Mexico.

They can, at cost, advertise their products and services in the up-coming ***1996 Canadian Buyers Index Catalogue.***

This second edition of the Index, to be hand distributed throughout Mexico in February 1996, will reach some 100,000 key Mexican executives, including importers, distributors, sales agents, wholesalers, retailers, manufacturers, freight forwarders, exporters, government officials, consultants, developers and banking officials. Contact Benjamin Rouse, Alpha Research Incorporated, 720 Spadina Avenue, Suite 310, Toronto, Ontario M5S 2T9, Tel.: (416) 944-1968; Fax: (416) 944-2755.

Business Agenda

Vancouver — September 18-22, 1995;
Edmonton — September 29; **Toronto** — October 4-11 — Companies with questions about trade and investment opportunities in Colombia may make an appointment to see Zen Burianyk, Commercial Counsellor, Canadian Embassy, Bogota, during his visit to these cities. Please contact the International Trade Centre in the appropriate city: **Vancouver** — Craig Short (604) 666-1426; **Edmonton** — Sharon Johnson (403) 495-6505; and **Toronto** — Yolande Baldachin (416) 973-5054.

London — September 19, 1995;
Calgary — September 22; **Kingston** — September 26; **Markham** — October 12; **Moncton** — October 25; **Halifax** — October 26 — **Making Trade Shows Work** is a series of two half-day workshops in one day. *Effective Show Planning* and *The Secrets of*

Working a Booth feature trade show expert Barry Siskind and are offered by International Training & Management Company, Terra Cotta, Ontario, Tel.: (519) 927-9494; Fax: (519) 927-9493.

REMINDER

A cross-Canada series of half-day seminars, Shipping to Mexico: Getting It Right the First Time, is being presented by the Canadian Council for the Americas and the Department of Foreign Affairs and International Trade. Locations and dates are: Halifax (Sept. 25); Montreal (Sept. 26); Toronto (Sept. 27); Calgary (Sept. 28); Vancouver (Sept. 29). Contact the Council in Toronto at Tel.: (416) 367-4313; Fax: (416) 367-5460.

Toronto — September 21, 1995 — A

breakfast seminar (\$35) on **US Government Procurement** will inform participants on: what procurement opportunities exist; how to take advantage of them; and what the Canadian Embassy can do for you. Judith Bradt of the Canadian Embassy in Washington, DC and Bob Armstrong of Livingston Trade Services will lead the seminar. Tel.: (416) 862-4515; Fax: (416) 366-4906.

Edmonton — October 4-5, 1995 — **Exporting to the U.S. Workshop** is a two-day hands-on workshop providing the information and tools needed to be a successful exporter to the U.S. Participants will develop and refine their U.S. marketing strategy as well as build a solid U.S. marketing plan. Contact Linda Brown, Alberta Economic Development and Tourism, Tel.: (403) 427-6101/427-6075; Fax: (403) 422-9127.

Trade Strategies in a Changing Market

Fredericton — The Canadian Exporter's Association (CEA) will be holding its 52nd Annual Convention October 1-3, 1995. The theme is **Changing Markets: Changing Strategies -- Tools and Techniques for Growth and Success in a Competitive World.**

Competition is on a global basis, against the best in the world. The winners will have to be productive, use the latest technology, and be highly flexible. As new but difficult markets open, highly

focussed and specialized sectoral opportunities appear. The prizes will go to those who get there first, and who are fastest in adapting to change.

The Convention will also feature the presentation of the **Canada Export Awards** by Roy MacLaren, Minister for International Trade. Sessions will look at:

- Technology Tools: exciting technologies available today and tomorrow's incredible promise.
- Project Financing: two sessions on new initiatives and approaches

for short-term, medium- and long-term sales.

- The Resource Industries: successful companies adapting to challenging conditions.

- Survival as an International Business Executive: essential preparations and guidelines for the business traveller to ensure peak physical, mental and psychological well being for optimum professional and business performance.

Contact CEA, Ottawa, Tel.: (613) 238-8888; Fax: (613) 563-9218.

INFOCENTRE

The InfoCentre of the Department of Foreign Affairs and International Trade provides counselling, publications and referral services to Canadian exporters. Companies interested in obtaining trade-related information are invited to contact the InfoCentre at 1-800-267-8376 (Ottawa Region: 944-4000) or by fax at (613) 996-9709. Trade information is also available by calling FaxLink (from a fax machine) at (613) 944-4500, the Department's round-the-clock faxback service.

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Export i: Information Source on Mexico

"Mexico Starts Again" trumpeted the cover of the August 26th issue of the *Economist*. With the successful return of the Mexican government to international capital markets, all signs are pointing to a comeback for our new Latin American business partner. As a result, Canadians are once again including Mexico in their export plans. The timing – and good news – couldn't be better for the October 8 launch of the Mexico *Export i* program.

"i" is for Information

Export i is a comprehensive knowledge-based program mounted by the Department of Foreign Affairs and International Trade (DFAIT), Latin America & Caribbean Branch. This prototype program, designed for Canadian business managers who want to sell their products in Mexico, provides instant access to current

market information and business practice guides for doing business in that country. Profiles, summaries, guidebooks and reference tools provide information on 18 industry sectors and more than 50 different sub-sectors. What makes *Export i* invaluable to Canadian businesses is the speed at which it can provide in-depth information for assessing Mexican markets,

and for building a sound export strategy. Information, which progresses in complexity and depth, is available where and when a business wants it.

Export i focuses on the kind of information decision-makers need to enter a market while the opportunity is still current. To ensure that a consistent standard of quality business information is captured in each of the 18 sectors, a series of research templates was

Conference Highlight

Mandela in Canada to Talk Business

South Africa rapidly is becoming one of Canada's hottest new export destinations. Two-way trade increased by over 200 per cent during the last three years and is expected to reach \$700 million in 1995. An increasing number of Canadian firms are establishing operations in South Africa and the region.

President Nelson Mandela of South Africa will lead a high-level delegation to Toronto October 27, 1995 to promote two-way business links between the two countries. Canadian companies interested in learning more about this exciting new emerging market are invited to participate in a major **Canada-South Africa Trade and Investment Conference** to mark the visit.

The half-day event, hosted by the Department of Foreign Affairs and International Trade and the South African High Commission, is expected to feature prominent business, trade union and political speakers, including Canada's

Minister for International Trade Roy MacLaren, and Chris Stals, Governor of the South African Reserve Bank. The event will culminate with a keynote luncheon address by President Mandela. Participation fee is \$175.00.

Conference contact is Jacqui Gillespie, Coordination Plus Inc., Tel.: (416) 862-9067, ext. 224; Fax: (416) 862-2238.

For more information on South African business trends and market potential, ask for the special **CanadExport** Supplement on South Africa (June 19) by calling DFAIT's InfoCentre, Ottawa at 1-800-267-8376 (Ottawa area: 944-4000).

ITALY

SUPPLEMENT

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developed to guide the gathering and recording of information. As such, the *Export i* is highly modular and facilitates quick scanning and easy reading of information that's built around a "who", "what", "where", "when" and "why" format in each market sec-

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SHARING TRADE SECRETS

Markham Company Electrifies Jamaica

Experience and market savvy helped a publicly traded company, Andaurex Capital Resources Inc. of Markham, Ont. win a \$2.7 million electrical engineering contract with the Jamaica Public Service Company Ltd.

The Andaurex contract, through its wholly-owned subsidiary Markham Electric International, calls for the design, supply, construction and commissioning of a 69/24 kV substation at Up Park Camp in Jamaica.

A 100 per cent export-oriented company, Andaurex is not new to market conditions in the developing world, and to Jamaica in particular.

Based on its two previous contracts in Jamaica — in 1988 and 1992 — Andaurex was well-positioned to get wind of this latest Inter-American Development Bank (IDB) project.

This is where client satisfaction becomes so important.

Bidding process

Having earned such a stamp of approval in Jamaica, Andaurex was approached to bid on the Up Park Camp project.

While the first two contracts were for design and supply only, this time it was for a turnkey project.

Even before the bidding process started, the first hurdle to overcome was the prequalification — demonstrating financial soundness and technical capabilities, and putting forward a solid package to qualify for the final bidding.

The package was to list the names of all intended subsuppliers who had to meet with Jamaican

approval. The company also had to guarantee the pricing for 150 days and post a bid bond.

Putting together such a list — some 20 chosen by Andaurex, mostly from Canada but also from the U.S.A., France, Portugal and Brazil — was no small feat.

The bidding started in earnest with a request for quotation announced in May 1994.

According to Markham Project Manager Mark Unsworth, "It takes about six to eight weeks to put a good bid together, finalizing subsupplier list and prices."

And the winner is...

After bidding closed in January 1995, it took nearly five months for a winner to emerge.

Andaurex beat out five competitors not only based on pricing and quality, but also reputation and reliability.

"Pricing won the day but also the right mix of subsuppliers," says a happy Unsworth, who also acknowledges the help received from the Canadian Export Development Corporation in guaranteeing the performance bond on the contract.

With the competition coming from world-renowned companies such as Be & Be Ingg. (Italy), Eface (Portugal), Pauwels (Belgium), ABB (Sweden) and TKV (Venezuela), Andaurex certainly

has something to crow about.

Even while waiting for the results, which can be unnerving as in any competition, according to Unsworth there were certain positive signs showing that the company was seriously being considered.

"For one," says Unsworth, "there was a lot of correspondence back and forth requesting further details on specifications and the

Continued on page3 — Electrifying

CANADEXPORT

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Mail to: *CANADEXPORT* (BCT), Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2.

Electrifying Jamaica — continued from page 2

company's technical capabilities.

"These all show that we are really in the running."

Over the past decade, Markham Electric International has been awarded over 50 per cent of the projects on which it has bid.

"Know thy market and competition"

"Before aiming for a contract, you really need to know the market you're going into," advises Unsworth.

That goes not only for the prospective client, but also the competition.

"As far as the client goes," he advises, "you should find out which subsuppliers he likes. This can be done through site visits, meeting with the client to find out his preferences."

It also means being actively involved in the bidding process, from the prequalification stage right up to the awarding of the contract.

When it comes to selecting subsuppliers, Andaurex tries to gain a competitive edge by going directly to the country where the subsupplier's factory is located.

But Unsworth is also quick to advise: "You can't go to the same supplier all the time. Therefore you have to know the competition."

With some 20 years in the business, Andaurex has gained good experience in the field. Much of this comes from contacts developed over the years

and word-of-mouth.

When getting a foothold in a new country — most recently in India, Cyprus, Ghana and Costa Rica — the company often consults with the Canadian Embassy for local market information and possible agents and representatives.

According to Unsworth, some countries, like Jamaica, require foreign companies to open an office locally before they can set up operation. This, Andaurex already has done, as well as in St. Lucia and the British Virgin Islands, which makes it even more competitive in those markets.

"Ultimately," says Unsworth, "you really have to do your

homework and don't take chances. If the client isn't happy, I haven't done my job."

This is obviously a proven recipe for this 10-employee strong multi-million-dollar junior industrial company.

Andaurex recently acquired 60 per cent of Ontario-based International Cranes Inc., an engineering and project management company that designs, builds, services and manages the construction of high capacity and specialty cranes used in shipyards, hydroelectric plants and other heavy industries.

For more information on Andaurex, contact Gregory B. Bowes, President. Tel.: (905) 470-0104. Fax: (905) 470-7860.

Egyptian Joint Venture Tender Could Put Deal Right on Track

Tecnico Contracting Co., a privately-owned firm active in the railway construction and maintenance field, is seeking cooperation with a Canadian company, on a joint venture basis, to address the needs of the Egyptian market in the field of track laying and renewal.

The Canadian company needs to be equipped with a railway crane, tamping machine, and any other necessary equipment.

The new joint venture will be positioned to participate in projects both nationally and throughout the region. National projects amounting to 600km of tracks are planned for the next five years. The first of these is a 200-km project for an extension of the existing network through the Sinai. This project is expected to be issued for tendering before the end of 1995. For more information, contact Hany W. Ibrahim, Commercial Officer, Canadian Embassy, Cairo, Tel.: (202) 354-3110 ext. 3352; Fax: (202) 354-7659.

Win Export-Looking for Export Opportunities?

Make sure you are registered in the WIN Exports database which will showcase your company's capabilities to foreign buyers. To register, fax your request on your company letterhead to 1-800-667-3802 or 613-944-1078.



Export i: Information Source on Mexico – continued from page 1

tor. Each document also undergoes a thorough process of industry validation to ensure the information is both relevant, and current.

What's In It

The knowledge base is divided into information categories for exporters to Mexico: Market Summaries; Market Profiles; Business Guides; Business Tools.

A Market Summary, for example, contains up to 10 pages of tightly formatted information that provides an overview of the market potential for Canadian companies. Each summary also includes an invaluable contact list of up-to-date government departments and phone numbers in Mexico and Canada that can be consulted for additional information. Summaries are available free of charge in hard copy, by fax and electronically by computer modem, all through DFAIT's InfoCentre.

Market Profiles provide an in-depth look at the market, its size, trends and distribution channels, in addition to providing an extensive list of contacts. The profiles are approximately 60 pages and can be accessed free of charge by modem through DFAIT's InfoCentre Bulletin Board (IBB) by calling 1-800-628-1581 or, in the Ottawa area, (613) 944-1581; or purchased in hard copy from Prospectus Inc., tel.: (613) 231-2727; fax: (613) 237-7666.

Business Guides are comprehensive publications that focus on specific issues that may be perceived as a problem or obstacle to entering the Mexican market. Nine guides are available, covering, among other topics: marketing, government procurement, export regulations and proce-

dures, and partnering. Each guide is available free of charge by modem through DFAIT's IBB or purchased in hard copy from Prospectus Inc.

In addition, the *Export i* knowledge base includes Export Planning Tools, templates that have been created to guide the exporter through the export planning process. Other Reference Material is also available on-line, covering topics essential to the export decision, such as tariff rates, trade fairs and professional conferences and legal aspects to doing business in this vital market. As the program develops, it is expected that the Department will release a newsletter, called *Business Update*, to cover topics such as: economic assessment, investment indicators, economic performance, business practices, logistics — providing an ongoing report on the political-economic environment for doing business in Mexico.

Access Timely, Easy

Export i provides consistently formatted information across an entire economy. Everything business people need to guide their business decisions around Mexico is available at their fingertips, 24 hours a day.

Export i is expected to be particularly useful for small- and medium-size companies which often do not have the research resources needed to thoroughly investigate a foreign market. Too often, they have found that published information is either out of date or not relevant to their needs. It's sometimes difficult to find out where to go for help. *Export i* intends to fill this gap by providing timely, relevant and focussed information to support

business decision making related to export strategy and development.

This project has been supported in part by sponsorship from private-sector companies, such as the Toronto office of Baker & McKenzie, Barristers and Solicitors and Federal Express Canada Limited. *Export i* is being officially launched October 3, 1995 at the annual meeting of the Canadian Exporters' Association.

The *Export i* can save a company hours in research and ensure that an export strategy is premised on accurate up-to-date information. Given the difficulty of accessing current information in a rapidly changing marketplace, the *Export i* program is expected to become a vital strategic resource for many Canadian companies, giving them an asset that, until now, could have cost them valuable time and substantial research dollars. The *Export i* knowledge base will fuel export development by making key information instantly available to businesses that are targeting Mexico as an emerging opportunity.

For more information on *Export i*, please order a catalogue of the publications from DFAIT's InfoCentre (see box bottom of page 8).

Number to Note

A transposed digit in the *Netherlands Supplement* (Vol. 13, No. 14, September 5, 1995 issue) rendered incorrect the telephone number for the Toronto-based Canada/Netherlands Chamber of Commerce in Canada. The correct number is: (416) 368-0350.

CANAD EXPORT



Focus on Italy

LOOK AT ITALY: MUCH MORE THAN *DOLCE VITA*

By Jessie Hislop, Trade Commissioner, Milan and Alex Jones, Commercial Officer, Rome.

Fashion and design, food, fast cars and short-lived governments. For many, these are the initial images of Italy. A closer look reveals Italy as an extremely rich market and an exciting source for partnerships and technology.

There are excellent prospects for Canadian companies to export or licence production, particularly in:

- * software
- * telecommunications
- * environmental industries, especially wastewater and solid waste
- * automotive parts
- * medical devices
- * fish and seafood products

The Commercial Divisions of the Canadian Embassy in Rome and the Canadian Consulate General in Milan can help assess if Italy is a priority market for Canadian companies.

Personnel can assist in planning a program that will help companies evaluate the market and identify potential collaborators as well as help to define which approach will work best: an agent, distributor, licencing agreement, joint venture or a direct investment.

The type of distributor or partner depends on a company's products' characteristics: for high-value added products, a committed partner, able to adapt products to Italian norms and language,

and to offer complete marketing, service and training support, is especially important.

Profitable Partnerships

Canadian companies should also look to Italy for partnerships that can provide access to innovative manufacturing technology and machinery manufacturing capabilities, and to the European Union (EU) market.

Italian small and medium enterprises (SMEs) have driven Italy's economic growth and have developed ingenious processes and machines for applications (e.g. food processing and packaging, machine tools, automation and process control, telecoms, energy sector machinery, plastics, footwear, petrochemical technology and automotives).

They are the world leaders in sub-sectors, including stone-working, wood-working, ceramics and vegetable processing machinery.

Acquiring product mandates or technologies from Italy can enhance the competitiveness of Canadian companies within the North American market.

Italian machinery and processes are renowned as innovative, compact and flexible, allowing automation of customized production — as sales in Germany and France attest.

Now Italian businesses are turning their attention to North America and many are interested in forming partnerships with a local company that knows the market, has established distribution channels and similar production

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Italy More Than *Dolce Vita*

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capabilities and style.

Canada — without the often overwhelming presence of large U.S. companies — offers them access to very high technology niche sectors and new production methods.

Relationships can work both ways, as Italian SMEs want to do business on an equal footing by developing initiatives that are mutually profitable, both in North America and in Europe.

Moreover, Italian companies are excellent partners in third country markets where they are established in Western Europe, Eastern Europe, the Middle East, Latin America and China.

Trade officers in Rome and Milan can help identify and evaluate potential Italian partners with complementary technologies and marketing aspirations, especially for companies whose future depends on developing new product lines or smarter, faster production.

Financially Stable

Italy has the fifth-largest economy in the world. It is a country of 58 million wealthy consumers with a national per capita Gross Domestic Product (GDP) at the same level as in Canada; per capita incomes in the industrial heartland of Northern Italy are the highest of any region in Europe.

On the surface, Italy's public finances — the second-largest national debt of the EU (127 per cent of GDP) and a public account deficit of 9 per cent — seem to be precarious.

The *Financial Post 500* (1995, p. 88) recently commented that "... Italians have enjoyed one of the highest

rates of per-capita-income growth in Western Europe in the last two decades because Italy has a vigorous, entrepreneurial private sector — especially among small and medium-sized business."

The debt cycle has been stabilized over the past two years through energetic government action and is declining in real terms. The deficit, as a proportion of GDP, has fallen from over 11 per cent and is targeted to reach 7 per cent by next year. Inflation has also peaked just short of 6 per cent, and should be close to 4 per cent by 1996.

In spite of this large debt load, Italy enjoys considerable financial stability, mainly because over 90 per cent of the national debt is held by Italy's own citizens, in the form of government securities; it is, therefore, not subject to international currency fluctuations or foreign speculation.

Italy has one of the highest rates of personal savings in the

world, with Italian citizens setting aside, on average, 18 per cent of their income.

Despite leaving the European Monetary System in 1992, the lira has since recovered much of its strength and Italy is contemplating a re-entry to the system in the near future.

GDP growth is forecast at 3.2 per cent for 1995 and around 4 per cent for 1996, the highest among industrialized countries.

As in many industrialized and developing countries, the Italian government is privatizing its very large stake in the economy — everything from telephone and energy monopolies to manufacturing, banking and insurance.

The government's progress in this area will affect the way the markets judge Italy's economic performance.

Acquisition of privatized operations also present good opportunities for foreign firms to enter the Italian market.

Milan On-Line

*The Consulate General in Milan is on-line at:
<http://www.agora.stm.it/canada/homepage.html>.*

Its www pages provide market profiles for many Italian sectors in a newsletter called "Italnews," as well as access links to the main Italian sites.

Personnel constantly are expanding the pages and updating the information to create an up-to-date tool for Canadians interested in doing business in Italy.

Let the Consulate General know what other on-line information would be useful!

ITALY Economic Indicators

Figures in Canadian \$ unless otherwise specified; exchange rate 1 Cdn\$ = 1182 Italian lira (average for 1994); figures refer to final 1994 data.

Population	57,6 m
Surface (in sq. km.)	302,000
GDP (1994)	1,426 bn
GDP per capita	24,758
GDP growth 1994	+ 2.3%
GDP growth first qtr 1995	+ 4.0%
GDP growth forecast 1995	+ 3.2%
Consumer price index last 12 mos	+ 5.6%
Unemployment	12.2%
Public debt as % of GDP	124%
Central Bank Discount Rate	9%
Pub. Acct. Deficit	9.5% GDP
Personal savings (as % of income)	18.5
Exports fob	258 bn
Imports fob	228 bn
Ranking as Canada's export market	11th
Ranking as Canada's source of imports	10th



There is considerable scope for increasing Canadian exports, given the strength and vitality of Italy's continuing economic growth. Bilateral trade in the past has consisted largely of Canadian raw materials coming to Italy, and of finished goods going the other way.

The gradual closure of the European Community to foreign agricultural exports and restrictions on forestry products have discouraged many Canadian exporters, but suggested new opportunities to others.

Over the past few years there has been an upswing in value-added Canadian product imports, including the licensing of technology, joint ventures, and the outright sale of turnkey equipment.

CANADIAN EXPORTS TO ITALY ('000 \$CDN)

	1991	1992	1993	1994
Total	1,074.5	1,177.7	969.0	1,314.3
Ag, Fish, Grains, Food	104.3	110.1	95.9	141.9
Forest Products	402.8	429.5	390.4	566.9
Minerals, Chemicals	212.9	199.6	135.3	129.4
Metals, Metal Products	134.4	197.4	103.9	160.4
Machinery	89.2	88.8	80.2	87.5
Transport Equipment	43.4	14.2	14.2	7.7

DOING BUSINESS IN ITALY

A foreign competitor with a good product, at the right price, now has the same chance as anyone else of winning a contract.

Business Climate

Italian business has often complained that it is being held back by a confusing, stodgy bureaucracy and that public-sector companies in Italy are like so many white elephants. However, the Italian public-sector is changing, particularly at the regional and municipal levels, with the election of several dynamic, business-oriented public officials.

The "Clean Hands" scandal that sidelined much of Italy's political ruling class in 1992/93 also has changed the way business and procurement contracts are handled. As in other countries, irregular practices still occur but a foreign competitor with a good product, at the right price, now has the same chance as anyone else of winning a contract.

The use of a local partner is essential and far cheaper than attempting to establish a local market presence alone. Contacts and a local presence are important, especially in environmental or telecom sectors, which involve procurement by public-sector agencies or utilities. *The labyrinthine decision-making process and financing complexities require knowledge of the system, the modus operandi and the players.*

The real dynamism of Italian economic development since the early 1880s have been small and medium enterprises. SMEs have been more competitive in a costly labour market, quicker to adapt to export opportunities, and more open to

new technology opportunities. Many SMEs have grown out of family businesses, or were created "ad-hoc" by entrepreneurs to take advantage of geographic concentration of crafts and trades.

These entrepreneurs represent the most promising vehicle for entry into the market. In contrast to previous generations, they are generally globally oriented and are eager to gain access to new business opportunities from overseas that will give them an edge in the Italian and European market.

An added feature of interest in the Italian market, and an important factor in Italy's impressive industrial growth in recent decades, is the presence of "Industrial Clusters" or centres of excellence unifying SMEs (and often, the large manufacturers they supply) within a relatively small geographical area.

For example, a small zone called Montebelluna is home to 100 firms, many of them tiny, specialized sub-contractors that, together, supply 40 per cent of the world's ski boots. Although they aggressively compete with each other, they cooperate in the management of common infrastructures for transportation, waste disposal and even promotion. Pooling their resources reduces operating costs. This type of "collaborative-competition" permits a Canadian supplier to tap into a pool of users having much larger resources than would normally be available to SMEs.

When in Rome ... Italian Business Culture and Etiquette

There are some nuances well worth remembering with regard to Italian culture and etiquette, particularly as they pertain to business practices.

- Italy, having few natural resources, has always been a trading nation, and Italians are always eager to find and embrace new products and ideas. Canada has a good reputation in Italy, primarily because of Canada's high standard of living and natural beauty. These traits frequently carry weight when introducing

Canadian business into the country (but ultimately it is the quality, price and reliability which determines the success of a product). Italians also appreciate the open and friendly way in which Canadians do business, and will not expect them to speak Italian, being more likely to apologize for their own limited command of French and English. However, attempts to say even a few words of Italian will be appreciated and encouraged.

- Initially, business relations

are formal but gracious. If you speak Italian, you should use the polite "Lei" form and call people by their titles as given on the business cards (for example, Dottore or Dottoressa, which signifies a university graduate) or Ingegnere. Avoid using dialect — it is better to speak in English or French than to use non-standard Italian in a business setting. In meetings, it is expected that one starts with

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When in Rome*

SECTORS OFFERING OPPORTUNITY

ADVANCED TECHNOLOGY

The total Italian market for advanced technologies, including software/hardware and telecommunications (valued at Cdn\$50 billion last year and the sixth largest in the world) is undergoing a period of transformation which offers unprecedented opportunities, particularly in software and telecommunications.

Software

Demand and investment in the software industry is undergoing an evolution. The traditional focus on customized software and EDP consulting is moving to DBMS and PC LAN software, facility management services and networking services. Local adaptation to the Italian language and local service support arrangements are essential.

Italy's domestic software industry, with the exception of Olivetti and Finsiel, is very small and the standard software products market is completely dominated by foreign vendors, especially from the United States. Given Canadian strengths in this field, Canadians should have a higher share.

Telecommunications

Driven by accelerated moves toward liberalization, deregulation, and privatization of the sector, Italy's telecommunications sector is dynamic and open to new Canadian products.

Installation of "fibre-to-the-home" cable networks for multimedia applications, a booming market for cellular radio and portable network services, advanced VAS services to business being introduced by Telecom Italia and new second cellular network operator, Olivetti/Omnitel, and the entry of numerous new foreign and domestic players positioning themselves to compete in the rich market for telecom services, are some examples of the dramatic expansion this market is going through.

Italy, which to comply with EU policies, must open its telecoms market to full competition on January 1, 1998, recently launched a \$15 billion national investment program named "Socrates" to cable 90 per cent of the country for interactive 'information highway' broadband services by 2003.

Major areas of opportunity in which the Italian Posts will be concentrating promotional activities are: Value-added services, advanced networking solutions, including ISDN, frame relay, ATM, Intelligent Network and Virtual Private Network Services, wireless products and services, computer telephony integration, and satellite communications systems for the business community.

As broadband infrastructure and services develop, demand will intensify for interactive multimedia and graphics and animation software, advanced database systems and products, as well as billing and customer tracking systems.

Software/hardware contact is Pierangelo Ponzone, Milan; John Picard, Rome, is the contact for telecoms, market access and contacts with the public-sector entities and end-users.

AUTOMOTIVE PARTS/TECHNOLOGIES

The Italian auto sector is virtually synonymous with the FIAT Group, which owns Alfa Romeo, Autobianchi, Innocenti, Iveco, Lancia, Ferrari and Maserati, in addition to its own label. FIAT also owns large suppliers such as Teksid and Magnetti Marelli. In addition, the sector includes luxury producers such as Lamborghini (controlled by Chrysler) and Bugatti.

Global and domestic pressures have spurred interest on the part of all Italian companies in this sector to look abroad for both solutions and opportunities. Now there is far more openness on the part of FIAT and its subsidiaries to consider new suppliers — if they can offer quality at a better price. Domestic suppliers to FIAT are also interested in international alliances to subcontract or to buy or sell technology.

Following the revamping of FIAT's production strategy and product lines, components now represent 60 per cent to 70 per cent of the industrial cost of cars and the proportion of imported components is constantly increasing. Moreover, with FIAT continuing to winnow its suppliers, many domestic suppliers are feeling the pressure to perform, adapt and look offshore for partners.

The FIAT Group's sales are booming in spite of stagnant domestic demand. Production was up 22 per cent in the first quarter of 1995 over 1994. FIAT plans to start production at the end of 1996 on its first "world car" experiment, the 178 model, predicted to reach 600,000 units within the next few years.

The "world car" will be offered in hatchback, sedan, and station wagon versions and be built initially in Argentina, Brazil, South Africa and Turkey and later possibly in China, Egypt, India, Mexico, Morocco and Vietnam.

Parts and repair shop suppliers should seek local representation. Sales are also possible through

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SECTORS OF OPPORTUNITY

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foreign-owned distributors, such as Bertolotti, bought by the U.S. company Federal Mogul. Contacts with Italian distributors can be made at the major European show **Automechanika** or the Italian show, **Auto-Promotec**, held odd years in May at Bologna.

For component manufacturers, the largest domestic shows are **Sitev** (November 1996) and **Automotor** (May 1997), both in Turin.

BIOTECHNOLOGY

Opportunities exist in Italy for Canadian companies seeking potential R&D partners and/or investors among the pharmaceutical and finance industries.

While the pure biotech industry has very small sales in Italy (only \$200 million in 1994), biotech has a much greater role in the agri-food industry than is captured by these statistics.

ENVIRONMENTAL EQUIPMENT

Italy offers great business opportunities for the introduction of "off-the-shelf" Canadian products, systems and technologies, particularly for municipalities which account for 70 per cent of all expenditures in the sector.

Priority sub-sectors are waste water, urban solid waste, hazardous and toxic waste treatment. Air quality, hydro-geological stabilization, marine technologies, coastal protection and forestry management, including specialized issues, such as forest fire fighting, also are priorities for selected regions or municipalities.

The environmental market in Italy in 1994 was Cdn\$4.8 billion. This represented a drop of 4 per cent from 1993 and was due to a freeze on procurement by local authorities in the wake of investigations into corruption

and bribery. The market has resumed the normal 4 per cent to 5 per cent growth rate in 1995. The "Clean Hands" investigations and the flat demand caused a shake-up in the sector and opened a window for new suppliers to establish in the Italian market.

It is critical for a new Canadian company to identify one or more local partners able to cultivate contacts with the disparate clients. The most active municipalities are not the metropoli of Rome, Milan, or Turin but rich second-tier cities and small towns in the North such as Modena, or Padova, as well as other municipalities in the Centre and South which have elected reform-minded administrations. Some of these cities have formed municipal corporations that act as contractors and suppliers, both in their home territory and elsewhere in Italy and abroad.

Collaboration with one of these firms can pay off in third-country sales: some Italian regional and municipal authorities have been very active in promoting cooperation with Eastern Europe, where Italian investments and exports are second only to those of Germany.

FISH & FOOD PRODUCTS

Italy is a large importer of agricultural and food products — mainly primary goods, such as durum wheat, other grains, seeds, pulses, horsemeat, hides and skins and genetic material.

Good Canadian export opportunities exist for frozen wild pacific salmon (destined for the Italian smoking and catering industries), live and frozen lobsters and crab and surimi. Suppliers of specialty Canadian products (e.g. maple syrup, wild rice) also have developed a small niche in the Italian market. Traditionally, Italy has been a

tough market for high-value-added foreign processed food products. That's because consumer tastes have been extremely conservative and nationalistic, the permissible additives (in products originating from outside the EU) are stringently controlled and the distribution system highly fragmented.

Supermarket sales represent just one-fifth of food purchases since consumers largely frequent specialty and neighbourhood stores and markets. A company whose processed food products have enjoyed success in other European markets should consider Italy as a new target as Italy is slowly following the European trend to more "international" cuisine and ready-to-serve products.

Another avenue is to add value to products already well-established, such as introducing frozen lobster and lobster meat to build on the growing live lobster market.

FOREST PRODUCTS

Opportunities for Canadian forest products in Italy continue to grow — particularly for specialty lumber, value-added and secondary manufactured wood products.

Italy is the world's third-largest importer of sawn lumber (after the U.S. and the U.K.) and the single-largest importer of sawn hardwood lumber, with imports totalling Cdn\$4.5 billion.

In 1994, Canadian exports of sawn lumber, plywood, veneers and logs totalled \$115 million, but with *Canada's positive image as supplier of superior quality, there are strong possibilities to increase market share.*

Italian agents and representatives are keen to establish new business connections with Ca-

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SECTORS OF OPPORTUNITY — *Continued from page VI*

nadian remanufacturing mills and to discuss sales of joinery and furniture-grade species of both hardwoods and softwoods and, where applicable, high-quality board products. *Aggressive marketing by a local rep or distributor is the key to establishing sales* as the client base of small furniture and building product manufacturers is highly fragmented and dif-fused throughout Italy.

MEDICAL DEVICES

The medical devices sector is one of the most open in Italy, with imports accounting for roughly 80 per cent of the market. Distributors are eagerly seeking new sources of supply and products, including those from non-European Union countries.

Opportunities abound for cost-cutting replacement equipment

and disposable supplies. While the public-sector hospitals suffer from very tight budgets, the long-term growth prospects for capital equipment expenditures remain positive, prompted by pressure to reduce labour costs. However, private health clinics are not subject to the government's deficit reduction efforts.

Italy also has one of the highest ratios of physicians per capita in the world and, with the lowest birth rate in the industrialized world, has a rapidly aging population, boosting demand for products for the elderly and disabled.

A distributor is essential to market and service the products effectively and especially for pricing and financing cash flow. The average time for Italian hospitals to pay suppliers of medical products is, according to

one major distributor, 454 days (!); it actually varies from 100 days to 900 days, depending on the hospital. Adjusting pricing to accommodate the payment performance is best left in the hands of a local distributor (who normally adds a hefty 250 per cent to 400 per cent, depending on the client).

There are relatively few Italian-owned manufacturers of medical devices. Most of the home-grown companies have been bought by multinationals, taking advantage of the Italians' cash-flow weakness, or Swiss companies, seeking a close, lower-cost manufacturing base. The remaining Italian-owned companies are mainly in medical furniture and plastics and are generally open to considering alliances with foreign companies.

When in Rome — *Continued from page IV*

a few general remarks (such as impressions of Italy or their experience, if any, in Canada) before getting to the heart of the matter.

- Pleasantries are usually brief as most Italian business people are very pragmatic and goal oriented. It is expected at the end of a meeting to have jointly reached a conclusion as to any common purpose, precise follow-up, a clearly indicated division of labour, deadlines, whom (identifying the contact for each task within each company) and when the deadlines will be or the next contact should occur.

- Most Italian business people, before agreeing to a meeting, want to establish the objective and proposed key points of discussion. They will then prepare thoroughly for those subjects. "Winging it"

simply "doesn't fly". Italians are also very conscious of matching their counterparts, in level and competency.

- Italians offer more than a generous style and level of hospitality, whether in personalized facility tours or exquisite lunches featuring local specialities. It is important that Canadians reciprocate, demonstrating they recognize the importance of this business relationship and are worthy collaborators willing to devote time and thought to developing it — in the same way they pay attention to quality and detail in their products.

- Developing trust is essential, particularly as it is not easy to evaluate the *bona fides* of an Italian private company except through personal observation and references from clients and their bank(s). Public

information about most companies is lacking and what is available is often unreliable. (With 300 possible taxes applying to businesses and average burden of 50 per cent to 58 per cent, the propensity is high to under-report turnover and minimize reported profits.)

Furthermore, most companies are privately held and the dividing line between personal and company(ies) resources is fluid.

- Italian private companies often have difficulty in obtaining financing in Italy as bank interest rates are extremely high, credit very restrictive and the stock exchange small. Arranging contacts with Canadian financial services is often a "make-or-break" consideration for an alliance or investment.

There's More to Business than Exports

Investment, Strategic Alliances, Tourism

Attracting Italians to Invest in Canada

Attracting investment from Italy is a key goal of the Canadian missions in Italy.

Italians, until very recently, have lagged behind in foreign direct investment (FDI), accounting for only 6 per cent of the European Union's FDI stock abroad.

Official statistics reported that the stock of Italian FDI in Canada is similarly very limited: In 1994, Italian direct investment in Canada totalled \$331 million. Canadian direct investment in Italy totalled \$844 million.

The Federation of Italian Business is strongly advocating that Italian companies invest abroad to preserve and expand their international business successes. This is the right time to be presenting Canada as a production base from which Italians can serve all of North America.

Canada is appealing as an access point to the NAFTA market. In fact, in a recent survey, Italians were the only Europeans to rate Canada ahead of the U.S. as a preferred destination for investment.

In general, since the firms are usually small, privately held and privately financed, Italians

In 1994, Italian direct investment in Canada totalled \$331 million. Canadian direct investment in Italy totalled \$844 million.

prefer to strike joint ventures or technology transfer agreements, rather than a greenfield investment. They seek a local partner able to adapt the product to local preferences, offer service support and an established distribution network to generate cash flow more quickly than through a greenfield initiative.

For additional information on the Investment Promotion Program in Italy, please contact Jessie Hislop at the Consulate in Milan and Peter Egyed at the Embassy in Rome.

Strategic Alliances in Industrial Machinery

Canadian producers with unique products will find market niches in Italy. However, to expand sales beyond the Italian subsidiaries of existing multinational clients, a local partnership is essential. The competition from local and German suppliers is intense.

Despite the devaluation of the lira, imports of machinery and equipment are expected to increase 4 per cent in each of the next two years.

With the high rate for the German mark, openings exist for new suppliers that can

To expand sales beyond the Italian subsidiaries of existing multinational clients, a local partnership is essential.

demonstrate a high quality product and commitment to this market.

Customizing the product to local technical norms, translating manuals and training material into Italian, and establishing local service and parts back-up is essential. *A partner is the easiest way to meet these requirements.*

Two-way Street

Italian machinery manufacturers have been very successful in exporting to Canada and the U.S., still, they are willing to consider a partnership that will help:

- * expand market share by offering clients faster delivery, closer service back-up and lower-cost product through local assembly;
- * overcome supply constraints from Italy, driven largely by lack of industrial manpower;
- * position them for the future as the lira recovers value;
- * diversify holdings from Italy and access a more business-friendly environment; and
- * continually improve, discover in North America new features, high tech content or applications that can be incorporated into their product.

In seeking a local partner, Italians often begin with modest ambitions: a local partner who knows the market can adapt the product and marketing to local preferences and offer service support. Alternatively, Italian firms will often consider licensing their technology for the North American market. With a proven market and distribution system, requisite technological capability, and personal rapport, the relationship can evolve (sometimes very quickly) into a true joint venture.

Post Support Services

The Posts in Rome and Milan welcome any Canadian firms interested in identifying an Italian partner for business in Italy, or to acquire technology to bring to the North American market. Contacts in industrial associations and

Continued on page XIV – More

Canadian Companies Secure ITALY

ADVANCED TECHNOLOGY

Rand Technologies, Mississauga, Ontario provides state-of-the-art products, engineering services and know-how to manufacturing companies to enable them to automate the production process from design to the assembly line.

In barely two years, Rand has grown from a staff of two people in Milan to 15 employees located in Milan and Bologna, with another location planned for Turin by the end of the year.

"We chose Italy first and because of [our experience in] Italy have expanded throughout Europe".

Now Rand has 130 employees throughout Europe, with offices from the U.K. to the Czech Republic.

Rand's Secrets of Success

Be there in person and "hands-on". Rand realized, after a year and a half of trips back and forth to Europe, that there was a clientele very similar to the one they already were serving successfully in North America -- but they had to be **present** to develop the business. Rand did not rely on consultants, but started with its own manager and engineer on-site and, with the help of a local lawyer, set up in Milan. As the business grew, Rand then hired local employees who were brought back to Canada for training.

Recognize that business is business anywhere and clients' requirements are no different in Italy than in the U.S. or Canada. Rand stays true to its business formula.

Avoid being distracted by truisms about markets. Rand found the horror stories of accounts overdue by 180 days did not materialize. Rand serves only private-sector clients in Italy and found that they paid as regularly as those in Canada.

AEROSPACE

Continuing its tradition of product excellence and export success, **Canadair** signed a contract for the delivery of four CL-415 aircraft and associated spares and training to Italy's national Department of Civil Protection. The first two aircraft were delivered in 1994; the two others were delivered prior to the Italian 1995 firefighting season.

The Italian purchase brought Canadair's total orders for the amphibian aircraft to 24, and represented a vote of confidence for the six CL-215s already sold to Italy in the 1980s.

For the people of Italy, the CL-415 represents a crucial instrument in combating some 10,000 forest fires that annually ravage large tracts of the Italian peninsula and Sardinia. On average, these fires sweep over a total territory of 116,000 hectares, or 1.4 per cent of Italy's total land surface. With its unique

scooping capability and rapid turnaround speed (at an average of 18 minutes, it is almost twice as fast as its closest competitor).

For Canadair and its 8,000 employees at three facilities in Montreal, the contract strengthened its presence in the international aerospace market.

Deliveries for Bombardier's fiscal year ending January 31, 1995 totaled 123 aircraft and revenues were some Cdn\$3 billion. About 90 per cent of Bombardier sales are to export markets.

Canadair currently manufactures the Challenger 604 widebody business jet, the 50-passenger Canadair Regional Jet airliner, the CL-415 amphibious aircraft, unmanned airborne surveillance systems and large components for major aircraft companies including Aerospatiale, Boeing and McDonnell Douglas.

For Canada's aerospace industry, it represents an important boost to national R&D efforts in a leading edge, high technology sector.

AUTOMOTIVE

For more than five years, **Waterville TG**, a Waterville, Quebec firm, has been a supplier to Ferrari, providing it with weatherstrips for its doors and its targa and convertible tops, especially for the popular 355 and 456 models.

A while back, Waterville TG also secured the weatherstrip contract for the brand new, entirely redesigned Alfa Romeo Spider. The new Spider was introduced on the market a few months ago with enormous success. Already, Alfa Romeo has asked its suppliers to almost quadruple their delivery rate.

Offering high-quality design and manufacturing, Waterville TG attributes its success in Italy to the excellent price-quality and price-technology ratios that it is able to offer Ferrari and Alfa Romeo. Waterville TG's adoption of Japanese production technology was also a deciding factor.

AUTOMOTIVE/AEROSPACE

Through its wholly-owned subsidiary, **Magnesium Products of Italy (M.P.I.)**, **Meridian Technologies of Toronto** opened its first plant in Europe on September 6, 1995. Already, the company has received orders or letters of intent that will make it the largest supplier of magnesium die cast components in Europe.

Meridian is the largest and most technically advanced magnesium die caster in the world. Teksid S.p.A., a subsidiary of the FIAT Group, and Norsk Hydro, the Norwegian energy and metals group, are the two major shareholders of Meridian.

Initially, M.P.I. will produce magnesium seat

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Canadian Companies Secure ITALY

Continued from page IX

frames, instrument panel support structures and steering wheel frames for major European car producers and aerospace companies.

Components in magnesium are increasingly in demand as the European auto sector faces pressure to reduce car weight to comply with emission standards and anticipated changes in road taxes calculations.

The new facility is the largest plant of its kind in the world. When fully operational it will produce Cdn\$75 million in magnesium components annually.

The new factory is located at Verrès in the Aosta Valley, an autonomous French-speaking region in North-western Italy. The plant, which represents a total investment of \$63 million, will employ 160 to 200 highly-skilled workers. (Meridian will invest Cdn\$42,000 on training per employee.) The plant opened within a year of the ground-breaking, thanks to the strong commitment of the regional authorities.

Meridian has five other plants in Canada and the U.S. employing 1,200; another European facility, location to be announced shortly, will open in 1998.

ENVIRONMENTAL

The ribbon cutting on **Ensyn Technology's** Rapid Thermal Processing unit, built for Italy's state electrical utility (ENEL), is set for late September. Ensyn, based in Greely, Ontario, is a relatively young, high-tech company designing and manufacturing units for cracking biomass waste material into fuel oil. The process uses wood and agricultural wastes (straw, bagasse and rape seed).

The initial contract with ENEL was for a small testing unit worth C\$2.3 million. The contract signing was delayed by over a year due to legal difficulties, but has now been put into operation, thanks, in part, to the assistance of the Canadian Commercial Corporation and the Canadian Embassy in Rome.

Italy offers great potential for the use of this technology, both as a means of reducing the volume of organic wastes, and generating bio-fuel in an energy-poor country. The Italian government has provided a substantial tax incentive for bio-fuels to encourage their development.

As a leading edge Canadian company in this niche technology, Ensyn stands to gain a significant market share once the ENEL plant commences operation.

JOINT VENTURE

Lambton Manufacturing of Lambton, Quebec has just concluded a joint venture with an Italian firm

which encompasses co-production and co-marketing.

Through this deal, Lambton shares in the Italian firm's proprietary CAD-CAM technology which will enable the Quebec-based firm to manufacture metal and wooden staircases for the North American market according to the customer's exact specifications. As part of the deal, Lambton also will supply its Italian partner with wooden components for the Italian company's European sales.

Lambton met its Italian partner at a European trade fair; the terms of the partnership took shape through four visits to each other's plants. This investment of time was crucial to build confidence and demonstrate the viability of the collaboration based on an equal commitment to quality.

SECURITY

Scintrex Ltd. has won one of the largest bids (just under \$1 million) ever awarded by the Italian Ministry of the Interior. The Concord, Ontario firm will supply an initial order of 60 hand-held explosive detection units to Ministry Police forces.

Scintrex joins a list of Canadian companies (among them Med Eng, Pedasco, Barringer, Proparms) which, together, sold millions of dollars worth of security products and instrumentation to Italy's police forces and major airports.

The prominence of Canadian firms in the security sector grew out of a mission, organized five years ago by the Canadian Embassy in Rome, which brought to Canada key Italian government officials involved in anti-terrorism and security matters including EOD and narcotics experts and procurement officials from Italy's Ministry of the Interior, the Ministry of Finance, the national police forces, and the Rome and Milan airports.

SOFTWARE

Taken as a whole, **Corel Corporation's** experience in the Italian market has been very positive. Sales growth has been among the highest in Europe since Corel first began working actively in the market in 1992, and the rapid evolution of the retail sector is continuing to produce impressive results.

It should be noted that 1992 was also the year that two major foreign IT distributors — Ingram Micro from the U.S and Computer 2000 from Germany — began to establish themselves in the Italian market. Volume took precedence over gross margins in the ensuing battle for market share; the net effect was an overall improvement in the efficiency of the channel. It now more or less conforms to the model established in more mature markets such as Germany and the U.K.

FAIRS AND MISSIONS

-- WITH AN ITALIAN FLAVOUR

ADVANCED TECHNOLOGY

Canada at Italy's Hitech Showcase (SMAU 95)'

SMAU is the second-largest hightech show in Europe and the forum for the industry in Italy and the Mediterranean rim. Canada's national stand at SMAU 95, held September 21-25 in Milan, featured the following exhibitors:

Andyne Computing
Connect Tech
Lansource Technologies
Microforum
Pika Technologies
Vive Synergies

Canarie
Farabi Technology
Memotec Communications
MKS Inc.
Spectracom Technology

Companies wanting market intelligence gleaned at this year's SMAU or any other information to help them decide if SMAU 96 might be a key venue for them, may contact John Picard at the Embassy in Rome or Pierangelo Ponzoni at the Canadian Consulate in Milan.

* **Spring 1996:** Italian buyers/systems integrators mission to Canada, focussing on Virtual Reality and Interactive Media.

* **CEBIT/COMDEX, Las Vegas:** Parties interested in meeting Italian companies that will be present may contact, in advance, Rome or Milan for suggested contacts and assistance in arranging appointments.

* **May 1996:** Telecoms Policy and Regulatory Framework introduces Italian PTT and Antitrust authorities to the Canadian regulatory system and players; and

* **May 1997:** Mission to Canada of top Italian distributors and suppliers of advanced network services to telecoms providers.

The Canadian Embassy in Rome's recent highly successful **Information Highway and Multimedia Mission to Canada** was a first large-scale effort to raise Canada's profile in Italy in this exciting sector.

In June, senior business development executives from 15 of Italy's top telecoms companies travelled to Montreal, Ottawa and Toronto for a week-long tour to some of the most advanced telecoms companies and projects in the country.

The enthusiastic interest of the mission participants showed clearly how Italian telecoms companies, faced with the end of their monopolies and with imminent global competition in the new technologies, are now much more open to influences and products from other markets.

AUTOMOTIVE

A mission to Canada of buyers from the FIAT

Group is proposed for June 1996.

For further information on this initiative or market information and leads, contact Luc Santerre at the Consulate in Milan.

BIOTECHNOLOGY

In October 1995, the Milan Consulate will be coordinating a visit by the **European Strategic Alliance Consultant for Biotechnology**, matching Italian companies with Canadian firms looking for partnerships in Europe.

In addition, the Consulate has proposed plans to coordinate a June 1996 **Mission of Italian Agri-industry Leaders to Canada** for alliances and technology transfers.

Biotech companies seeking further information should contact Pierangelo Ponzoni at the Canadian Consulate in Milan.

ENVIRONMENT

Companies wanting to assess their prospects for goods and services and to find the right partner, are invited to use the Information Booth at Italy's largest environmental show, **SEP Pollution** (Milan, March 31 - April 4 1996) which focuses on municipal services and solid waste. The Consulate will suggest contacts and arrange appointments for such companies. Firms can also send their product or brochures for display, along with desired characteristics for appropriate distributors/partners.

Please contact Umberto Corazzi at the Consulate in Milan for further information concerning SEP Pollution; for information about the envi-

Continued on page XII - Fairs

FAIRS AND MISSIONS

-- With an Italian Flavour

Continued from page XI

ronmental sector in Italy, please also contact Alex Jones at the Embassy in Rome.

FOOD

The Consulate will have an information booth at **Expo Food** (Milan, November 10-14, 1995) with primary focus on salmon, salted cod, lobster and crab/surimi.

Canadian exporters of food products are encouraged to provide brochures and/or samples of their products for distribution at the show. Or, if they wish to visit the show and use it as a base from which to evaluate the market, the Consulate would be pleased to suggest key contacts and make appointments.

Please contact Clara Baglietto, Milan Consulate, for further information about Expo Food.

Canadian Mission to Visit Expo Food '95 in Milan

The Italian Chamber of Commerce in Canada-Montreal, in cooperation with Foreign Affairs and International Trade, is planning a Canadian mission to **Expo Food, The International Food and Beverage Exhibition** (November 10-14, 1995).

Canadian agri-food exporters seeking new technologies or foreign partners for transfers of technology or the development of strategic alliances and joint ventures will have an opportunity to meet with their potential counterparts in one-on-one meetings directly at the fairgrounds.

Expo Food will take place in conjunction with **Expo Tour and Hotel Project**, which features a variety of machines, equipment, furnishings and supplies for the food service/catering, restaurant and hospitality industries.

For further information on participating, please contact: Giuseppe Mancini, Coordinator, Fiera Milano Activities in Canada, Montreal office of the Italian Chamber of Commerce, fax: (514) 844-4875.

A mission of Italian companies looking for strategic alliances in food processing and packaging will be touring Canada in October 1996.

On-going initiatives include solo shows, in-store promotions and presentations to the restaurant trade and, more generally, about marketing of agri-food, fish products.

Mike McDermott, Embassy in Rome, is the key

contact for all questions of market access and regulations as well as for grains, pulses, meats and genetic material.

MEDICAL/HOSPITAL

The main forum for the sector is the biannual trade show, **HOSPITAL**.

At the next edition, May 22-25, 1996 in Bologna, the Consulate plans an information booth. Producers are encouraged to use the booth as a base from which to work the show and display their products and literature.

For further information on this event and leads for distributors, please contact Luc Santerre at the Consulate in Milan.

TOURISM

The major event in the tourism program calendar is Italy's travel industry fair, **BIT (The International Tourism Exchange)**, to be held in Milan, February 28-March 3, 1996.

Canada will have a national stand featuring provinces, airlines, operators and attractions.

More information about BIT, or about promoting tourism to Italians, is available from Johanne Larivière, Tourism Consultant, Consulate in Milan.

WOOD/FURNITURE

The following shows are excellent vehicles at which to evaluate the market and establish contacts with potential distributors:

1. **SAIE**, Bologna, October 1995: an **International Building Exhibition** with an important focus on lumber and plywood products for construction.

2. **SAIE2**, Bologna, March 1996: the **International Wood Joinery and Interior Decoration Exhibition** especially for secondary and value-added wood products.

3. **SASMIL**, Milan, May 1997: features accessories and semi-manufactured components for the furniture and woodworking industries.

A NEXOS (New Exporters Overseas) Mission in this sector is being considered to coincide either with the next **SASMIL** (May 1996) or **SAIE2** (March 1997).

Companies interested in participating or wanting more immediate insight and leads in this sector, may contact Umberto Corazzi, Consulate in Milan.

BUSINESS OPPORTUNITIES

Italian Collaborations, Joint Ventures, Partnerships

Italian producer of reduction motors is looking for a Canadian partner, initially to assemble and market products and, over time, to manufacture more of the components. Ideal partner would be a **manufacturer of gears or power transmission systems** with well-established sales network. Contact Jessie Hislop, Milan Consulate.

An Italian plastics/plastic machinery manufacturer is looking for a **Canadian partner** to produce and market for the North American market the following products: **plastic profiles for building, furniture and picture frames and/or plastic tubing for medical applications.** Interested companies should contact Jessie Hislop, Milan, for further details.

Preliminary discussions with a few **ceramics** companies indicate an openness to consider **joint ventures** with Canadian firms. Contact Gianni Callegari, Canadian Consulate Milan.

An Italian group has completed a feasibility project for a large integrated **leather goods** (shoes, clothing, purses and other accessories) **production plant in Canada** and is **seeking partners** with marketing and financial capabilities. Contact Gianni Callegari at the Consulate in Milan.

An Italian **geomatics company** wishes to **partner with a medium-sized Canadian company.** The Italian firm specializes in: aerial surveying; geodetic engineering and control surveying; analog and digital photogrammetric mapping

services; specialized drafting; photo enlargements and mosaics.

With 40 years of experience in Italy and Africa and Saudi Arabia, the enquirer is well-established with public-sector clients and as a sub-contractor to all the large private-sector firms. Through partnership with a Canadian company, the Italian firm believes that it can compete as a direct bidder for large projects in Italy and Eastern Europe; the Italian firm also wishes to target the rich niche market in Italy for aerial triangulation and raster-

based aerophotogrammetry.

The type of partnership could range from being agent and demo centre for Canadian hardware and software products through joint ventures to

equity participation. Contact Gianni Callegari, Consulate in Milan.

Italian food processing companies and machinery producers are interested in **alliances with Canadian companies** for the Canadian (and, where appropriate, North American market).

Among inquirers (to Italian Chamber of Commerce NAFTA desk in Montreal and to Canadian trade offices in Italy) are companies producing: ready-to-serve modified atmosphere meals; pasteurized, vacuum-sealed vegetables and fruits; dairy products (e.g. Italian specialty cheeses, novel yogurt preparations and frozen desserts) soya products; biscuits and confectionary.

The **types of collaboration** sought span a wide range, from **production under licence, through technology transfer, to joint ventures.**

Contact Jessie Hislop or Clara Baglietto at the Milan Consulate.

Opportunities on Internet

Please check Milan Consulate internet site each month for new opportunities for exports and partnerships:

<http://www.agora.stm.it/canada/homepage.html>

PUBLICATIONS

Information Technology and Software Market in Italy

Information Technology and Software Market in Italy, a detailed study completed this Spring, focuses on the following sub-sectors, selected as the most promising for Canadian software companies:

- **Middleware** (case tools; 4GL languages, DBMS)
- **Geomatics/GIS**
- **Clinical Information System** (planning and control, management control, patient reception, first aid, laboratory management)
- **Connectivity and networking** (PC Lan, E-

mail, Network management, Internet-related products)

- **Graphic and Image processing** (CAD, CAM, CAE, Animation, 3D modelling).

For a copy of the study, contact Pierangelo Ponzoni at the Consulate in Milan.

A new study, *Information Highway and Multimedia in Italy: Infrastructure & Services Development Market Report*, is available from John Picard at the Embassy in Rome.

More to Business than Exports — *Continued from page VIII*

regional banks can identify potential partners and provide support and references to required services and information sources during the evaluation and negotiation stages.

Post personnel intend to work proactively in various industrial machinery sub-sectors to draw forth Italian firms seriously interested in strategic alliances or partnerships in Canada for the North American market.

Among these sub-sectors are: food processing and packaging machinery; stone-working machinery; automotive machinery, including robotics; and wood-working machinery.

For additional information on these initiatives, please contact Gianni Callegari, Strategic Ventures Officer at the Consulate in Milan.

Canada a Magnet to Italian Tourists

Italian travellers represented the fastest growing tourism market in the industrialized world in the early 1990s. One in five of Italian holidays is taken outside Italy. Once abroad, Italians are big spenders, choosing high-quality accommodations

and attractions.

More than 95,000 Italian

One in five of Italian holidays is taken outside Italy. Once abroad, Italians are big spenders, choosing high-quality accommodations and attractions.

tourists visited Canada in 1994, some 20 per cent visiting friends and relatives, the majority travelling independently. The number of visitors is projected to reach 103,500 this year and receipts are forecast at \$85 million, a 10.5 per cent increase over 1994.

In effect, tourism is Canada's second- or third-largest export sector. Tourism also offers spin-offs as the heightened profile for Canada created by tourism promotion and visits benefits generally all commercial activities.

With private sector and provincial partners, the Consulate in Milan has implemented a full tourism program focusing on:

* familiarization tours for Italian tour operators and travel agents to enhance the knowledge and visibility of Canadian products and encourage business links;

* expanding the number of operators and agencies offering Canada (now there are 50 operators that specialize in Canada or feature special activities holidays — fishing, hunting, kyacking) as a tourist destination;

* media visits (which last year resulted in coverage of Canada on television, in video and more than 15 feature articles in major trade and public interest journals);

* developing awareness of specialized and off-season offerings, including language training courses, polar bear watching, fall foliage trips and winter experiences.

Interested firms seeking more information on promoting their tourism product(s) to Italians may contact Johanne Larivière, Tourism Consultant at the Consulate in Milan.

AT YOUR SERVICE...

CANADIAN REPRESENTATION IN ITALY

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Territory: Provinces of Abruzzo, Basilicata, Calabria, Campania, Lazio, Marche, Molise, Puglia, Sardegna, Sicilia, Toscana, and Umbria.

Other countries: Malta

Trade Personnel:

- Mr. de Montigny Marchand, Ambassador
- Mr. Norbert Kalisch
Minister-Counsellor (Economic/Commercial)
Responsibilities: Trade and Investment
Promotion Program Management, Multilateral
and Bilateral Economic issues (G-7, OECD,
Economic reporting), Trade Policy
- Mr. Peter Egyed, First Secretary (Commercial) -
Responsibilities: Defence, Transportation,
Investment, Commercial Services, Science &
Technology
- Mr. Michael McDermott, Commercial Officer -
Responsibilities: Market Access - Agri-food,
Fisheries, Forestry, Grains & Oilseeds
- Mr. John Picard, Commercial Officer -
Responsibilities: Telecommunications,
Equipment/services, Space, Consumer
electronics, Defence electronics and Security
Products, Aerospace and Marine Transport
- Mr. Alex Jones, Commercial Officer -
Responsibilities: Economic reporting,
Environment, - Oil & Gas, - Power & Energy,
Banking/ Financial Services
- Mrs. Luciana Tranquilli-Spila, Commercial
Assistant - Responsibilities: Health Care,
Construction, Men's/ Children's Apparel,
Educational Products, - Toys and Games.

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Adige, Emilia Romagna

Trade Personnel:

- Mr. Ian McLean, Consul General
- Mr. Norman Lomow, Consul and Senior Trade
Commissioner - Responsibilities: Trade and
Investment Development Program management
- Ms. Jessie Hislop, Consul and Trade
Commissioner - Responsibilities: Investment
Development, Banking/ Financial Services
- Mr. Luc Santerre, Vice Consul and Asst. Trade
Commissioner - Responsibilities: Automotive
sector, Medical Devices, Sector Coordination
- Mr. Umberto Corazzi, Commercial Officer -
Responsibilities: Forestry, Environment, Mining,
Chemicals
- Mrs. Clara Baglietto, Commercial Officer -
Responsibilities: Agri-food, Fisheries, Cultural
Industries
- Mr. Pierangelo Ponzoni, Commercial Officer -
Responsibilities: High Tech, Biotechnology, New
Materials
- Mr. Gianni Callegari, Strategic Ventures Officer -
Responsibilities: Strategic Ventures, Machinery,
Plastics, Geomatics
- Ms. Johanne Larivière, Tourism Consultant -
Responsibilities: Tourism Promotion

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AT YOUR SERVICE...

Milan — *Continued from page XV*

- Mrs. Sandra Marchesi, Commercial Assistant - Responsibilities: Trade and Investment Development Program program administration, special events coordination
- Mrs. Paola Molteni, Commercial Assistant - Responsibilities: Investment/Business Immigration program administration, Hi-Tech sector
- Mrs. Carmen Travagin, Commercial Assistant - Responsibilities: Consumers Goods
- Mrs. Francesca Gallinari, Commercial Secretary Responsibilities: General Trade Information.

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- André Potvin, Deputy Director, Italy & Holy See
Phone: (613) 992-8022
- Jocelyne Oceau, Secretary
Phone: (613) 996-0105

TRADE FAIRS AROUND THE WORLD

Agri-food Trade Mission to Russia Includes Attending World Food'95

MOSCOW, RUSSIA — Working closely with the Canadian Embassy in Moscow and with Agriculture Canada, a firm is organizing an **Agri-food Sector Trade Mission to Russia**, November 10-19, 1995.

The mission coincides with a major international food, food processing and packaging exhibition and conference (**World Food'95**) being held in Moscow November 13-17. The event attracts some 500 exhibitors from 40 countries.

Mission members will have access to the Canadian information booth, where they may display company materials and brochures and meet with potential customers.

The aim of the nine-day mission is to give participants a clear picture of the size and scope of the agri-food markets that are developing in Russia, allowing them to make informed judgements as to whether Russia should be considered in their company's business

plans as an export destination.

Russia is one of the world's largest markets for food processing and packaging equipment; and, for many areas, 50 per cent to 80 per cent of food is imported — much of it premium, value-added merchandise imported on cash terms.

The mission will attract businesses looking to export to Russia for the first time or wishing to expand into new markets.

Mission members also will:

- * take part in a **Doing Business in Russia** seminar, in which Canadian and western companies currently on the scene in Russia will discuss the potential of this market and its realities;

- * visit distribution and retail facilities in Moscow and agri-business enterprises and farms outside Moscow;

- * travel to St. Petersburg to assess the market, examine opportunities and meet with agri-food businesses and govern-

ment officials.

For registration (*deadline is October 13, 1995*) and information, contact George Leshchuk, President, LEXDON Consultants Inc., 3458 Paul Anka Drive, Ottawa K1V 9K6, Tel.: (613) 733-3123; Fax: (613) 523-7745.

Food on Menu at Moscow Fair

MOSCOW, RUSSIA — Companies are invited, November 13 to 17, 1995, to participate, through the display of promotional material, at the Canadian Embassy information booth being set up here for **World Food '95**.

Firms also may have a representative at the information booth or they can join other Canadian companies that are booking their own stands next to the Embassy booth.

Trade officials at the Embassy say that, since the fall of the Soviet Union in 1991, Russia has become a great market for food. Fully half of all imports are foodstuffs and other consumer products, much of which are "premium" merchandise. What's more, Russian companies often pay cash — even cash up front!

A market exists, as well, for food processing and packaging equipment, ranging from mini-plants for new entrepreneurs to large equipment for long-established plants.

For details, contact Stephanie Allard or Ludmila Krivenko, Commercial Division, Canadian Embassy, 23, Starokonyushenny Pereulok, 121002 Moscow, Russia, Tel.: (011-7-095) 956-6666; Fax: (011-7-095) 241-9034.

Forest Harvesting Focus of Chile Fair

CONCEPCION, CHILE — Deemed the major event in this country's forest harvesting industry, **EXPOCORMA'95** will be held here November 22-26.

Canada, under the auspices of the Department of Foreign Affairs and International Trade (DFAIT), will have a national stand at which companies are invited to participate.

Held every two years, and now gearing up for its fifth year, **EXPOCORMA** affords Canadian companies an excellent opportunity to make key contacts in this country's very active forestry sector.

Expected to participate in this year's event are some 300 companies, major Chilean forest producers, their independent harvesting contractors/consultants, and visiting foreign buyers.

Potential exhibitors are reminded that all their products must have a minimum Canadian content level of 60 per cent.

Details on participating in **EXPOCORMA'95** are available from Paul Schutte, Latin America and Caribbean Trade Division, DFAIT, Ottawa, Tel.: (613) 996-5358; Fax: (613) 944-0479.

TRADE FAIRS AROUND THE WORLD

Environmental Technology Theme of Turkey Trade Show

ISTANBUL, TURKEY — Canadian companies in the environment sector are invited to participate in the **Environmental Technology '95** trade show to be held here November 30 - December 3.

The Canadian Embassy in Ankara will have an information booth to display and distribute promotional material of Canadian companies active in the environment sector. The Embassy will also arrange meetings with potential agents and clients for interested Canadian firms.

Turkey is a developing country with rapid population growth and urbanization. In the past, emphasis was placed on industrialization, with environmental preservation not receiving the priority it deserved. The recent establishment of a Ministry of Environment is one sign that the country is becoming more environmentally conscious. This increasing awareness is helping to develop a

growing market for environmental products and services such as emission control equipment, waste water treatment, urban and medical waste handling and disposal systems, pollution monitoring instruments, as well as know-how and engineering expertise.

Water treatment projects, in some cases financed by international financing institutions and, in other cases, on a Build-Operate-Transfer (BOT) basis, are planned or under development by several municipal governments in Turkey. The Istanbul Water and Sewage Administration has projected the investment of over US\$1 billion in waste water collection and treatment before the year 2000.

Establishing local representation with an agent or a distributor is the most effective means to monitor and address business opportunities in Turkey. Turkish trade shows are also valuable pro-

motional events and useful in meeting potential clients. Success in the Turkish market depends, to a large extent, on the development of a good relationship with the local distributor and, through the agent/distributor, with the potential customer.

Companies wishing to have their product literature distributed should send 100 copies of their brochures — *for arrival by November 20, 1995* — to David Usher, Canadian Embassy, Nenehatun Caddesi 75, G.O.P., Ankara, Turkey. Tel: (90-312) 436 12 75; Fax: (90-312) 446 28 11.

Military Technology Viewed in Malaysia

MALAYSIA — The third **Langkawi International Maritime and Aerospace Exhibition (LIMA)** will be held December 5-10, 1995.

The 1993 LIMA event drew 400 exhibitors from 26 countries, displaying the latest in aircraft and simulators (military and civilian), radar, military hardware, naval technology, satellites, hovercrafts, avionics, engines, and similar equipment. Many of the 51,000 buyers that attended the show came from Singapore, Indonesia, Thailand, and other countries in Asia-Pacific.

The Canadian High Commission in Kuala Lumpur is sponsoring an information booth around which Canadian exhibitors display their technology. The High Commission is encouraging export-ready Canadian

Continued on page 7 — Military

Australia Mining Exhibition

SYDNEY, AUSTRALIA — It is not too late to participate — by taking one of the last remaining booths or poster displays — at Australia's largest international mining exhibition, **AIMEX**, being held here October 16-20, 1995.

AIMEX, held every four years, is the prime marketplace for mining equipment manufacturers and service companies, representing every aspect of the mining and exploration industries. The 1995 show is expected to attract over 25,000 qualified visitors to its 400 exhibits.

This year, the event coincides with the **centenary of Canada-**

Australia business relations, and the Canadian Consulate General will commemorate this occasion with the largest pavilion ever staged at an Australian trade show. Thirty Canadian companies will be exhibiting. **AIMEX** will bring companies together to potentially establish joint-venture, distribution and manufacturing arrangements.

For details, contact Bob Gow, Canadian Consulate General, Level 5, Quay West, 111 Harrington Street, Sydney NSW 2000, Australia. Tel.: 61 2 364 3045; Fax: 61 2 364 3097.

USA BureauMatch for Apparel Exporters

Canadian apparel manufacturers seeking a rep for their line(s) of products in the United States should contact **BureauMatch**.

Offering a cost-effective and comprehensive rep search program, **BureauMatch** is sponsored by the Bureau of Wholesale Sales Representatives, a non-profit trade association established in 1946 for wholesale apparel sales representatives. Its membership base allows access to thousands of experienced sales representatives seeking new and additional lines of products.

BureauMatch clients select the search criteria: territory, account base and sales volume, **BureauMatch** staff will then identify prospective reps in their database, and act as liaison in the discussions leading to a representation contract.

A US \$495 subscription fee includes unlimited searches for one full year. It also provides access to the following services:

- market advertising: flyers relating to clients rep search will be posted in the offices of more than 60 apparel markets;
- a free, one-year subscription to the *Bureau NEWS*, a leading trade publication for sales representatives, featuring "lines wanted" advertizing;

- a 20 per cent discount on *Bureau NEWS* advertisements seeking reps for clients line(s) of products;

- complete calendar and contact information for nearly 100 apparel shows in the U.S. and Canada;

- copies of suggested standard

contract forms and an explanatory brochure to help clients initiate a relationship with a rep based on a comprehensive, equitable and well-balanced contract agreement.

For more information, contact Bob Dreyer at 1-800-877-1808, extension 110.

Environment a Global Business

VANCOUVER, B.C. — Entrepreneurs whose business is the environment undoubtedly have circled March 26-29, 1996 on their calendars.

The reason: **GLOBE 96**, the major international event in North America for the environment industry, the corporate sector, and the finance and investment community.

This fourth in the biennial series of international trade fairs and conferences offers exhibitors access to the Asia-Pacific, North American and Latin American marketplaces.

Exhibitor Benefits

The more than 400 exhibitors at **GLOBE 96** represent numerous fields, from water and wastewater management and energy efficient technologies, to pollution prevention technologies and

toxic material management.

Exhibitors have the opportunity to meet key buyers, tap into new markets, form strategic partnerships, identify new technologies, and gain access to investment capital. In fact, **GLOBE 96** will feature incoming buying groups from some 20 countries, from Argentina, Brazil and Chile to Singapore, Thailand, Vietnam — and many countries in between.

Conference Benefits

The conference program will provide up-to-date business intelligence that a company requires to capitalize on the high-growth, global environmental marketplace. It also will provide networking opportunities with senior decision-makers who are at the centre of interna-

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Military Technology in Malaysia — continued from page 6

companies to consider exhibiting at LIMA. A strong Canadian presence will demonstrate to Malaysian officials that Canada is serious about the Malaysian and Asia-Pacific market, and that Canadian products and technology can compete with those from other countries.

Companies considering attending LIMA should make airline

and hotel reservations early, because there are a limited number of hotel rooms on Langkawi Island as well as limited air service between Singapore, Kuala Lumpur, and other ASEAN centres.

For information on exhibiting at LIMA, please contact Mr. Peter Thillinathan at Debis Marketing Services in Kuala Lumpur, Fax: (011-603)201-9755. A market stu-

dy on the Malaysia defence sector can be ordered from the DFAIT InfoCentre at 1-800-267-8376 or fax (613) 996-9709. General information on exporting to Malaysia can be obtained from Ms. Pamela O'Donnell, Pacific Southeast Division (PSE), DFAIT at fax (613) 944-1604. The division also has a limited number of LIMA brochures.

BUSINESS AGENDA

Montréal — October 10-November 30, 1995 — The **International Trader** is a certified 42-hour evening course on terms and techniques used in import-export transactions and will be given by the Québec Association of Export Trading Houses (AMCEQ). Contact Alain Gagnon, Tel.: (514) 286-1042; Fax: (514) 848 9986; E-Mail: amceq@amceq.org

Montréal — October 12, 1995 — **Profitable Business Opportunities in the U.S.A. for Exporters and Investors** is a comprehensive full-day conference co-sponsored by Soare, Lewis & Associates and the Canadian Exporters' Association. Leading Canadian and American authorities will offer insight on gaining successful access to the U.S. marketplace and on the legal, tax and

customs implications entailed. Two trade and investment hot-spots — Florida and Vermont — also will be explored. To register or for more information, contact Dr. Richard Soare, Tel.: (514) 847-8317; Fax: (514) 847-1998.

Vancouver, Calgary, Edmonton, Regina, Winnipeg — October, 1995 — These are the locations (dates to be confirmed) for presentations by the Canadian Advanced Technology Association on entry into the (TechnoGate) **Technology Business Network** which offers key contacts, partners, prospects and other services with CATA's Secure network benefits on the Global Information Network. For information, call CATA FAX-BACK information service at 1-800-387-2282, menu #227.

Montréal — October 24, 1995 — Small and medium-size businesses interested in obtaining practical information on exports to the United States are invited to take part in the workshop on the **New Exporters to Border States (NEBS) Program**. An initiative of Industry Canada's International Trade Centre, in co-operation with DFAIT's Info Entrepreneurs, this one-day course will also give participants the opportunity to meet with market specialists, including a customs broker, a freight forwarder, a distributor, an American bank representative, a lawyer and government representatives. Contact Linda Bergeron. Tel.: (514) 496-5918. Fax: (514) 496-5934.

EDC's "Let's Talk Risk" Workshops

Cross Canada — October 17-November 10, 1995 — The Export Development Corporation (EDC) is organizing "Let's Talk Risk" workshops which will include :

- Critical information on current economic and trade environment.
- Copy of EDC's *Country Risks & Opportunities Workbook*.
- Speakers on key export markets.
- Sharing experiences with other exporters.
- One-on-one meetings with EDC personnel.

The workshops will be in: London, October 17; North Bay,

October 18; Toronto, October 25; Ottawa, November 1; Montreal, November 2; Winnipeg, November 6; Vancouver, November 7; Edmonton, November 9; Calgary, November 10.

To register, contact the nearest EDC regional office: **Vancouver**, tel.: (604) 666-6234; **Calgary**, tel.: (403) 292-6898; **Winnipeg**, tel.: (204) 983-5114; **London**, tel.: (519) 645-5828; **Toronto**, tel.: (416) 973-6211; **Ottawa**, tel.: (613) 598-2992; **Montreal**, tel.: (514) 283-3013; **Halifax**, tel.: (902) 429-0426.

Global Business

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tional environmental business.

Sessions will cover such subjects as Pacific Rim market updates; export-readiness workshops; financing and capitalization strategies; emerging technologies; environmental policies and regulations; and pollution prevention techniques.

Contact

For more information, contact GLOBE Foundation of Canada, Suite 504-World Trade Centre, 999 Canada Place, Vancouver V6C 3E1. Tel.: (604) 775-1994. Fax: (604) 666-8123.

INFOCENTRE

The InfoCentre of the Department of Foreign Affairs and International Trade provides counselling, publications and referral services to Canadian exporters. Companies interested in obtaining trade-related information are invited to contact the InfoCentre at 1-800-267-8376 (Ottawa Region: 944-4000) or by fax at (613) 996-9709. Trade information is also available on a fax machine) at (613) 944-4500, the Department's round-the-clock fax service.

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CANADA EXPORT

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October 16, 1995

Team Canada Strengthened, Exporters Challenged to Double by Year 2000

"The Team Canada mission to China last year proved what we can achieve when governments and business work as a team. We must now emulate the Team Canada approach in all our international business development efforts" – Minister for International Trade Roy MacLaren, in unveiling the new Team Canada logo during the October 2, 1995 annual convention of the Canadian Exporters Association in Fredericton, N.B.

Minister for International Trade Roy MacLaren, speaking also on behalf of Industry Minister John Manley, announced initiatives aimed at building on Team Canada successes in international business development. He also challenged Team Canada members to double the number of active Canadian exporters by the year 2000.

The initiatives are designed to

strengthen planning of international business development activities by involving federal and provincial departments and businesses, setting up industry teams, improving the delivery of services, and providing companies and officials with the information and communications tools they need.

Initiatives

These initiatives include

- **Canada's International Business Strategy:** a partnership of the federal government, the private sector and the

CULTURAL ATTACHÉ

NEWSLETTER

Pages 1-12

provinces based on developing winning strategies in 23 key industry sectors.

National Sector Teams: groups in particular industry sectors are being set up to develop public and private strategies for export success and to strengthen trade, investment and technology linkages among firms in related lines of business.

- **Regional Trade Networks:** in response to requests from business for more efficient service from all levels of government, are

Continued on page 8 – Team

Minister MacLaren Presents 1995 Canada Export Awards

On October 2, the Honourable Roy MacLaren, Minister for International Trade, presented a **1995 Canada Export Award** to 12 Canadian companies, selected from 207 candidates, for their exceptional export achievements.

The presentation ceremony was held in Fredericton, New Brunswick, in conjunction with the 52nd annual convention of the Canadian Exporters' Association.

This year, for the first time, the Canada Export Awards welcomed the participation of two organizations well known for their involvement with

Canadian exporters.

Under the theme *Partners in Trade*, the Canadian Imperial Bank of Commerce and the Export Development Corporation joined the Department of Foreign Affairs and International Trade as official sponsors of the program.

"With federal and provincial governments working with business in a Team Canada partnership, our capabilities can be used to the fullest, allowing businesses to succeed in the international marketplace," MacLaren said.

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SHARING TRADE SECRETS

TRADE FAIRS: THE GREATEST SHOWS ON EARTH

International trade fairs are one of the most effective marketing tools available to new and seasoned exporters alike. Take it from Barry Siskind, President of International Training & Management Company of Toronto, Ont. who teaches companies how to get the most out of trade shows.

With trade shows growing in size and numbers, they can become the greatest shows on earth — if used properly.

"Many companies still misunderstand, and worse, misuse trade shows," says Siskind. "This can mean lost opportunities."

That's why he is in the business of giving exhibitors and visitors a better understanding of shows.

With new trends — increased competition, more seminar-oriented shows, changes in exhibiting techniques and increased specialization — the average exhibitor will need better information to make informed decisions on what to exhibit, where and how.

"Exhibiting is no longer a place for amateurs," Siskind warns, "but a sophisticated marketing tool demanding specialized skills and techniques."

Here are a few tips from the expert to consider before participating in an international trade show.

Choosing the right show

When it comes to selecting between several shows that attract your target audience, it is important to do a little bit of homework.

Talking to the show manager will give you more information on the show itself, the facilities, show rules, show promotion, other exhibitors, and the kind of attendance expected.

According to Siskind, "The key is that by exhibiting in any show, you will meet your specific marketing objectives."

Show promotion

Exhibitors typically leave promotion to the show manager. But Siskind advises, "In order to attract as many people as possible to your booth, an extensive pre-show promotion should be part of every exhibitor's pre-show planning."

Visitors have too many choices and not enough time to see everyone. Make sure they see you.

New and exciting displays

One of the complaints visitors have is that booths give that "tired look."

It is important to realize that visitors come to shows to see new products and services as well as the latest industry trends.

Exhibitors who recognize this and create booths that show off their new offerings in an exciting way come out winners.

"The nineties have seen the development of a plethora of display systems and attention-getters," explains Siskind, "including everything from electronic displays to laser lights."

Trained exhibit staff

Exhibitors are also warned that if they want to be successful, they can no longer have on site staff that don't understand what show selling is all about.

Even those who have participated in many shows need their skills refreshed and updated from time to time.

Develop a follow-up plan

According to Siskind, "In the past this is where most exhibitors have failed."

A good follow-up plan calls for the exhibitor to get back to prospects within seven days of the show and to keep in touch with them on a regular basis.

Networking opportunities

"Many exhibitors," Siskind warns, "confine their show activities to the booth. But the successful exhibitor," he adds, "will also maximize networking opportuni-

Continued on page 4 — Sharing

CANADEXPORT

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Mail to: *CANADEXPORT* (BCT), Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2.

Canada-European Union

Agreement for Scientific and Technological Co-operation

On June 17, 1995 in Halifax, Nova Scotia, Canada and the European Union signed the Agreement for Scientific and Technological Co-operation. The Agreement was signed in the presence of Prime Minister Jean Chrétien, President Jacques Chirac and European Commission President Jacques Santer, who were in Halifax for the G-7 Summit.

The Agreement with the European Union (EU) gives Canadian companies, universities and research institutes the opportunity to join with European partners in research and technological development (RTD) projects under the European Union's RTD Programs. These projects comprise leading-edge opportunities in the areas of basic research, basic industrial research, applied research and pre-competitive technological development.

The Agreement will enhance opportunities for Canadian organizations to participate in leading-edge R&D, to facilitate the development of results that conform with EU technical standards and to establish good research linkages that have the potential for downstream commercial opportunities. The Agreement is reciprocal, giving EU institutions and companies the opportunity to participate in complementary Canadian R&D projects.

The Agreement is expected to be interpreted broadly and to encompass a wide range of research areas. The potential areas of co-operation listed in the Agreement are:

- agriculture (including fisheries);

- medical and health research;
- non-nuclear energy;
- environment (including earth observation);
- forestry;
- information technologies;
- communication technologies;
- telematics for economic and social development; and
- mineral processing.

The two sides agreed to establish a Joint Science and Technology Co-operation Committee to oversee the operation of the Agreement and to allow for discussion on adding new areas of co-operation. The Agreement also covers shared use of research facilities, exchange visits by scientific and technical personnel, and information exchange and related activities. It also contains an annex on the management, allocation and exercise of intellectual property rights.

The Canadian companies and institutions expected to take an interest in these developments are those for whom R&D is a critical component of their business and also those who aspire to develop or increase their presence in Europe. The contacts facilitated by the Agreement should increase access to European consortia with similar or related interests. In knowledge-intensive product/services sectors, it is frequently the coming together at the technical level that underpins the confidence for subsequent marketing and related entrepreneurial joint ventures.

In short, the Agreement establishes a framework that will facilitate economic and social benefits, as well as develop strategic alliances within Canada and

internationally, particularly in research, development, and technology diffusion and transfer. With the Agreement, Canadian researchers now have full opportunity to participate in projects conducted under the EU's Framework Programs.

The Commission maintains an on-line database of its R&D activities called CORDIS (Community On-line Research and Development Information Service), containing non-confidential summaries, progress reports and matchmaking listings for organizations seeking partners. Canadian organizations looking for European partners in the areas mentioned in the Agreement would find CORDIS a valuable starting point. CORDIS can be accessed electronically if one has "live" Internet access (i.e. SLIP, IP connection) through: MOSAIC or NETSCAPE, for a Windows-style access; LYNX, for a non-Windows style access like DOS or UNIX (for both, the command is: [HTTP://www.cordis.lu/](http://www.cordis.lu/)).

More information about the Agreement may be obtained by requesting the following publications from DFAIT's InfoCentre (see box at bottom of page 12):

- * Partnership Opportunities: Processes and Procedures, Document #84008
- * Guide to Submitting Project Proposals, Document #84009
- * Guide to Negotiating and Managing Canada/EU Research Contracts, Document #84010
- * Guide to the Protection of Intellectual Property, Document #84011.

**Win Export-Looking for Export Opportunities?**

Make sure you are registered in the WIN Exports database which will showcase your company's capabilities to foreign buyers. To register, fax your request on your company letterhead to 1-800-667-3802 or 613-944-1078.

MOU Means Business in Manitoba

A recently signed Memorandum of Understanding (MOU) commits the federal and Manitoba governments, in consultation with the Manitoba business com-

munity, to work together in the planning and delivery of international business development programs and services.

The MOU provides for greater

collaboration in planning, information sharing, trade development, exporter education and training, investment promotion, and industry and technology development.

"This agreement will help us achieve greater success in international markets by reducing duplication and improving the effectiveness of services and programs to business," said one signee, Minister for International Trade Roy MacLaren.

The MOU creates a framework for developing joint strategies and action plans to help Manitoba businesses take advantages of opportunities in the international marketplace. It acknowledges Manitoba's regional strengths and priorities as well as the benefits to be achieved through a collaborative approach by Canadian businesses in particular markets.

Also signing the MOU were Secretary of State (Science, Research and Development) Jon Gerrard on behalf of Industry Minister John Manley, and Manitoba Deputy Premier and Minister of Industry, Trade and Tourism James Erwin Downey.

EDC Supports Sales to Tunisia

Canadian exporters selling goods or services in Tunisia can benefit from up to \$100 million in new financing through a line of credit that the Export Development Corporation (EDC) has established with the Republic of Tunisia.

By signing a blanket protocol with the Tunisian government, local banks — including private and state development banks — will be able to access credit directly, without official authorization.

"This new EDC credit facility will support Canadian exporters pursuing trade and investment opportunities in the Tunisia market, particularly in such emerging private sectors as environmental services and equipment, transportation, energy and information technology," said International Trade Minister Roy MacLaren.

Recently, EDC supported two Canadian exporters to Tunisia: Theratronics International Limited of Kanata, Ontario is supplying radiotherapy equipment to two hospitals with US\$765,000 in financing from EDC and the Canadian International Development Agency (CIDA); and Montreal-based SNC Lavalin, with \$4.6 million in financing from EDC and CIDA, is supplying construction equipment and services for phase four of the Barbara dam project. EDC also helped finance the first three phases.

For more information, contact EDC offices in Vancouver, Calgary, Winnipeg, London, Toronto, Ottawa, Montreal or Halifax. Exporters with annual sales under \$1 million can call EDC's Emerging Exporter Team at 1-800-850-9626.

Sharing Trade Secrets — *continued from page 2*

ties at show functions."

This means having sufficient staff and time to effectively participate in seminars, hospitality events, news conferences and industry events.

Worldwide marketing forum

International trade fairs attract visitors from many cultures. Therefore, the real challenge of exhibiting internationally is learning strategies to deal with the diversity of the visitors as well as other exhibitors.

"In addition," Siskind points

out, "we are now competing on global terms with exhibitors who are experienced at the mega-shows found in Asia and Europe. Make sure you are prepared."

Investing in a show with the hopes of getting "the best you can" is no longer acceptable. Audience expectations are high and the successful exhibitor must know how to deliver. Following these tips is a good start.

"The greatest shows on earth are within everyone's reach," Siskind says. "They have been around for thousands of years and

they are not showing any signs of going away.

"The savvy exhibitors know how to make them work", he adds, and in the future it's these exhibitors who will reap the profits."

Take it from an expert — who has coached all the major banks as well as trucking companies, government officials, hi-tech and consumer exhibitors — in getting the most out of trade shows.

For more information on trade shows and on the workshops, **MAKING TRADE SHOWS WORK**, call 1-800-358-6079.

US \$1.5 Billion ADB Loan to the Philippines Good News for Canadian Consultants, Suppliers

Canadian consultants and suppliers targeting the Philippine market via Asian Development Bank (ADB)-financed projects should take a closer look at this market now.

The country's GNP grew by 5.1 per cent in real terms in 1994 compared to 2.6 per cent in 1993. Political stability, prudent macroeconomic management and structural reforms are behind the economic recovery, which is spreading to all sectors of the economy.

Due to the ADB's positive outlook on the recovery of the Philippine economy, its lending level to the country is expected to increase to US\$400-US\$500 million annually in the period 1995-1997, compared to an average of US\$278 million annually over the last four years.

The ADB, for instance, has identified around US\$15 million worth of technical assistance projects in the Philippines. Technical assistance projects, however, represent a small percentage of ADB's activities in the country. Greater commercial opportunities exist in the loan projects, a summary of which follows:

In the **power sector**, the ADB will focus its assistance on the expansion of base-load generation capacity (coal, hydro, and natural gas) and transmissions systems. Three projects worth around US\$500 million have been identified for this sector.

In the **agriculture, agro-industry and rural development sectors**, the ADB has allocated US\$280 million to assist rural infrastructure development such as irrigation systems, farm-to-market roads,

post-harvest systems and efficient and low-cost inter-island transportation networks. The ADB will also assist in the development of rural micro-credit programs.

Transport and communications projects worth about US\$335 million will include a project on vehicle emission control in Metro Manila, regional ports and airports development.

On the other hand, **finance-related projects** of about US\$200 million will support a capital market development project and a BOT (Build-Operate-Transfer) project to develop a private-sector infrastructure fund.

Projects to improve **social infrastructure** will continue to receive a big slice of the ADB's loans to the Philippines.

Health, education and water supply projects worth around US\$430 million have been identified for completion over the next three years. Health projects will focus on the devolution of health services from national to local government units.

Education projects will support the institutional requirements to meet the technical and vocational education programs of the Philippine government.

Water supply projects will include the Umiray-Angat Transbasin Project and the rehabilitation of the Metropolitan Waterworks and Sewerage System (MWSS).

The contact points for these possible loan projects are the respective executing agencies to whom they were assigned. They are responsible for selecting suppliers of goods and services

by following ADB's well-established guidelines and procedures. These guidelines have been established to afford ADB member countries (like Canada) adequate, fair and equal opportunities to participate in the projects.

For more information, contact Pam Hay, South Asia Trade Division, DFAIT, Ottawa, Tel.: (613) 995-7659; Fax: (613) 996-4309; or Arthur Fraser or Tess Javenia-McKenzie, Canadian Embassy, Manila, Tel.: (632) 810-8861; Fax: (632) 810-1699, E-Mail: arthur.fraseratmani101.x400.gc.ca, tess.javeniaatmani101.x400.gc.ca.

BUSINESS AGENDA

Montreal — October 25, 1995 — At the Second NAFTAlink International Conference Canadian companies will: discuss business opportunities arising from the North American Free Trade Agreement; meet foreign business people wishing to export/import products and services; learn about financial services available to help them succeed in their export projects.

A civil association, **NAFTAlink** aims to foster commercial exchanges using a telecommunications network linking business people throughout North America.

Contact le Centre de promotion du logiciel québécois, Tel.: (514) 874-2667; Fax: (514) 874-1568.

Export Awards

continued from page 1

The Minister added, "Canada's export performance in 1994 was truly remarkable. Although exports now account for one third of our gross domestic product, we cannot afford to rest on our laurels. Exports and investments generate new and challenging jobs for Canadians throughout the country.

"Trade agreements open doors; they do not ensure that Canadian companies will walk through them. To succeed, Canadian firms, and particularly small and medium sized enterprises (SMEs), must strive to take advantage of these agreements. To that end, they can count on the advice and support of Canada's Trade Commissioners located in 128 countries around the world. They can count on government programs and services which have been refocussed to better meet the needs of Canadian SMEs."

Canada's geographical and industrial diversity has been well represented throughout the 13-year history of the Canada Export Awards. This year was no exception, with winning companies from coast to coast and with products and services ranging from sophisticated communications programs to unique family games.

THE 1995 CANADA EXPORT AWARD WINNERS

ADVANCED GRAVIS COMPUTER TECHNOLOGY LTD.

Advanced Gravis Computer Technology Ltd. of Burnaby, B.C., has a mission -- to build a better joystick.

In its 10 years of existence, Gravis' sales have grown from \$250,000 in its first year to \$43 million by the end of January 1995. Exports make up 90 per cent of sales. Gravis employs 234 people, a 285-per-cent increase from 1991.

"We're successful because we focus on two essential components

of any product -- quality and durability," said Michael Cooper, president. "Our overseas distributors have peace of mind because they know our products are built to last."

As long as home computers continue to proliferate, Advanced Gravis will keep on designing and manufacturing high quality game and entertainment accessories, said Cooper. "People want to get the most out of their computer investment. We help them realize this goal."

BELL HELICOPTER TEXTRON

For a second time, Bell Helicopter Textron, a division of Textron Canada Ltd., has won a Canada Export Award.

Based in Mirabel, Quebec, Bell Helicopter designs, manufactures and assembles seven types of helicopters. In just 10 short years it has become one of the world's largest suppliers of commercial helicopters.

Exports are Bell's mainstay, making up 94.2 per cent of its total 1994 sales. Last year, exports comprised \$501 million of total sales, an increase of 77 per cent from 1992. The company employs 1,750 people.

"We've done well because we've established a strong name for ourselves overseas," said Dell Young, the company's president.

EICON TECHNOLOGY CORPORATION

Having won a Canada Export Award a record third time, Eicon Technology Corporation of Montreal, Quebec, was presented with the first *Canada Export Lifetime Achievement Award*.

The 11-year-old, 560-employee company designs and manufactures software and hardware for corporate information systems.

In 1994, Eicon's export sales were \$74.9 million, a 70-per-cent increase from 1992. Almost 95 per

cent of its sales are from exports to more than 70 countries.

"Almost 45 per cent of our staff are devoted to research and development. It's the lifeblood of our business," said Peter Brojde, Eicon's president and one of its founders.

"Our biggest edge has been our ability to consistently identify changes in our markets -- new trends, major shifts, and especially, emerging technologies -- and developing or modifying products to address them," said Brojde.

KL GROUP INC.

Being the first in the world to define a niche market isn't enough to stay on top. You must continue to provide the most technologically sophisticated products to your customers.

This philosophy has made KL Group Inc. of Toronto, Ontario, a consistent world leader in its field. KL, founded in 1989, designs and builds graphical user interface components for software developers.

"At KL Group, we're dedicated to constantly being first to market with the best technology," said Greg Kiessling, the company's president and one of its founders.

In 1995, KL's exports grew by 1,708 per cent over 1992 and now make up 96.5 per cent of its total sales, primarily to the United States, the United Kingdom, Germany, France and Japan.

MACRO ENGINEERING & TECHNOLOGY INC.

Moving aggressively into a new marketplace helped Macro Engineering & Technology Inc. of Mississauga, Ontario, boost its export sales by 333 per cent in just three years. Exports now account for 88 per cent of total sales.

"We realized the vast potential of moving into China," said Mirek Planeta, the company's president.

Continued on page 7 -- Export

CULTURAL

Attaché

October 16, 1995 – No. 1



Minister of Foreign Affairs

Ministre des Affaires étrangères

Ottawa, Canada K1A 0G2

It is my pleasure to greet the readers of this first issue of *Cultural Attaché*.

Our world is changing daily. Barriers to the free movement of goods, ideas and people, as well as those pertaining to geographic borders, continue to fall. Technological change constantly forces us to reassess how we create and produce.

In the face of these fundamental changes, we must guard against allowing ourselves to yield to the pressures for global uniformity. On the contrary, we must show the world who we are. Our artists, educators, creators, and performers are clearly in the best position to fulfil this role, since they draw their inspiration from our very identity.

The Government recognizes the importance of these communities and the necessity of giving them the support that they require. I am convinced that the Department of Foreign Affairs and International Trade has a decisive role to play in promoting our identity and our values abroad.

By celebrating our successes overseas, this newsletter will help to boost our country's image as a talented and respected player on the international stage.

International cultural relations are of key importance in developing Canada's interests. They strengthen our national identity, enhance federal-provincial partnerships, increase Canada's influence abroad, and give Canada an added competitive advantage. This newsletter is therefore intended as a valuable source of information for all members of Canada's arts and academic communities, and seeks to assist them in their exploring, promoting and programming activities.

André Ouellet

THE CULTURAL INDUSTRIES SAGIT IN THE TRADE POLICY CONSULTATION PROCESS

Canada has been involved over the past few years in important multi-lateral trade negotiations. The General Agreement on Tariffs and Trade (GATT) and the North American Free Trade Agreement (NAFTA) are two examples.

The Canadian government sought ways to strengthen the advisory relationship between itself and the private sector and the "SAGIT" process was born. The SAGITs are Sector Advisory Groups on International Trade which represent fifteen major sectors of the Canadian economy. One of these sectors is the cultural industries.

We are pleased to announce the new management team in the International Cultural Relations Bureau. The Bureau now comprises three divisions: the Arts and Letters Division, under the direction of Gerry Redmond, the Academic Relations Division, under the direction of Brian Long, and the recently created Division in charge of the Promotion of Cultural Industries and Educational Goods and Services, under the direction of Pierre Pichette. The Director-General of the International Cultural Relations Bureau is Robin Higham, and the Assistant Deputy Minister responsible for Culture is Marie Bernard-Meunier.

Members of the SAGITs are appointed by the Minister for International Trade to ensure that the

government has the benefit of private sector advice in its deliberations on international trade policy and international business development issues.

Members of the cultural industries are normally drawn from three industry subsectors: music and sound-recording, publishing, and film/video. In order to ensure a direct link between industry and the government the chair of the SAGIT reports directly to the Minister.

In order to underline the importance of the advisory process between industry and government, the Chairperson of the SAGIT has direct and confidential access to the Minister.

In addition to the SAGIT there is the International Trade Advisory Committee (ITAC) on which the cultural industries SAGIT Chairperson has a seat. The ITAC comprises approximately thirty five members from the Canadian business, labour, consumer, cultural, and academic communities. The ITAC has struck three Task Forces on Trade Policy, International Business development, and Trade and the Environment.

The SAGIT process provides a vital and constructive private/public partnership. The importance of the Cultural Industries SAGIT reflects the government's determination to ensure that this sector continues to develop as a fundamental and key growth area of Canada's economy.

Métis artist Edward Poitras of Regina was selected as Canada's official representative to the 46th Venice Biennial for the visual arts, held between June 10 and October 15, 1995. Canada's participation was well-received, and generated favourable reviews in visual arts circles and in the Canadian press.

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PUBLISHING: BOÎTE NOIRE

EUROPE

DATE	EVENT / PLACE	DESCRIPTION
15/09/95- 29/10/95	Cirque du Soleil, in Düsseldorf, Germany	Performs also in Vienna Austria, 10/11/95-26/11/95, and at the Royal Albert Hall in London, England, 05/01/96. See also Americas.
21/09/95- 05/11/95	"SECOUSSE" at the Galleria Gian Ferrari Arte Contemporanea, Milan Italy	Contemporary Canadian photographers.
27/09/95- 04/11/95	CAN-DO Productions perform "Cold Comfort" by Jim Garrard, at the Bristol Old Vic Studio, England	At Wimpleton Studio Theatre, London, on 17/10/95-28/10/95, and at Kalmedia Theatre in Brighton, 01/11/95- 04/11/95.
04/10/95- 28/10/95	Cécile Comblen, Galerie Art-Terre, Bruxelles, Belgique	
05/10/95- 28/10/95	"Land and Sea", an exhibition of works of eight Newfoundland artists, at the Monaghan County Museum, Ireland	
05/10/95- 10/12/95	Exposition de Jana Sterbak, Fondation Tapiès de Barcelone, Espagne	Sera présenté au Serpentine Gallery à Londres, Angleterre, 16/01/96-31/03/96.
10/10/95- 03/11/95	Canadian Brass play a 26 concert tour in Germany	See also Americas.
10/10/95- 26/11/95	L'artiste Jeff Wall à la Galerie Nationale du Jeu de Paume, Paris, France	Participe avec Jana Sterbak à l'exposition collective "Féminin- Masculin: le sexe de l'art" au Musée National d'Art moderne 17/10/95-05/02/95.
12/10/95- 02/96	Rex Lingwood exhibit at Offendbach Ledermuseum, Germany	
From 13/10/95	Rebeca Belmore, Kazimierz Glaz, and Richard Martel participate in the "Free City Krakow-International Exhibit", Poland	
17/10/95- 18/10/95	LaLaLa Human Steps, Le Havre, Belgique	À Hasselt et Gand, 24/10/95-31/10/95.
13/10/95- 26/11/95	Ken Lum exhibition, Camden Arts Centre, London, England	
17/10/95	Canada House Lecture at Macdonald House, London, England	William Hayhurst on Intellectual Property Laws in Canada
17/10/95- 04/11/95	"7 stories" by M. Panych, at the Mermaid Theatre, London, England	
18/10/95	Céline Dion au Forest National, Bruxelles, Belgique	Au Palais des Congrès, Paris, 20/10/95-22/10/95, à Wembley Arena, Londres, Angleterre, 01/11/95, à Birmingham, 04/11/95, et à Dublin, Ireland, 07/11/95.
19/10/95	LaFayette String Quartet at Wigmore Hall, London, England	

EUROPE

DATE	EVENT / PLACE	DESCRIPTION
20/10/95	"Suite Abitibienne" par Edgard Davignon, Verviers, Belgique	Version orchestre Welckenraedt. Cinq concerts.
20/10/95- 28/10/95	Participation canadienne à la Semaine Internationale de Cinéma de Valladolid, Espagne	"Rude" de Clément Virgo, "The Last Supper" de Cynthia Roberts, "Droit au coeur" par l'ONE, "Picture of Light" de Peter Mattler, "Champain Safary" de George Ungar, "The end of the world and four seasons" de Paul Driessen, ONE.
20/10/95- 12/11/95	"Stones and Ashes" by Daniel Davis, Traverse Theatre, Edinburgh, Scotland	
25/10/95- 28/10/95	One Yellow Rabbit in "Alien Bait", Traverse Theatre, Edinburgh, Scotland	
25/10/95- 29/10/95	Uppsala International Short Film Festival, Uppsala, Sweden	"The People in the House" by Louise Bourque, "Shimmer" by Nelson Hendricks, "Par la peau du coeur" by Isabelle van Grimbe, "Thick lips, thin lips" by Paul Lee, "The Vienna Tribunal" by Gerry Rogers. Louise Bourque will visit the festival.
26/10/95- 28/10/95	Dynamo Theatre Tour: Cardiff, Canterbury, Bracknell, Stirling, Manchester, and London, England	See also Americas.
26/10/95- 14/11/95	Exposition de Lyse Collin-Marsan à la Galerie Horizons, Modern Art Gallery, Bruxelles, Belgique	
27/10/95- 28/10/95	Annual Symposium on Canada and the United Nations, at Queen's University, Belfast, Ireland	
30/10/95	Beau Dommage, Bataclan, Paris, France	
end of October	Opening of the Canadian Archaeological Institute in Athens, Greece	
03/11/95	Conférence de Michel Fortin (Université Laval), à l'Auditorium du Louvre, Paris, France	"Fouilles québécoises en Syrie du Nord: la moyenne vallée du Khabour au III ^e millénaire avant J.C."
03/11/95- 12/11/95	Canadian participation in the Thessaloniki International Film Festival, Greece	
03/11/95- 26/11/95	"Les aiguilles et l'opium" de Robert Lepage, tournée, Rhône-Alpes, France	
03/11/95- 02/12/95	Exposition de Christiane Bourgoignie, Galerie Art-Terre, Belgique	

EUROPE

DATE	EVENT / PLACE	DESCRIPTION
04/11/95	Annual seminar, Nordic Association for Canadian Studies, at the University of Aarhus, Denmark	
07/11/95	Création de "Aux hommes de bonne volonté" de Jean-François Caron, Chartreuse et Villeneuve-les-Avignon, France	Automne 1995 et printemps 1996.
07/11/95	Flautist Lisa Nelson, at Braithwaite Hall, England	With Australian pianist Kim Burwell.
07/11/95	"Anatomie" par Lynda Gaudreau, à Gent, Belgique	
08/11/95-12/11/95	Joint Canadian-European Research Conference on Migration, Nijmegen, Netherlands	"Organizing Diversity, Migration Policy and Practice: Canada and Europe"
09/11/95-11/11/95	"Du souffle de sa tourmente j'ai vu" par Le Carré des Lombes, (Daniel Desnoyers, chorégraphe), Gand, Belgique	See also Americas.
09/11/95	"Solo en Solos" par José Navas, Gand, Belgique	Avec Isabelle Van Grimbe à Berchem, 11/12/95.
09/11/95-16/12/95	L'artiste Nicole Jolicoeur, au Centre d'art contemporain de Rueil-Malmaison, France	
10/11/95-	Stockholm Film Festival, Sweden	"When Night is Falling" by Patricia Rozema, "Crumb" by Terry Zwigoff, "The Michelle Apartments" by John Pozer. Actor Henry Czerny will visit the festival.
11/11/95-10/09/95	William Douglas Dance Company performs "We Were Warned" and "La Zone D'Or", at Gent, Belgium.	
14/11/95-20/12/95	Michael Hockney's "The Mirror In The Sea", at Inverness Museum and Art Gallery, Scotland	Exhibit of photographs travels to the Milton Keynes City Art Gallery, England, 06/01/96-03/02/96
À partir du 16/11/95	"Cendres de Cailloux" de Daniel Danis, Oullens, Rhône-Alpes, France	
17/11/95	Annual London Conference for Canadian Studies, at the Canadian High Commission, London, England	"New Pathways to Identity - the Canadian Experience"
19/11/95-25/11/95	Prof. Bart Testa (Université de Toronto), Micheal Snow et Bruce Elder, au Dipartimento di italianistica (Filmologia), Università di Bologna, Italie	Volet expérimental de la rétrospective du cinéma canadien. Au Cinéma d'essai "Labirinto" à Rome, 26/11/95-03/12/95, et à Milan, à l'Institut Universitario di Lingue Moderne, 04/12/95-09/12/95

EUROPE

DATE	EVENT / PLACE	DESCRIPTION
19/11/95- 25/11/95	Volet commercial de la rétrospective du cinéma canadien, Cineteca del Comune di Bologna, Italy	Films par David Cronenberg, Atom Egoyan, et Patricia Rozema.
23/11/95	Tilde Michels reads from "Andi und Albertine" by Yves Beauchemin, in Karlsruhe, Germany	
24/11/95	Philip Headlam conducts the Continuum Ensemble at Regent Hall, London, England	With Paul Robinson, baritone.
03/12/95	Joyce Redekop-Fink, at Beethovenhaus, Bonn, Germany	
05/12/95	Marie Chouinard performs "Le Sacre du Printemps" at Hasselt, Belgium	See also Americas.
05/12/95- 08/12/95	"Les Fossiles" de Robert Claing, à Feyzin, Rhône-Alpes, Angers, France	
06/12/95- 08/12/95	Colloque Belgo-Européen organisé par le Centre d'Études Canadiennes de l'ULB, Belgique	"La Réforme de L'État ...et après? L'Impact des débats institutionnels en Belgique et au Canada"
07/12/95	Cellist Rivka Golani, at Wigmore Hall, London, England	
À partir du 18/01/96	Présentation de "Billy the Kid" de Michael Ondaatje, Théâtre de la Colline, Paris, France	

ASIA PACIFIC

DATE	EVENT / PLACE	DESCRIPTION
28/08/95- 21/10/95	Tour of ceramic artist Laura Wee Lay Laq, Australia	
13/09/95- 20/10/95	Ted Colyer solo show at the Embassy Gallery, Tokyo, Japan	
20/10/95	Ofra Harnoy, at Tokyo Bunka Kaikan, Japan	Performs at Kumato Kenritsu-Gekijo Concert Hall on 27/10/95, Kobe Asahi Hall on 29/10/95, and the National Concert Hall, Taipei, Taiwan, 30/10/95-05/11/95.
13/10/95- 16/10/95	"JE ME SOUVIENS", at the National Art Gallery, Colombo, Sri Lanka	Lise Nadeau (pseudonym NADO) participates in this exhibition of painting and sculpture.

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ASIA PACIFIC

DATE	EVENT / PLACE	DESCRIPTION
17/10/95	Classical guitarist Pierre Beaudry at the Jubilee Hall, Singapore	
17/10/95- 20/10/95	Jack Hodgins and Brian Moore, at the Melbourne Writers' Festival, Australia	
21/10/95- 22/10/95	Musical "Anne of Green Gables" by Crown Theatre, Burlington, at Itabashi Kumin Hall, Tokyo, Japan	
03/11/95- 06/01/96	Dorit Jacoby Exhibition, at the Embassy Gallery, Tokyo, Japan	
05/11/95	Publication of Canadian Educational Supplement in the "Star" newspaper, Malaysia	
12/11/95	Information/Open Day at the Education Canada office, Kuala Lumpur, Malaysia	
01/12/95- 02/12/95	Robert LePage's "Needles and Opium" by Marc Labreche, at the Nagoya Geijutu Sozo Centre, Japan	Participating in the Actors Festival Nagoya 95
04/12/96- 05/01/96	Canadian Wild Life Artists Exhibition, at the Suntory Design Museum, Osaka, Japan	100 works by Michael Dumas, Robert Bateman, George McLean, Jean-Luc Grondin, and Brent Townsend will tour Japan
10/12/95-	Bruno Laplante/France Duval Japan Tour	Travels to Yatsugatake 25/12/95 Ongakudo on 16/12/95, to the Yokohama Asahi Kumin Centre on 17/12/95, to Nagoya on 22/12/95, to the Tokyo Oji Hall on 23/12/95, and to the Osaka Izumi Hall on 24/12/95.
12/12/95	Louis Lortie, at the National Concert Hall, Taipei, Taiwan	
13/12/95- 17/12/95	Conference on Francophonie and Literature, at the University of Madras, Madras, India	
27/12/95- 31/12/95	Sans Fil Puppet Theatre, National Theatre, Taipei, Taiwan	
04/01/96- 06/01/96	XII Indian Association for Canadian Studies (IACS) Annual Conference, India	

AFRICA / MIDDLE EAST

DATE	EVENT / PLACE	DESCRIPTION
09/95- 12/95	Exposition de l'artiste peintre du Québec, Hélène St. Arnauld, Maroc	Les toiles seront exposées à Casablanca, Fès et Tanger.
02/11/95- 12/11/95	Salon "Lire en Français et en Musique", Beyrouth, Liban	La quatrième édition de ce salon regroupera des libraires et éditeurs francophones du Liban, de la France de la Belgique, de la Suisse et du Canada.
16/11/95	Display of Canadian children's fiction at the Kfar Saba Municipal Library, Israel	
27/01/96	Theatre director Thom Sokoloski of Autumn Leaf Productions, at the Noga Theatre in Jaffa, Tel Aviv, Israel	The Israel Chamber Orchestra's multi-media concert series, and includes works by Murray Schaeffer.

AMERICAS

DATE	EVENT / PLACE	DESCRIPTION
current- 17/12/95	"Visions of Light and Air, Canadian Impressionism 1885-1920 at the Americas Society Gallery", New York, United States	First collection of Impressionist works by Canadian artists to be presented in the United States. Sponsored by the Power Corporation of Canada, and the Richard and Priscilla Schmeelk Foundation.
05/10/95- 06/96	Jessica Stockholder installation, Dia Center, New York, United States	
06/10/95- 05/01/96	"Cornelius Krieghoff's Canada: An Artist's View 1844-1872", Embassy of Canada, Washington D.C., United States	
16/10/95	I Musici de Montreal, Sylvia and Danny Kaye Playhouse, Hunter College, New York, United States	Tour of the Eastern United States includes 09/12/95 concert, Kennedy Center Music Hall, Washington D.C. See also Europe.
16/10/95- 12/01/96	"The Sacred Earth" by Courtney Milne, NationsBank Plaza, Atlanta Georgia, United States	Photography exhibit.
20/10/95- 20/11/95	Cape Dorset Fine Arts Exhibition at the Ancient Traditions Gallery, Minneapolis, United States	
21/10/95	"Du souffle de sa tourmente j'ai vu" par Le Carré des Lombes (Daniel Desnoyers, chorégraphe) Fulton Theater, Pittsburgh, États-Unis	Présenté par le Pittsburgh Dance Council. See also Europe.

AMERICAS

DATE	EVENT / PLACE	DESCRIPTION
21/10/95	Celebration of the 25th anniversary of the Center for the Study of Canada at the State University of New York (SUNY), Plattsburgh, United States	
22/10/95- 23/10/95	Montreal Symphony Orchestra, at Carnegie Hall, New York, United States	
26/10/95- 03/12/95	Micah Lexier, at the Museum of Art of Sao Paulo (MASP), Brazil	Participates in DasAmericas II - Corpo e Espaço.
28/10/95	Ballet Jazz de Montreal at the Everett Community Theatre, Washington, United States	
28/10/95	Pianist Anton Kuerti, Cleveland, Ohio, United States	With the Ohio Chamber Orchestra. Performs also with the Columbus Symphony, 03/11/95.
31/10/95- 05/11/95	Marie Chouinard Dance Company at the Joyce Theatre, New York, United States	See also Europe.
06/11/95- 12/11/95	Toronto Dance Theatre at the Joyce Theatre, New York, United States	
09/11/95	Kevin O'Day and Les Grand Ballets Canadiens, Sylvia and Danny Kaye Playhouse, New York, United States	New choreography for the Guggenheim series "Works in Process".
09/11/95- 12/11/95	Charles Dutoît à Heinz Hall, Pittsburgh, Pennsylvania, États-Unis	Chef d'orchestre invité au Pittsburgh Symphony.
11/11/95	Tafelmusik Baroque Orchestra, at Valparaiso University, Indiana, United States	Travels to Indianapolis 12/11/95, University of Michigan 15/11/95, the National Presbyterian Church in Washington D.C., 18/11/95, and the University of Virginia 21/11/95.
13/11/95- 15/11/95	Pianist Jon Kimura Parker, in Seattle, Washington, United States	Performs as soloist with the Seattle Symphony Orchestra.
15/11/95- 18/11/95	Association for Canadian Studies in the United States Biennial Conference, Seattle, Washington, United States	
15/11/95- 15/12/95	Janoz Polom, at the Embassy Gallery, Mexico City, Mexico	Canadian Photography Exhibition.
16/11/95	François Bourassa Jazz Trio, Canadian Consulate General, New York, United States	Special concert for delegates to the Jazz Times Convention, to promote tours to the United States.

AMERICAS

DATE	EVENT / PLACE	DESCRIPTION
16/11/95- 17/12/95	Le Cirque du Soleil, in Atlanta, Georgia, United States	Air Canada is one of many sponsors for this event. See also Europe.
17/11/95- 07/01/96	Genevieve Cadieux, "Body Currents" at the Cleveland Center for Contemporary Art, Cleveland, Ohio, United States	Exhibit travels to the Pittsburgh Center for the Arts, 19/01/96-10/03/96.
19/11/95	Vancouver Symphony Orchestra, in the Civic Auditorium, Everett, Washington, United States	
19/11/95- 01/96	"Segunda Bienal Barro de América" Museo de Arte Contemporáneo de Caracas Sofía Imber/Centro de Arte de Maracaibo Lía Bermúdez, Caracas Venezuela	With the participation of artists Stephen Cruise and Reinhard Reitzenstein.
24/11/95- 26/11/95	Cirque Eloize, at the Kennedy Center, Washington D.C., United States	Performs also in Stonybrook, New York on 02/12/95, in New Brunswick, New Jersey, 03/12/95-04/12/05, and in New York City, 12/12/95-30/12/95.
26/11/95- 09/12/95	Michael Ondaatje, Mexico	Presents the Spanish translation of "The English Patient".
07/12/95- 09/12/95	Mexican Association of Canadian Studies, Annual Conference at Hermosillo, Sonora, Mexico	
11/12/95	Canadian Brass, at the Orchestra Hall, Minneapolis, United States	At the Center for the Performing Arts, Mt. Clemens, Michigan, 13/12/95. See also Europe.
10/01/96- 09/02/96	Sculptor Leslie Bergeron, Embassy Gallery, Mexico City, Mexico	
23/01/96	Dynamo Theatre, in Lutchter Theater Orange, Texas, United States	Will also perform in El Paso, 27/01/96. See also Europe.

Several Canadian singers perform with New York's Metropolitan Opera during the next few months: Tenor Richard Margison appears in "Carmen" in October, Ben Heppner appears in "Queen of Spades" in October/November and in "Die Meistersinger" in December, baritone Russell Braun makes his debut in "Die Fledermaus" in December, and Gino Quillico appears in "Falstaff" in January/February of 1996.

Author Michael Ondaatje has been awarded the 18th Nelly Sachs Cultural Prize of the City of Dortmund, Germany. The prize, worth DM 25,000, will be accepted by Mr. Ondaatje at a ceremony in Dortmund on December 10th of this year. Previous recipients of the prize include Nadine Gordimer and Milan Kundera.

**CANADIAN PARTICIPATION IN
COMMERCIAL EVENTS IN CULTURAL FIELDS**

DATE	EVENT / PLACE	DESCRIPTION
October 1995	Monterrey Book Fair, Mexico	With participation from the Books on Canada Display and the Monterrey Consulate.
31/10/95-30/11/95	"Le livre en français dans le monde" à la Galerie Française, Piazza Navona, Rome, Italie	Exposition vente d'environ 3000 livres francophones avec l'animation de Nancy Huston et Robert Lalonde.
02/11/95-05/11/95	Canada Days at the Schadow Arkaden in Düsseldorf, Germany	Held to promote Canadian culture, and Canada as a tourism destination and business partner.
09/11/95-03/12/95	Karlsruher Book Fair "Reisewelten-Lesewelten" ("Travel the world-Read the world"/"Voyager le monde-Lire le monde") Karlsruher, Germany	Focus on Canada. Ambassador opens display 09/11/95.
17/11/95-19/11/95	Sharing Stories Film Co-production conference, Glasgow, Scotland	
20/11/95-25/11/95	Canadian/UK Documentary Producers Exchange, London, England	
25/11/95-03/12/95	Guadalajara Book Fair 1995 Mexico	

Atomic Energy of Canada Limited and the Canadian Education Centre in the Canadian Embassy in Seoul have released application forms for the first "AECL Kapyong" Scholarship. The bursary of CDN \$15,000 will be awarded on an annual basis for the next five years. The award is designed to assist Korean graduate students to conduct research in Canada, and to build the academic and research relationship between Canada and Korea.

The Canadian Education Centre (CEC) Network in Asia Pacific opened this spring with offices coming on line in Taipei, Seoul, and Kuala Lumpur. Activities at the Education Centres are designed to bring to the attention of well qualified international students the excellence of Canadian educational institutions and services, and to facilitate linkages between Canadian and foreign educational institutions at all levels. Additional Education Centres are scheduled to open in Hong Kong and Singapore before March 31, 1996.

CULTURAL *Attaché*

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When asked, in a recent interview with ARTSCOUNCIL NEWS, what arts experience gave her "the biggest buzz", Sue Hoyle, the Deputy Secretary-General of the Arts Council of England, listed three such experiences. Among them: "anything and everything directed by Robert Lepage!"

The third general meeting on North American collaboration in higher education, research and training will be held in Guadalajara, Mexico, on April 28-30, 1996. Some 800 participants are expected, including 200 Canadians, representing the higher education community, the business sector, professional associations and governments.

The first round of competition under the new Program for North American Mobility in Higher Education was successfully concluded in early September 1995. A total of 15 Canadian universities and 4 colleges from all regions of Canada will be involved in trilateral consortia of institutions of higher education designed to enhance greater cooperation and student exchanges among Canada, Mexico and the United States. Because of the high level of interest in the academic communities in the three countries, we look forward to an even more successful second competition next year.

A similar academic mobility program has been negotiated between Canada and the European Union. Ratification of the agreement and the implementation of the program is expected to take place in early November.

The Cultural Attaché Beaver Award for Creativity goes to Emile Martel, Minister-Counsellor and Director of the Canadian Cultural Centre in Paris, for his initiative and creativity in arranging, with the precious support of Air Canada, for the colourful canvas curtain which is covering the Centre during its current face-lifting. The apron has attracted much attention in Paris, for its unique design and for the display of Canadian tourist sites. We are all anxious to see what is behind the scene when the curtain goes...down.

Export Awards — continued from page 6

"It is literally an untapped and exciting market." The company now has a sales office in Beijing, since half of its business is in China.

Macro designs, manufactures and installs the machinery that makes plastic film which is used, for example, in shrink-wrap, garbage bags and plastic fencing. The durability, reliability and advanced technology of a Macro product keep customers coming back. "They like how we can specialize a product to suit their individual needs," said Planeta.

MED-ENG SYSTEMS INC.

The world is a little safer from terrorists' threats, thanks to Med-Eng Systems Inc. of Ottawa, Ontario.

Med-Eng designs and manufactures bomb disposal apparel and equipment used by police forces and the military in more than 80 countries.

"All of our products are geared toward the protection of bomb disposal specialists," said Richard L'Abbé, the company's president. "In a life or death situation, customers are opting for the best product. And that product happens to be ours."

Med-Eng's bomb disposal suits and helmets are considered to be the most advanced in the world. The 14-year-old company also manufactures telescopic, robotic manipulators and miniature-wheeled robotic vehicles.

A two-time Canada Export Award winner, Med-Eng's pursuit of excellence has paid off. Export sales grew by 60 per cent from 1992 to 1994, making up 98 per cent of the company's total sales.

SIMONS INTERNATIONAL CORPORATION

In 1944, Howard Simons started an engineering consulting company to service the Canadian pulp and paper industry. Today, Vancouver-based Simons employs more than 2,500 people, has diverse industrial clients all over

the world, and has just won its second Canada Export Award.

"Our first priority has always been to do the job properly," said Tom Simons, who assumed the presidency in 1968. "Our clients understand this, and as a result we have grown considerably over the years."

In 1994, exports made up 27.3 per cent of the company's business, up from 9.2 per cent in 1992.

An early user of computer-aided design, the company pioneered the extensive use of computers in Canadian engineering companies in the 1970s and 1980s.

"By keeping at the forefront of technology, we can offer our clients faster, more cost-effective and functional results," said Tom Simons. "And that's what you're looking for when you're building a multi-million-dollar facility".

SKYJACK INC.

Export success has been an elevating experience for Skyjack Inc., a Guelph, Ontario, company that designs and manufactures elevating work platforms for building construction, renovation, maintenance and retooling.

Exports jumped from \$41 million a year ago to \$73 million this year, and accounted for 93.2 per cent of Skyjack's 1994 sales.

Skyjack was conceived when Wolf Haessler, the company's president and founder, saw a scissor-lift platform being used on the Gardiner Expressway in Toronto. Realizing there was an untapped market for this type of product, Haessler built his own prototype in 1981 and production started in 1985. Ten years later, number 10,000 rolled off the line; in the next few months an additional 10,000 units will be manufactured.

Haessler says that Skyjack's elevating platforms are displacing older, more labour-intensive technology such as ladders. "They're a much safer and faster means of accessing high places."

STANDARD KNITTING LTD.

Unravelling the intricacies of exporting has been a cinch for Standard Knitting Ltd. of Winnipeg, Manitoba.

In 1994, the 30-year-old company recorded a 425-per-cent increase in export sales from 1992. Exports make up 61 per cent of sales. The company employs 264 people, a 233-per-cent increase since 1991.

"The key to our success is quality and technological innovation," said Michael Wang, Standard Knitting's president and owner. "We offer distinctive designs, a myriad of colours and eye-catching patterns for our Tundra knitwear. We can hardly keep up with the demand for our product."

Widespread use of computer technology and state-of-the-art knitting equipment contribute to Standard's success.

"By using computer-aided design technology, our designers in-house and in Italy and New York can come up with patterns and colour combinations that are very unique," he said.

"Consumers are tired of the same old designs and colours. They want to buy something that reflects their individuality. That's where we fill the niche."

SURVIVAL SYSTEMS LIMITED

In 1981, Albert Bohemier survived a helicopter crash. One year later, he and a colleague, John Turton, founded Survival Systems Limited, a business dedicated to saving lives.

The Dartmouth, Nova Scotia, firm specializes in safety training for the offshore, marine, military and industrial sectors — and exports account for 52 per cent of total sales.

Survival's customers don't just sit in a classroom listening to safety lectures.

For example, aircrew receive hands-on experience in how to deal with a downed aircraft through its Modular Egress

Continued on page 8 — Export

Team Canada Strengthened — *continued from page 1*

being set up, linking federal and provincial governments and agencies across the country. The aim is to pool expertise and resources to offer such services as information on business and sales opportunities abroad; names of contacts at home and abroad; export counselling and preparation; and expertise on export markets and financing.

• **International Business Opportunities Centre:** will match business leads provided by Canadian missions abroad to businesses capable of taking action on the leads (primarily small and medium-size Canadian companies). It uses electronic data bases and networks of contacts in government departments to seek out interested Canadian firms. This makes for quick action — while the leads are "hot".

Other improvements are underway, including new information

and market intelligence tools; common program guidelines for financial support to smaller firms; and a coordinated effort to assist exporters when they need concerted government support to compete abroad.

The new initiatives are a direct response to private-sector recommendations calling for governments to provide better services to exporters domestically and globally, to set priorities and better allocate resources, to focus programs and to provide national leadership to Team Canada.

In unveiling the Team Canada logo, Mr. MacLaren called on Team Canada to work as partners to double the number of active exporters by the year 2000, penetrate new markets and diversify export successes across more industry sectors.

The logo is the design of a stylized maple leaf enveloping a globe,

with 12 smaller maple leaves — representing the 10 provinces and two territories. Mr. MacLaren invited all Team Canada members to use it at future Team Canada events in Canada and abroad.

"The Team Canada approach has been and continues to be a winning strategy for Canada," Mr. MacLaren said. "Through these networks and teams, we will help turn this country into a nation of traders."

"The public and private sectors are working in the Team Canada partnership to ensure Canadian companies respond to global business opportunities," said Mr. Manley, who was in Geneva leading a delegation of 60 companies to Telecom '95. "Preparing Canadian companies for exporting and participation at events like Telecom '95 are examples of how the Team Canada partnership works."

Export Awards — *continued from page 7*

Training Simulator (METS), recognized as the world's most realistic underwater escape trainer.

"Today our vision is clear. We want to establish Survival Systems' aviation, industrial, marine and offshore safety training programs and simulation technologies as the most advanced in the world by the year 2000," said Bohemier.

THOMAS EQUIPMENT LTD.
Manufacturing what has been called the "Swiss army knife" of heavy machinery, Thomas Equipment Ltd. of Centreville, New Brunswick, has enjoyed a 76.5-per-cent increase in its export sales over the past two years. This is Thomas' second Canada Export Award.

A wholly-owned subsidiary of McCain Foods Ltd., Thomas designs and manufactures skid steer loaders, potato harvesters and other agricultural machinery. Its skid steer loaders drive the

company's export success.

"Name the job and we have a loader to match it," said Peter Mabee, Thomas' product and marketing manager. "Our loaders are equally at home on the farm, heavy construction sites, landscaping sites, industrial plants, mining installations, foundries, recycling plants or in demolition work."

Mabee attributes Thomas' exporting success to its dedication to quality design and manufacturing. "We've gained a worldwide reputation for building top-notch, reliable products," he said. Thomas is registered as an ISO9002 company.

WREBBIT INC.
You can be the architect of the Eiffel Tower, Mecca, the Empire State Building and Big Ben, thanks to Wrebbit Inc. of Montreal, Quebec.

Wrebbit designs and manufactures PUZZ-3D, full-colour, 3-D

jigsaw puzzles of more than 40 famous landmarks and period architecture.

"We've combined the patience of assembling a conventional jigsaw puzzle with the excitement of building a 3-D model," said Paul Gallant, Wrebbit's president and founder.

Puzzle enthusiasts in more than 65 countries are snapping up Wrebbit's innovative designs. In 1992, its first fiscal year, Wrebbit employed 12 people and had sales of \$1.3 million. Today, the company employs 357 with sales of \$35 million. Exports make up 87 per cent of Wrebbit's total sales.

The company also designs and manufactures games such as "MixMath" and "Golf, The Perfect Game". In addition, Wrebbit recently acquired a new subsidiary, 3-D Vision Internationale Inc., which developed a unique concept and design for a three-dimensional viewer.

OPPORTUNITIES IN MEXICO

The Business and Tourism Information Centre of the Canadian Embassy in Mexico City has provided the following information on companies in Mexico that are looking for Canadian sources of supply.

- Founded in 1986 and with paid-up capital of US\$500,000, a manufacturer, importer, distributor, wholesaler wishes to import **textiles, clothing and toys**. The firm also seeks a **joint venture/representation arrangement**.

Contact Chafic Karam, General Director, Comercial Lunip S.A. de C.V., Cda. de Tenayuca 475-F Esq., Popocatepetl Col. General Anaya 03340 Mexico, DF, Tel.: (525) 688-1110; Fax: (525) 688-2693.

- A nine-year-old consulting services and project developments company wishes to pursue **joint venture/representation arrangements** with Canadian companies that are **interested in establishing manufacturing or servicing facilities in Mexico**.

Contact Enrique Sierra, General Manager, SBA Grupo Consultor Mexicano, Ave. 17 de Mayo #205, Lindavista 07730, Mexico City, Mexico, Tel.: 752-4460/525-6513/ 525-6386; Fax: 525-6386/752-4460.

- A three-year-old enterprise seeks to **import and/ or represent manufacturers of pumps, boilers, automobile parts and computer parts**.

Contact Angel Gutiérrez, Manager, Suministros Industriales, Munich #150, Col. Valle Dorado Tlalnepantla, Edo. de Mexico, C.P. 54020, Mexico, Tel./Fax/Telex: 3-70-28-26.

- Established in 1996, a company seeks **investors and the importation of filter paper**.

Contact Patricia Cisneros, General manager, Filtromex S.A. de C.V., Industria #23, Fracc. Industrial, San Pablo Xalpa, Tlalnepantla, Edo. de Mexico C.P. 54090, Tel.: 391-0288; Fax: 391-0388.

- A company seeks a **joint venture for the manufacture in Mexico (on an in-bond basis) of kitchen knives**.

Contact Alberto Osorio, President, Cuchilleria Toledo, S.A. de C.V., Apartado Postal 4, Chalco, Edo. de Mexico, C.P. 56600, Tel.: (597) 301-55; Fax: (597) 301-76.

- A computer and telecommunications sales and service compa-

ny is interested in **representing high technology, computer and communications firms**.

Contact Alejandro Cejudo, Director General, Red Nacional Integral S.A. de C.V., Euler 152-404, Col. Chapultepec Morales 11570, Mexico DF, Tel.: 254-0391; Fax: 254-0155.

- A fast foods (**pichi**) company seeks firms interested in a **joint venture/investment proposal**. With four pichi in Toluca, the company has 15 years of experience, a good reputation and owns its own property.

Contact Margarita Becerril Hurtado, Pichi, Independencia No. 711 Ote. Col. Centro, C.P. 50000, Toluca, Mexico, Tel.: (9172) 17-77-84; Fax: (9172) 14-88-76.

Argentina to Call Bids for Gas Distribution System

Argentina — The Government of Argentina will issue a call for bids in late October 1995 for consortia seeking to obtain the concession to **supply and operate the natural gas distribution system** required to serve the provinces of Chaco, Formosa, Entre Rios, Corrientes and Misiones — a region that has a population of four million people and an area of 370,000km². The contract will be awarded to the bidder offering to supply the largest number of customers. Contact Diego F. Guichón or Marcelo Nachón, Dirección Nacional de Economía de Hidrocarburos, Paseo Colón 171, Piso 5, Oficina 519, (1063) Buenos Aires, Argentina, Tel.: (541) 349 8034; Fax: (541) 331 4267.

TRADE FAIRS AROUND THE WORLD



Helicopter Exhibition Takes Flight in India

Bangalore, India — Canadian helicopter and related equipment manufacturers can explore business opportunities in and around India between October 30-November 1, 1995.

All they need do is participate in the **International Exhibition Cum Helicopter Development and Utilization in South Asia-Pacific (HEXA'95)**.

The Aeronautical Society of India, the show organizer, says **HEXA'95** is a platform for the exhibition and promotion of helicopters, helicopter equipment, systems, accessories, technologies, support services and training.

It also offers participants the opportunity to enter into collaborations and to be players in the vast, and largely untapped, South Asia-Pacific market.

Further information/assistance on **HEXA'95** is available from the High Commission of India, Ottawa, Tel.: (613) 744-3751; Fax: (613) 744-0913.

Caracas to Host Mining Expo

Caracas, Venezuela — An international mining event, **EXPOGEOMIN '95**, organized by the Venezuelan Ministry of Energy and Mines and the Venezuelan Chamber of Mines (**CAMIVEN**) will be held here November 5-8, 1995.

At **EXPOGEOMIN '95**, all mining-related activities in Latin America will be reviewed and assessed — in a global context and with an eye to the twenty-first century.

The United Nations, CEPAL, OLAMI, The Iberoamerican Association of Geological and Mining Services, The Institution of Mining and Metallurgy, as well as representatives of the Latin American governments are among the participants.

Canadian firms wishing to attend should contact Jon Baird, Director, Canadian Association for Mining Equipment and Services for Export (**CAMESE**), Tel.: (905) 513-0046; Fax: (905) 513-1834.

Solid Waste Management Subject of International Conference in China

Beijing, China — The **International Conference on Municipal Solid Waste Management (ICMSWM 1995)** will be held here November 8-11, 1995.

Sponsored by Beijing Municipal People's Government, the conference is an opportunity for business to discuss cooperative projects, to market their services and/or equipment, to find out the latest government policy, and to exchange knowledge and expertise on environmental issues with other experts in this field.

Contact Asia Access International Business Group, 618-475 Howe Street, Vancouver, British Columbia V6C 2B3, Tel.: (604) 688-2742; Fax: (604) 688-2788; E-mail: 75227.760@compuserve.com.

Taiwan Medical Show May Mean New Markets

Taipei, Taiwan — Canadian suppliers of medical products and equipment are invited by the Canadian Trade Office in Taipei (**CTOT**) to participate in the **Taipei International Medical Equipment & Pharmaceutical Trade Show** being held November 10-12, 1995.

Companies can register their own booth or display their samples at the **CTOT** information booth.

Items being displayed at the trade fair include, among others:

medical equipment, materials, hospital supplies, pharmaceutical and biotechnology products, educational items and health care products.

This Taiwan market is expected to triple by the year 2000 as a result of the recently announced national health care program. Today, 90 per cent of Taiwan's medical materials are imported, with the annual import value being about \$0.5 billion. The annual growth rate is estimated at 15 per cent.

To register your own booth

(**CTOT** will forward the information) or to display company material at the **CTOT** information booth, contact David Wong, Canadian Trade Office in Taipei, 13/F Artist Building, 365 Fu Hsing N. Road, Taipei, Taiwan, Tel.: (886-02) 713-7268; Fax: (886-02) 712-7244.

Information may also be obtained from Denis Chouinard, Korea and East Asia Division, Foreign Affairs and International Trade, Ottawa, Tel.: (613) 996-2807; Fax: (613) 996-1248.

TRADE FAIRS AROUND THE WORLD

Indonesia Mining Show Sees Canada Digging In

Jakarta, Indonesia — The 6th International Mining and Minerals Recovery Exhibition and Conference (Mining Indonesia '95) will be held here November 22-25.

This biennial event regularly attracts the world's leading mining companies to showcase their equipment, technology and services in one of the world's fastest-growing mining sectors.

The Government of Indonesia recently implemented a series of incentives to spur international investment and speed the development of new mineral resources. The rapid expansion of Indonesia's huge mineral deposits, including coal, tin, bauxite, nickel, copper, ferrous sand, gold and silver, will require the importation of equipment and expertise in all aspects of mining and mineral processing.

This means numerous opportunities exist for Canadian companies specializing in surveying, geological and exploration services and equipment, mine engineering, mining equipment, mineral processing and refining, environmental consulting, and complete project engineering.

Following the success of the Canadian Pavilion at Asia Pacific Mining '94, which grouped over 30 Canadian companies, the Canadian Embassy will participate in **Mining Indonesia '95**. *Companies unable to attend may send promotional material, video presentations, company profiles and product documentation for display and distribution at the Canadian booth.*

Contact Sylvy Gariépy, Canadian Embassy, Jakarta, Tel.: (62-21) 525-0709; Fax: (62-21) 571-2251/ 570-1494.

Interior Design at Toronto Trade Show

Toronto — The International Interior Design Exposition (IIDEX '95), an internationally recognized design trade show, will be held November 16-18.

Global experts will lecture about the new trends and strategies that will assist designers to win contracts, keep clients happy and use new technologies to enhance their businesses.

Exhibitor displays at IIDEX '95 will include everything from architectural facings, fabrics and floorings, seating and carpet, to wall coverings, paints, lighting, furniture, case goods, and hardware. *Take note that IIDEX '95 is trade only, closed to the general public.*

For exhibit and show information, contact Harley Austin, Show Manager, Industrial Trade & Consumer Shows, Toronto, Tel.: (416) 252-7791; Fax: (416) 252-9848.

For registration, contact ARI-DO, Toronto, Tel.: (416) 921-2127 (Ontario toll free 1-800-344-1180); Fax: (416) 921-3660.

Winter Winnipeg Warm to Business

Winnipeg — Representatives from Japan, China, Scandinavia and the northern United States are among the participants from more than 60 cold-climate cities in 26 countries guaranteed to attend **Winnipeg Winter Cities'96 Conference and Showcase** being held February 9-13.

The event promises to be an unparalleled marketing and business opportunity for Canadian businesses dealing in products, services or technologies that are associated with living, working and playing in a winter climate.

Included are the 7th International Conference of Mayors of

Northern Cities, a forum that examines the broad range of winter city issues and challenges; an Exhibition of business and development opportunities; and a Multi-National Face of Business Day, where businesspeople are invited to explore the opportunities of doing business in the world of winter cities.

For more information, contact 7th International Winter Cities Winnipeg'96, Tel.: (204) 943-1970; Fax: (204) 942-4043. Internet: <http://www.Tourism.Winnipeg.MB.CA/winterct/> or E-mail: WpgInfo@Tourism.Winnipeg.MB.Ca.

Kuwait Money Show

Kuwait, Kuwait — The 3rd Kuwait Money Show will be held November 27-30, 1995.

Expected to host more than 50 institutions and emphasizing a wider range of displayed financial products and services, the show will also include six seminars conducted by exhibitors. Contact Flavia Cardozo, Show Manager, Gulf Exhibitions Group, Tel.: 2416647/2441231/2457194; Fax: 2416648.

World Markets at Your Doorstep

Calgary — The seventh in a series of successful networking trade shows between Canadian manufacturers and processors and foreign and Canadian trading houses will be held here December 5-6, 1995.

The trade shows and seminars are a specially-formatted networking event that has proved an excellent means of uncovering, through Canadian and international trading houses, new export opportunities in overseas markets.

More than 1,000 suppliers and 750 trading houses have participated in the past six shows and generated an estimated \$70 million in new short-term exports.

And all of this can be accomplished without incurring the expense of having to leave Canada or the risks involved in transportation, documentation and foreign collections.

How events work

A half-day series of workshops on how to profit from working with trading houses and on selected regional market opportunities from a trading house perspective is followed by a table-top trade show for suppliers to exhibit their products and brochures and to meet trading house representatives.

Networking is enhanced by a complete profile directory of all suppliers and trading houses present, specialized name tags, networking receptions and luncheon and trading house mailbox system. Directories of 750 trading houses and 1,000 suppliers from previous events will also be available for added opportunities.

Contacts

If you want to generate new export sales and are a manufac-

turer or agro-food supplier with a solid sales record and supply capacity and are already exporting or interested in doing such, contact Don Clark, Economic Development and Tourism, Calgary, Tel.: (403) 451-6677; Fax: (403) 451-7733.

Suppliers registration fee is \$350.00. This includes a trade show booth, directories, two receptions, breakfast and lunch for two company officials.

Trading houses looking for new suppliers from Western Canada should contact, Don Clark (see above) or Michael Reshitnyk, DFAIT, Ottawa, Tel.: (613) 996-1862; Fax: (613) 996-1225.

Trading house registration fee is \$160.50 including directories, receptions, breakfast, lunch and the participation of one representative in the **3rd National Trading House Forum** on December 5.

Publications

Beer Market in France

France — Beer, Breweries, Micro-Breweries, just published by the Canadian Embassy in Paris, is a study that provides a qualitative and quantitative survey of the status of the French market, marketing circulation, and beer marketing and import regulations. It is worth noting that some Canadian micro-breweries are already successfully making very positive inroads into the French market.

To obtain a copy of the study, available in English and French,

contact the DFAIT InfoCentre (see box at bottom of this page).

For more information about the beer market in France, contact Christian Lapointe, Canadian Embassy, Paris, Tel.: (011-33-1) 44 43 23 70; Fax: (011-33-1) 44 43 29 98.

Quebec's Gourmet-Export

The 1995-96 edition of **Gourmet-Export**, the inventory of Quebec food product exporters, is now available. This inventory is used essentially to promote worldwide the products and services of the

Club Export Agro-Alimentaire du Québec. Through an agreement with the Department of Foreign Affairs and International Trade, Quebec exporters will now be included in **Win Export's** computerized inventory.

The **Gourmet-Export** inventory has been prepared with the cooperation of the federal and provincial governments. To obtain a copy, contact Club Export Agro-Alimentaire du Québec, Saint-Jean-sur-Richelieu, Tel.: (514) 349-1521; Fax: (514) 349-6923.



DFAIT's InfoCentre provides counselling, publications and referral services to Canadian exporters. Trade-related information can be obtained by contacting the InfoCentre at 1-800-267-8376 (Ottawa region: 944-4000) or by fax at (613) 996-9709; by calling the InfoCentre FaxLink (from a fax machine) at (613) 944-4500; by calling the InfoCentre Bulletin Board at 1-800-628-1581 via a computer modem; and by visiting the InfoCentre Internet World Wide Web site at <http://www.dfait-maeci.gc.ca> using the Gopher menu.

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Third Sponsor Sought

Canada Export Award Sponsors Share in Trade Publicity Spotlight

OCT 30 1995

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RETOURNER A LA BIBLIOTHEQUE DU MINISTRE

It cannot be said that the people behind the Canada Export Award Program are resting on their laurels. Hardly had the stage lights gone down on the highly successful October 2, 1995, Award presentation than plans were being made for next year's event.

The Priority

And the first priority for the 1996 campaign is locating a third official sponsor to lend its support to this high profile and prestigious award program.

The successful applicant will complement two other official sponsors — the Canadian Imperial Bank of Commerce (CIBC) and the Export Development Corporation (EDC) — which,

under the theme *Partners in Trade*, joined the Department of Foreign Affairs and International Trade in the 1995 program.

The Program

The goal of the program is to communicate the wide opportunities in international business available to Canadian firms and to celebrate Canada's success in

the global marketplace.

The Department, through the Canada Export Awards which are presented annually in

EUROPEAN UNION SUPPLEMENT

Pages I -IV

October, recognizes the exporting achievements of a select group of Canadian enterprises. These companies are presented with a Canada Export Award by the Minister for International Trade at a special ceremony held in conjunction with the annual convention of the Canadian Exporters' Association. The ceremony, which will take place in Ottawa in 1996, is attended by over 500 business and government representatives from across the country.

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Brazil's Plano Real Proves Positive for Canadian Business

Introduced 15 months ago, the Government of Brazil's *Plano Real (Real Plan)* is having primarily positive results — and the implications for Canadian business are immediately apparent.

This comment, and the following, are observations by the commercial section of the Canadian Embassy, Brasilia — based on the *Plano Real* evaluation report recently released by the country's Ministry of Finance.

Impact on Canada

From the perspective of Canadian business, the *Plano Real* has removed the daunting complexity of hyperinflation from

the business equation and contributed to a surge in Canadian exports to Brazil.

Once the hyperinflationary beast was tamed, the observers note, Canadian business became far more willing, even eager, to explore Brazil's size, strength, growth rate, market reforms and investment opportunities.

The result is that, over the last year, interest in, and exports to, Brazil have skyrocketed: from a total of just under Cdn\$1 billion in 1994, Canadian exports showed a 65 per cent increase in the first six months of 1995 over the same period last year.

Focus of Report

Continued on page 6 — Brazil

SHARING TRADE SECRETS

Negotiating in Egypt ... Right Down to the Wire

Negotiating its first major contract in Egypt is an experience that CAE Electronics Ltd. of Ville St.-Laurent, near Montreal, will not soon forget, neither in terms of the effort involved, nor the much larger spinoff effects it may bring.

With a solid presence in more than 40 countries, this multi-million dollar company, established in 1947, treats every new prospect with all the respect it deserves.

The case in Alexandria is no exception.

Prospecting

It was three or four years ago that CAE made a small tour of Egypt, mainly on advice of a Montreal consultant who knew the market.

It soon became clear that Egypt presented good opportunities for CAE, and the company in turn offered the Alexandria Electrical Distribution Company (AEDC) a feasibility study, with some financing help from the Industrial Cooperation Program (INC) within the Canadian International Development Agency (CIDA).

That was over one and a half

years ago.

AEDC was so impressed by the results of that study that it decided to invite CAE to bid on a project for controlling and managing the electrical distribution network of the city of Alexandria.

"I knew we had the best product in the world," says CAE Marketing Manager Patrice Rouso. "Yet we couldn't spare any effort in coming up with a winning number."

Bidding

CAE took almost a full year to put together the complete statement of work, making sure everything was covered, down to the last detail.

At the end of four months of negotiations, CAE was fully confident it had finally clinched the contract.

"So much, in fact, that I had already bought my return plane ticket and was heading back to

Cairo," commented Rouso, "when suddenly it looked like the deal had collapsed."

What happened? A few last-minute objections to basics in the bid package.

Eleventh-hour bargaining

"Everyone was very touchy," said Rouso, "because this was a first, and there are usually many levels of approval. It can even go all the way to the top, to the Ministry of Privatization."

Although Rouso was ready to throw in the towel, he was persuaded to make a last ditch attempt to salvage what he had thought was a done deal.

"Both sides ended up giving a little," admits Rouso, "but in the end we prevailed, thanks to our local representative and the unflinching financial support from CIDA INC, not to mention the Embassy."

Embassy to the rescue

Working with officials from the Canadian Embassy in Cairo, CAE reached an agreement.

"Such official Canadian backing is crucial in a market such as the one in Egypt that is U.S.-dominated," says Rouso.

As a matter of fact, most of the CAE competition there came from such big-league players as ABB, Siemens and Valmet — all

*Continued on page 3 —
Negotiating*

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Mail to: *CANADEXPORT* (BCT), Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2.

Export Award Sponsors — continued from page 1

The Promotion

Official sponsors of the Canada Export Awards are represented in all aspects of the program, particularly in promotional activities and materials.

The extensive promotion campaign for the awards includes the following elements:

- * over 1,200 press kits distributed to media representatives in Canada and abroad;

- * special supplements in a number of national magazines, including *Canadian Airlines Inflight*, *Canadian Business* and *Profit*;

- * a 30-minute special on the winning companies for broadcast on national and local news and business television programs;

- * video profiles on each winning company distributed to television stations across Canada;

- * a two-month radio campaign consisting of 30-, 60- and 90-second spots on all major stations across the country; and

- * special cross-Canada promotional events in various cities to recognize the accomplishments of the winning companies.

The 1995 campaign reached a potential audience of 12 million people, in Canada and abroad, through publicity and coverage in print, radio and television.

In 1996, its fourteenth year, the Canada Export Award Program is guaranteed to generate even more applications and attention. The sponsors, of course, also share in the spotlight!

The Proposal

Sponsorship proposals for the 1996 Canada Export Award Program will be accepted until December 15, 1995.

For more information on this sponsorship opportunity, contact Beverly Hexter, Trade Development Operations (TOO), Foreign Affairs and International Trade, 125 Sussex Drive, C-5, Ottawa, Ontario K1A 0G2. Tel.: (613) 996-2274; Fax: (613) 996-8688.

Negotiating in Egypt

Continued from page 2

European companies but well-established in the U.S.A.

"They have the best of both worlds," Rousso says, "because they get backing from Europe too."

In addition to their size, they can also tap into U.S. Aid — equivalent to CIDA, according to Rousso, but with ten times the financial power of the Canadian institution.

"This is where the Canadian Embassy comes in handy," explains Rousso, "opening political doors, facilitating access to officials at ministerial level, and accompanying CAE on the trip to Alexandria."

Multiplier effect

Was the quasi two-year effort to win this \$24 million contract — with an option for AEDC to purchase an additional 25 per cent of CAE equipment — worth it?

"Definitely," says Rousso. "Now that the Alexandria utility is the first company to have signed such a contract,

other utilities in Egypt and elsewhere in the region are ready to do so too."

The 90 per cent export-based and 5,500 employee-strong CAE — 3,300 of them headquartered in Ville St-Laurent — is already pursuing other possibilities in Egypt as well as Lebanon, Libya, Oman, Saudi Arabia and Tunisia.

Once again, a strong mix of quality product, competitive pricing and solid Canadian backing gave CAE — one of Canada's largest hi-tech companies, specializing in a range of fields, from flight and power plant simulators, to space programs (control systems for the CANADARM), energy and marine control systems — the edge over powerful international competition.

For more information on CAE or the contract in Alexandria, contact CAE Marketing Manager Patrice Rousso. Tel.: (514) 341-6780, ext. 2349; Fax: (514) 734-5617.

Win Export-Looking for Export Opportunities?

Make sure you are registered in the WIN Exports database which will showcase your company's capabilities to foreign buyers. To register, fax your request on your company letterhead to 1-800-667-3802 or 613-944-1078.



Report Surveys Exporters' Use of Electronic Info on World Markets

Reader response was positive to a June 5, 1995 CanadExport invitation to participate in a survey being conducted on the use by Canadian exporters of electronic sources of information on foreign markets. The survey results are profiled here.

A report on how Canadian exporters and their information intermediaries use electronic sources to research foreign markets now is available.

The 62-page report also may be of interest to designers of new information services to exporters and to exporters looking for primary electronic sources suitable for their information needs.

The Report

The 69-person survey report provides an overview of what electronic sources are being used, what types of information are being extracted and how the sources are being accessed.

Respondents were Canadian Exporters' Association members (42 per cent) and Win Exports-registered companies (68 per cent) from coast to coast.

The Findings

The principal findings: major commercial information services are being used by 45 per cent of all respondents; Internet sources by 32 per cent; and CD-ROM by 20 per cent.

Exporters use person-to-person information exchange facilities offered by on-line forums and the Internet to a very minor extent.

Information is being accessed directly by end users alone — without the assistance of information intermediaries — in 55 per cent of cases. As well, this predominantly direct access applies to company reports and laws, and regulations and treaties affecting international trade.

Area- and industry-sector market information and specific

business opportunities are the types of information most frequently sought.

Almost half the sources used for area- and industry-specific information were major commercial on-line services. Of the total, Dialog (18 per cent) and CompuServe (8 per cent) were the two most frequently reported sources for these two types of information.

Looking for information on tenders and other specific export sales opportunities accounted for 18 per cent of the use of electronic sources.

The average number of electronic sources utilized by end users is 1.9 and, by information intermediaries, 2.7. End users of

information tended to utilize intermediaries for the more expensive sources.

Sponsored by the Canadian Exporters' Association, the study was undertaken by Canadian Government Trade Commissioner Fred Veenema, while on leave at the University of Toronto's Faculty of Information Studies. Veenema now is back at Foreign Affairs and International Trade as Director of the InfoCentre Division (tel.: 613-944-1600).

Copies of the complete report are available from the Canadian Exporters' Association, Ottawa. Tel.: Laurie Chochinov at (613) 238-8888, ext. 237.

Electronic Directory of Business Data Sources

As electronically available data sources multiply, persons now can obtain a wealth of information that is useful in developing an export plan or implementing an export strategy, without even having to leave their office.

The Department of Foreign Affairs and International Trade (DFAIT) has created a directory of electronically available international business data sources to help Canadian firms seeking to obtain business data on foreign markets.

The directory has been designed specially as a guide for Canadian businesses interested in exporting their goods and services. The directory is organized by geographic region — Canada, United States, Europe, Asia-Pacific — and introduces readers to the wide range of information available through business data bases, toll-free telephone and fax numbers, fax-based interactive information systems, and Internet sources.

The directory can be accessed through menu M22 of the InfoCentre BBS, from which it can be downloaded. To access the InfoCentre BBS, dial (613) 944-1581 from your computer modem, or 1-800-628-1581 (line parameters set at 8-N-1, baud speed up to 14,400, terminal emulation set for ANSI/ASCII standards). You can also access the InfoCentre BBS by the Internet at gopher://www.dfait-maeci.gc.ca or at <http://www.dfait-maeci.gc.ca>.

European Union

Electromagnetic Compatibility (EMC) Directive

Canadian companies exporting electronics/telecoms products to France should consider having their equipment approved by an appropriate French testing organization as soon as possible.

As of January 1, 1996, all electronic products in France must be certified as conforming to the European Union's (EU's) EMC Directive (89/336/CEE).

This Directive requires that electromagnetic emissions be limited to a level which does not

interfere with other electronic devices; and that the electronic device itself has a certain level of immunity to electromagnetic interference and noise.

Once equipment is certified in one EU country, it is deemed conforming in all of the EU. The CE

Mark, stamped on the product, will attest to its conformity to all relevant directives that apply to that product.

In France, COFRAC has authorized a number of laboratories to carry out testing for EMC, including those of Alcatel Cable, Bull, CEGELEC, Hewlett-Packard, IBM, Merlin Gerin, and SAT; three organizations, Emitech, LCIE, and LNE, have been authorized to deliver the actual certification.

At the moment, Canada is involved in negotiations with the EU on the mutual recognition of conformity assessment in several relevant sectors. In the future, it may be possible for Canadian companies to test to European standards in approved Canadian laboratories.

For more information about this directive or about French companies offering services that may be useful to Canadian companies in this regard, contact T.J. Oommen or Guy Ladequis, Canadian Embassy, High Technology Section, Paris, Tel.: (011-33-1) 44 43 29 58; Fax: (011-33-1) 44 43 29 98.

Numbers to Note

Effective November 25, 1995, the digit "6" will prefix the telephone and fax numbers for the Canadian Consulate General in Shanghai, People's Republic of China. The new numbers will be Tel.: (86-21) 6279-8400; Fax: (86-21) 6279-8401.

IBEX Puts Business on Information Highway

Getting your business needs met — on a global basis and while sitting at your desk — is as easy as one-two-three with the **International Business Exchange Network (IBEX)** accessible through the Canadian Exporters' Association (CEA) and its trade facilitation partner's **IBEX Service Centre**.

Subscribers simply enter, on the **IBEX** menu-driven program, a brief company profile, together with their specific business requirements, be they buying or selling goods and services, or investing.

After the user electronically attaches price lists, brochures or other supporting data, **IBEX** immediately takes over, searching for compatible counter offers — both domestically and internationally.

The network monitors, 24-hours-per-day, for potential business partners. Users are notified of suitable partners by E-mail (provided with every **IBEX** subscription) or by fax. (Businesses that do not have a computer can work through

CEA's trade facilitation partner's **IBEX Service Centre**.)

The benefits of doing business through **IBEX** are many:

- * It levels the playing field by extending the power of the information highway to small- and medium-size companies, allowing them to compete internationally;

- * It ensures confidentiality of transactions;

- * It offers access to on-site services (inspections, document translation, credit checks) in distant markets; and

- * It helps users find the en-route services they need to deliver on a contract, such as freight forwarding; insurance brokers; legal expertise; financing; export management; and distribution.

For cost and other information on how to become a part of this electronic trading community, call CEA's trade facilitation partner at 1-800-515-3331.

Exports to Japan, Mexico Get EDC Boost

EDC-JEXIM Agreement...

A new agreement signed between EDC and the Export-Import Bank of Japan (JEXIM) will benefit Canadian companies pursuing trade or investment opportunities with Japanese partners.

Under this agreement, the two financial institutions will cooperate on financially supporting projects in which Japanese and Canadian goods and services are used. EDC may choose to support Canadian suppliers in identified projects in the form of equity, credits, loans and guarantees, or insurance. Consideration will be on a project-by-project basis. Each agency will determine if it will provide financial support for a project.

...and More Financing for Exports to Mexico

Responding to a strong demand by Canadian exporters, EDC has added US\$50 million to a line of credit with Mexico's largest bank, Banco Nacional de México, S.A (Banamex). The increased financing brings the aggregate amount of the line of credit to US\$125 million.

In addition to this credit facility, EDC also has agreements and relationships with other private and state-owned financial institutions in Mexico.

EDC can be contacted at offices in Vancouver, Calgary, Winnipeg, London, Toronto, Ottawa, Montreal and Halifax.

Czech Technology Mission Makes Advances on Canada

The first formal advanced technology exchange between Canada and the Czech Republic will take place November 25-December 2, 1995 when a high profile Czech delegation visits three Canadian cities.

Mission objectives are: to seek new technologies for possible transfer to the Czech Republic; to seek potential partners for hi-tech opportunities in the

Republic and surrounding regions; to introduce Czech-developed advanced technologies; and to promote the Republic as a gateway to third markets in Central and Eastern Europe.

The cities, dates and fields of interest to be discussed are:

Toronto (Nov. 27) — environment technology, industrial manufacturing technology (including agriculture, forestry

and nuclear power technologies); **Ottawa** (Nov. 28-30) — information systems, telecommunications (information highway), aerospace/defence, computer software, medical technology; **Montreal** (Dec. 1) — networking and financing.

Contact L. J. Novotny, Canada-Czech Republic Chamber of Commerce, Toronto, Tel.: (416) 367-3432; Fax: (416) 367-3492.

Brazil's *Plano Real* Proves Positive — Continued from page 1

While there are problems still to be resolved, the Ministry document focuses on successes in eliminating hyperinflation (monthly inflation rates are being maintained at between 1% and 2%), continued economic growth (the GDP grew 5.67% in 1994) and increased Brazilian exports (US \$ 4.558 billion in August, the highest ever registered in a single month).

The government intends to maintain interest rates at current levels to prevent a flight of foreign

investments and to counterbalance inflationary pressures expected to emerge over the coming months.

The focus of government now is to promote medium- and long-term investment and to discourage the entry of short-term speculative foreign capital.

Long-term investment is needed to build an internationally-competitive productive capacity that can absorb an enormous labour force and contribute to addressing Brazil's social con-

cerns.

Contacts

Persons wanting more information on trade development activities in Brazil, may contact the Canadian Consulate General, Sao Paulo, Tel.: (011-55-11) 287-2122; Fax: (011-55-11) 251-5057; or Latin America and Caribbean Trade Division, Foreign Affairs and International Trade, Ottawa, Tel.: (613) 996-5549; Fax: (613) 996-6142.

CANADA EXPORT



Focus on the European Union

THE EUROPEAN UNION ECONOMY

Since its modest beginnings in 1957, the European Economic Community has grown into a highly integrated and prosperous economic superpower - the European Union (EU). Today, the EU embraces 15 member states with almost 370 million consumers and a combined Gross Domestic Product (GDP) of US\$ 7.3 trillion.

The EU is the most important trader in the world, followed by the United States and Japan. Over 15 per cent of world exports (extra EU exports) originate in the EU and over 16 per cent of world imports (extra EU imports) are absorbed by the member states. With the prospect of further enlargement, the Union will enhance its role as a leading player in world trade and investment.

The majority of EU trade is with the surrounding market, mainly with the members of the European Free Trade Association (EFTA).¹ In 1993, EU imports from the EFTA countries amounted to over US\$ 130 billion and EU exports to EFTA totalled over US\$ 120 billion.² Nevertheless, the Union is a leading economic partner for many non-European countries as well.

The United States, Japan and other world traders have realized the influence of this superpower on their own prosperity and have made the EU a leading destination for exports and source of imports. In 1993, over US\$ 100 billion and US\$ 60 billion of European imports originated in the United States and Japan respectively. The United States is the second most important destination for EU exports (US\$ 100 billion), trailed by Eastern Europe and Japan with US\$ 39 billion and US\$ 28 billion respectively.

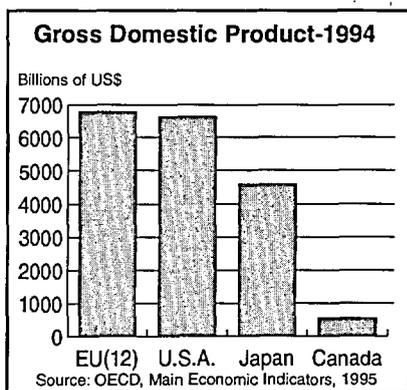
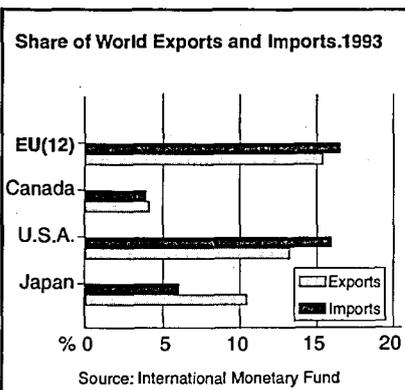
The EU remains the second most important source of foreign direct investment (FDI) in the world. While the share of EU direct investment in the U.S.A. has decreased over the last few years, investment links with EFTA countries and the EU's close neighbours to the East intensified. Canada's share of European FDI has continuously increased over the last few years, amounting to \$35 billion in 1994. The member states also offer a very open climate for foreign direct investment, attracting around 30 per cent of global investment in 1993 (excluding intra-Community FDI flows).³ As in the past, the United States remains the main source of this investment in the EU.

The European Union has officially established closer links with its neighbouring markets in order to foster existing trade and investment relations.

The European Economic Area (EEA) embraces 18 countries with a population of 374 million people accounting for 40 per cent of world trade. The EEA extends the four principles of EC 1992 -- freedom of movement of goods, services, capital and people -- to EFTA countries (except Switzerland). The EEA is regarded as a stepping stone to full EU membership.

The Europe Agreements, signed with the Visegrad countries as well as Romania, Bulgaria, Latvia, Estonia and Lithuania, denote an important stage in the development of greater cooperation between East and West. The Agreements provide the framework for the establishment of an economic, financial and free trade area over the next decade. They are also

Continued on page II -- EU Economy



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Canada - European Union Trade Relations

The EU is Canada's second most important trading partner. In 1994, Canada's total trade with the EU amounted to \$28.8 billion, compared to \$310.6 billion with the U.S.A. and \$20.8 billion with Japan.¹

Since 1976, Canada's exports to the Union have experienced an average annual growth of 6.4 per cent, totalling \$11 billion in 1994. Since 1985, Canadian exports to the Union have increased by 72 per cent in value. The United Kingdom and Germany are the main destinations for Canadian exports, receiving 28 per cent and 19 per cent respectively.

Canada's exports are concentrated primarily in industrial products, accounting for 31 per cent of all exports to the Union. Forestry products rank second (27 per cent), followed by machinery and equipment (20.2 per cent).

Despite the importance of resource-based exports, the basic composition of sales to the EU has moved in the direction of higher value-added products. By 1994, fabricated materials and end-products accounted for 71.3 per cent of Canadian exports to the EU, compared to 58 per cent in 1978.

Canadian imports from the EU have increased in value from \$3.2 billion in 1976 to \$17.7 billion in 1994, raising Canada's trade deficit with the EU to \$6.7 billion. Since 1985, imports from the EU have increased in value by 71.8 per cent. Machinery/equipment and industrial goods represent the major share of European Union exports to Canada.

Because of the importance of this bilateral relationship, formal agreements exist between Canada and the Union for political and economic cooperation.

The 1976 *Canada-EU Framework Agreement for Commercial and Economic Cooperation* serves to facilitate trade and investment and to encourage various forms of industrial, R&D and technical cooperation.

EU Economy – Continued from page 1

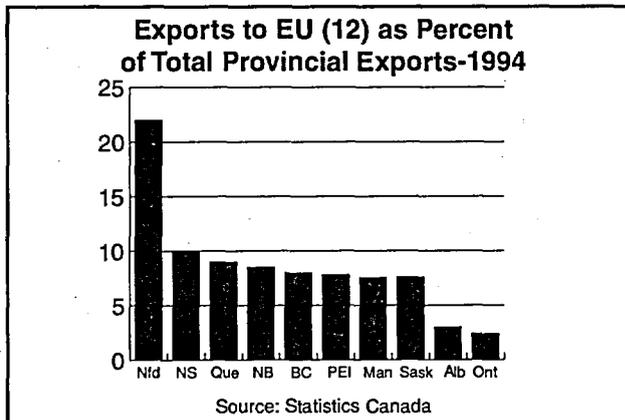
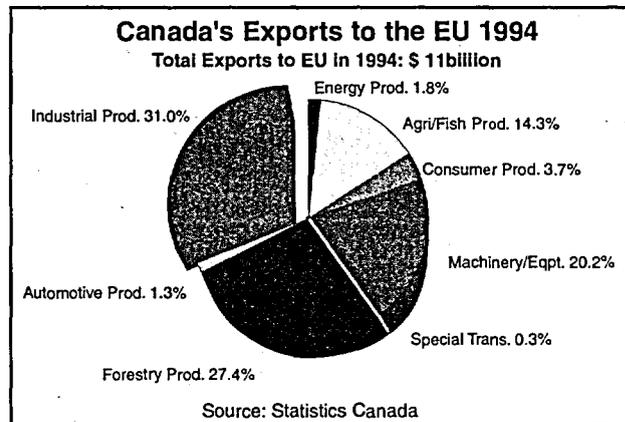
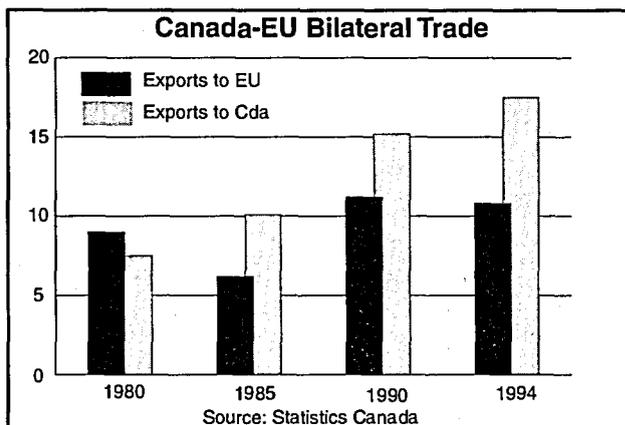
seen as a step towards eventual full membership in the European Union.

The European Union has evolved into one of the most competitive markets, significantly influencing global trade and investment patterns. Recovering from the global recession of the early 1990s, the GDP of the EU grew by 2.6 per cent last year. Inflation is steady at 3.4 per cent and the unemployment rate has slowly increased, reaching 10.6 per cent in 1993.⁴ As the Union further unites people and links economies, *the growing single market will provide significant opportunities for Canadian enterprises seeking business abroad.*

1. The EFTA statistics in this article refer to the seven members of 1994: Austria, Finland, Iceland, Liechtenstein, Norway, Sweden, Switzerland. Since January 1, 1995, the EFTA comprises Norway, Switzerland, Iceland and Liechtenstein.
 2. Trade statistics on the EU are found in the IMF Direction of Trade Statistics Yearbook 1994.
 3. Commission of the European Communities, A Level Playing Field for Direct Investment World-Wide, Com(95) 42 final, Brussels, 01.03.1995.
 4. OECD Economic Outlook.

The 1990 *Transatlantic Declaration on EU-Canada Relations* establishes regular high-level political consultations, and outlines both parties' resolve to develop a wider range of consultations in light of mutual interests and the evolution of the EU.

1. The trade statistics in this section are from Statistics Canada, Cat. No. 65-001, December 1994 (Custom Basis).



Canada - European Union Investment Relations

Canada, traditionally, has relied on foreign investment for economic prosperity. The total stock of foreign direct investment (FDI) in Canada amounted to \$148 billion in 1994.¹

While the United States remains by far the most important investment partner for Canada, the position of the European Union has steadily increased.

In fact, the EU share of FDI in Canada increased from 16 per cent in 1976 to 22.6 per cent in 1994 compared to United States FDI in Canada, which declined from 79 per cent to 64.9 per cent.

The most important European source of FDI in Canada remains the United Kingdom, accounting for 55 per cent of the total EU FDI.

Germany ranks second with 15 per cent of the total or \$5.2 billion, followed by France with 13 per cent accounting for \$4.5 billion.

The majority of EU direct investment in Canada is concentrated in the finance and insurance sector, embracing over 35 per cent of the total.

Energy and chemical products rank second, accounting for about 12 per cent each of total EU FDI in Canada.

Canada has been a significant exporter of capital to the EU as well. The EU is the second most important destination for Canadian direct investment abroad (CDIA).

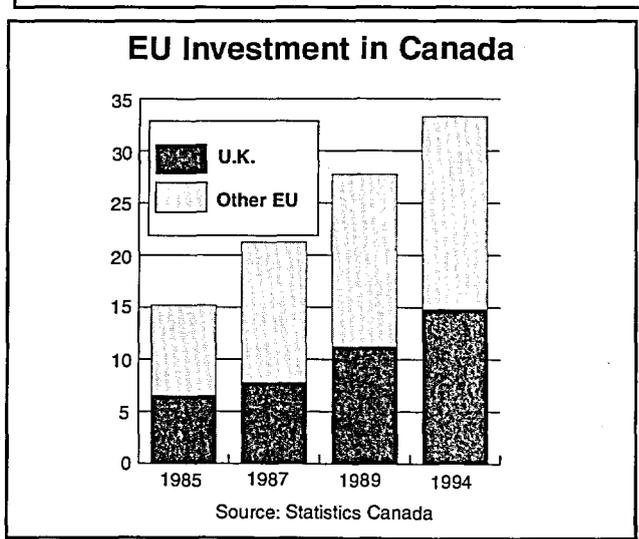
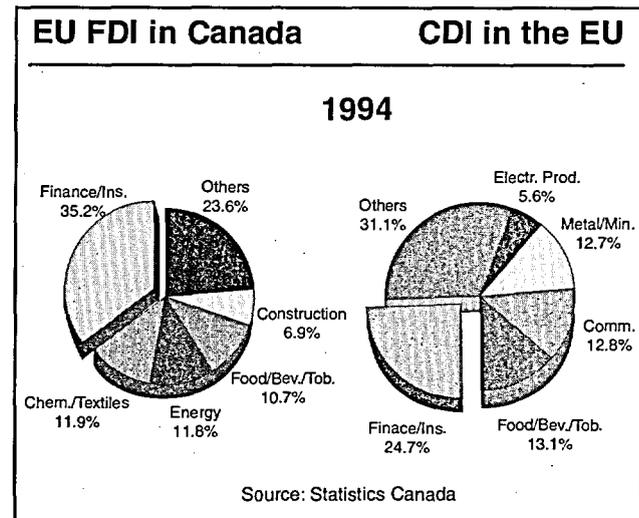
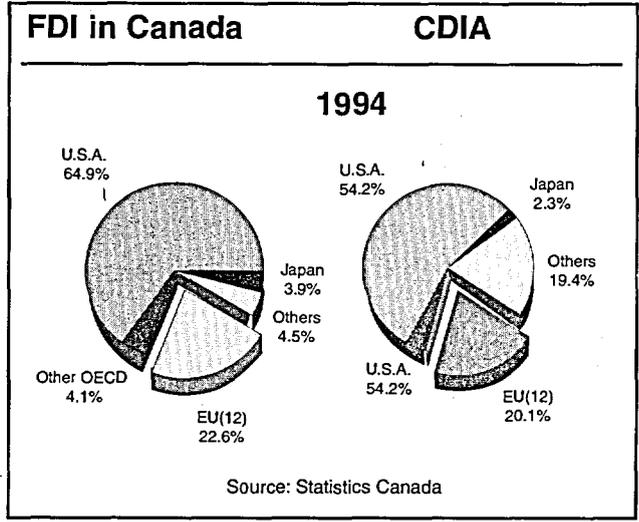
The United Kingdom is by far the largest recipient of CDIA, with 47.8 per cent of Canadian investment in the Union.

Most CDIA in Europe is directed toward the financial services and insurance sectors, accounting for 24.7 per cent of the total stock of investment in 1994. Food, beverages and tobacco rank second with 13.1 per cent, followed by the communication's industry with 12.8 per cent.

Despite the predominance of large multinational corporations in foreign investment activity, a new generation of Canadian enterprises has established a presence in the EU.

Today, Canadian firms of all sizes can be found conducting business successfully from European branches and subsidiaries.

1. Statistics in this section are from Statistics Canada, Canada's International Investment Position, Catalogue 67-202, 1994.



Canada-EU Agreement for Scientific Cooperation

Canada and the European Union have negotiated an *Agreement on Cooperation in Science and Technology*,¹ the purpose of which is to encourage and facilitate cooperation in areas of common interest leading to economic and social benefits.

The areas of common interest identified in the agreement are:

- agriculture, including fisheries
- medical and health research
- non-nuclear energy
- environment, including earth observation
- forestry
- information technologies
- communication technologies
- telematics for economic and social development
- mineral processing

The benefits of the agreement to European firms and research organizations are to participate in leading edge research and development (R&D) with Canadian counterparts, particularly in areas covered under the *European Commission's Framework Programs* for research, technological development and demonstration activities.

Canadians can bring specialized R&D expertise to areas of interest to European firms and research organizations.

The agreement covers shared use of research facilities, exchange visits by scientific and technical personnel, information exchange and related activities as well as the management, allocation and exercise of intellectual property rights.

The agreement also reaffirms that Europeans will continue to have the same access to Canadian R&D programs as in the past.

A *Joint Science and Technology Cooperation Committee* will oversee the operation of the agreement and allow for discussion on adding new areas of cooperation.

Canada-EU Economic Cooperation

In addition to the recently concluded *Science and Technology Agreement*, Canada and the European Union maintain a high level of cooperation on economic issues pursuant to the 1976 *Framework Agreement for Economic Cooperation*.

Currently, Canada and the EU are negotiating further agreements on:

- Veterinary Standards
- Customs Cooperation
- Competition Policy
- Education and Training
- The mutual recognition of conformity assessment.

The agreements will comple-

ment ongoing consultation coordinated by the *Canada-EU Joint Committee for Cooperation* in the areas of:

- Minerals and Metals
- Wood and Paper Products
- Environment
- Telecommunications and Information Technology
- Forestry
- Trade and Investment
- Industrial Cooperation

These efforts are reviewed at annual ministerial meetings between Roy MacLaren, Minister for International Trade, and Sir Leon Brittan of the European Commission.

Recent DFAIT Publications

Belgium — Test Market at the Heart of the European Union:

- Plastic Processing Equipment (233EA)
- Packaging Equipment (234EA)
- An Overview of the Belgian Cable Environment (235EA)
- Specialty Food Items (236EA)
- Tourism Opportunities and Belgian Consumer Behavior (237EA)
- The International Trade Mart (238EA)
- Home Care Medical Equipment (239EA)
- Radio Frequency Equipment and Services (240EA)
- Franchising (241EA)
- Furniture and Interior Decorating Articles (242EA)
- Transportation (243EA)
- Business Services (244EA)

— Pulp and Paper (245EA)

A Contact Guide for the Canadian Music Industry:

- Italy (229EA)
- The United Kingdom (230EA)
- Denmark, Sweden, Norway and Finland (231 EA)
- Canada and the EU: A Sustainable Partnership (221EA)
- Agreement for Scientific Cooperation/Cda-EU (220EB)

Further publications on European Union sectoral and area studies are available, including country guides and country profiles, through the *InfoCentre*, Tel.: 1-800-267-8376 (Ottawa region: 944-4000); FaxLink: (613) 944-4500; Fax: (613) 996-9709.

1. For further information on the S & T Agreement, please see Recent Publications, above.

BUSINESS OPPORTUNITIES

Before entering into a contractual agreement with a company, readers are advised to verify the bona fides of the companies listed here.

CHINA — Three Shanghai-based paper and one printing mill are interested in monthly purchases of considerable quantities of **bleached kraft pulp and/or other pulps and printing papers** from Canada. Contact Nancy Xiao-Jing Li, Director, Bilotech International Inc., 2300 Léon-Harmel Street, Suite 218, Québec City, Québec, G1N 4L2, Tel.: (418) 682-0837; Fax: (418) 682-6591.

CHINA — Canadian **joint venture partners and exporters** are being sought to set up manufacturing facilities in the Dallan Free Trade Zone. This tax-free zone is particularly interested in **lumber mill (veneer, construction lumber) and flour mill (wheat and foodstuff processing)** companies. In Canada, contact Dr. Paul Ji, 59 Bayshore Drive, Suite 612, Nepean, Ontario K2B 7G8, Tel./Fax: (613) 820-1912. In China, contact Mr. Shaoyang Ji, Bureau of International Trade Development, Dallan Free Trade Zone, Dallan, Liaoning 116600, People's Republic of China, Tel.: (411) 761-8024; Fax: (411) 761-8037.

CHINA — A company is looking for a Canadian **joint venture/investor partner for the manufacture of 30,000 tons per year of soya bean milk and curd**, using a new formula that is nationally patented. Contact Jonathan Zhang, Shandong Textile Canada Group Co., 1295 Eglinton Avenue East, Mississauga, Ontario L4W 2Z2, Tel.:

(905) 624-8920; Fax: (416) 941-1475.

CZECH REPUBLIC — A publishing, marketing and consulting company specializing in **business support and business informational products**, seeks a **Canadian partner interested in entering the Czech market** with established similar product lines. Contact Pavel Rehulka, President, Czech Business Centre Ltd., Kosmonautu 6, 772 31 Olomouc, Czech Republic. Tel.: +42-68-522 7076; Fax: +42-68-297 91.

EGYPT — A private manufacturer of fibreglass pipes seeks **Canadian suppliers of fibreglass hoop and spray-up roving**. The roving size should be compatible with Isophthalic resin and treated against static electricity, enabling use on a continuous filament winding machine. Quantities needed are from 5,000 to 6,000 metric tons per year. For specifications and further information, contact Mourad El Zayat, Chairman, Arab Company for Developing Material, Km (8) Kattamia Road, Maadi, Cairo, Egypt, Tel.: (202) 353-4520/4530; Fax: (202) 352-1214.

EGYPT — Canadian companies interested in opening discussions on **technology transfer**, particularly in the field of **power generation equipment**, with suitable Egyptian counterparts should contact Joseph Tadros, Canadian Embassy, Cairo, Fax: (202) 354-7659.

EGYPT — Canadian expertise in **rapid mass transit systems** is being sought by the Egyptian Ministry of New Urban Communities to conduct a feasibility study (with possible financing from CIDA Inc. Program) for a planned project to link Cairo with the surrounding new satellite communities. The project implementation stage will be financed by the Egyptian government. Contact Hany W. Ibrahim, Commercial Officer, Canadian Embassy, Cairo, Fax: 011-202-354 7659.

FRANCE — A Franco-American translation company, involved in **translation services and TESL multimedia software package**, is seeking **Canadian correspondents/partners/investors**. The ideal partner would be a successful Canadian translating company looking to the European market for the first time or seeking a European correspondent. Cooperation entails translating commercial and technical documents for each other (taking advantage of different time zones), joint prospecting for new opportunities, and joint investment for promising projects. Interested Canadian companies should contact Tom Oommen, Trade Commissioner, Canadian Embassy, Paris, Fax: (011 33 1) 44 43 29 98.

HONG KONG — A reputable construction firm in Hong Kong is seeking **Canadian expertise, technology and equipment in**

*Continued on page 8 —
Business*

BUSINESS OPPORTUNITIES

Continued from page 7

foundation work for projects in Hong Kong and mainland China. Form of partnership is negotiable. Contact Ms. Eunice Wong, Commercial Officer, Commission for Canada, Hong Kong, Tel.: (852) 2847-7454. Fax: (852) 2847-7441.

INDIA — A Bombay-based company wishes to import various grades and quantities (metric tons per year in brackets) of annealed rolled carbon steel. Being sought are: **mild steel (15,000MT); low carbon steel (7,500MT); medium carbon steel (5,000MT); and high carbon steel (2,000MT)**. Contact Almedia Metals and Strips Ltd., 199-A, Reti Bunder, Darukhana, Reay Road, Bombay 400 010, India, Tel.: 3729989/6678.

MEXICO — A tanning company is seeking a Canadian supplier of cattle hides (7,500 per month). Specifications are: **salted hides (55 lbs. - 60 lbs.); wet blue hides (whole); wet blue hides (split to 2.6 mm); crust hides (1.4 - 1.6 and 1.6 - 1.8 mm; 1.8 - 2.0 and 2.0 - 2.2 mm)**. Quotations are required by ocean vessel: Cost and freight (CAF) to the ports of Tampico or Altamira on the Gulf of Mexico, or to Manzanillo on the Pacific Coast. Contact Miguel A. Pozo, Teneria Vargas, S.A. de C.V., Chirimoyo No. 108, Col. Duraznal, 37320 Leon, Gto., Mexico, Tel.: 52 (47) 143-034/143-950; Fax: 135-095.

MEXICO — A Mexican-Canadian company specializing in the **fabrication of extruded clay prod-**

ucts (bricks, roof and floor tiles) is ready to begin production but needs **operational capital**. Offering good returns and a broad Mexican and export market, it is seeking Canadian partners willing to contribute Cdn\$200,000 in venture capital. Contact Dimitri Frantzou, Ladribrick International, S.A. de C.V., 12 Pte. Nte. No 182-A, Tuxtla Gutiérrez, Chiapas, Mexico. Tel./Fax: (961) 11-332.

SAUDI ARABIA — A well-established company seeks **heavy equipment (CAT) parts suppliers** for both the retail and wholesale market. Contact Mr. Zohrab, Marketing and Sales Department, Saudi Arabian Services Co. Ltd., P.O. Box 2700,

Dammam 31461, Saudi Arabia, Tel.: 966-3-891-6669; Fax: 966-3-891-9586.

UNITED STATES — A leading U.S. hazardous waste management firm, active in treatment/cleanup projects throughout the U.S. and increasingly in other countries (including Canada) would like to hear from Canadian companies offering **remediation equipment/technologies for arsenic and metal contaminated soils**. Qualified firms should contact Drew E. Park, Jr., V.P. Corporate Development, International Development Corporation, Tel.: (714) 660-5438; Fax: (714) 474-8309.

SCADA Systems Sought in Egyptian Tender

Specialized companies are being invited to **design, supply and install Supervisory Control and Data Acquisition (SCADA) Systems** for a natural gas distribution system throughout Greater Cairo.

The Egyptian Petroleum Gas Company (PETROGAS) project, funded by a World Bank loan, will require, among other equipment:

- * full communications systems to link more than 100 remote stations to the main control station;

- * supply of control and measuring equipment to analyze and compare the data received through the network;

- * supply of displays and control equipment, including programs, to identify and report malfunctioning of the network and to forecast defects.

Qualified bidders should have an annual turnover of not less than US\$10 million. Tender documents cost US\$300 per set.

Contact Joseph Tadros, Canadian Embassy, Cairo, Fax: (202) 354-7659.



TRADE FAIRS AROUND THE WORLD

Communications India'95

NEW DELHI, INDIA — The **2nd International Exhibition and Conference for Users and Providers of Telecom in India and the Sub-continent** will be held December 7-10, 1995.

Communications India covers broadcast and telephony, broad band and services, wireless technologies, multimedia and networks and India's first international conference and technology showcase on networking services.

For more information, contact Prem Behal, President, Exhibition India, E-6, Defence Colony, New Delhi 110 024, India, Tel.: (91-11) 462-2710; Fax: (91-11) 463-3506; E-mail: india.exhibit@access.net.in.

Security Subject of India Show

PRAGATI MAIDAN, NEW DELHI — Exclusive business opportunities are likely to be found by companies that attend the **5th International Security Exhibition** being held here December 11-14, 1995.

ISE'95, with approximately 200 exhibitors and trade delegations from India and abroad, will promote national and international trade, new investments, technology transfers, and joint ventures.

Exhibits will cover practically all fields of security: access control systems; perimeter protection and surveillance devices; devices for open space and interior protection; explosives detection and disposal; robotics; bank/hospital security equipment; informatics security devices; audio/video surveillance and de-bugging devices;

Continued on page 10
Security in India

Dhaka Hosts Trade Fair

DHAKA, BANGLADESH — The **Dhaka International Trade Fair (DITF'96)** offers Canadian firms the opportunity (January 2-20) to display their exportable products to potential buyers in Bangladesh.

The event also allows exporters, importers, and investors from around the world to discover market opportunities in this country.

Details are available from M. Shaheedullah, Chief of International Trade Fair Cell of Commerce. Tel.: (011-8802) 24-10-18; Fax: (011-8802) 86-57-41.

SAUDICOM 96

RIYADH, SAUDI ARABIA — The **Sixth Electronic Communications Show, SAUDICOM 96**, will be held January 14-18.

With the most developed and sophisticated communications sectors in the Middle East, Saudi Arabia represents one of the best export opportunities for Canadian companies in the telecommunication, broadcast and networks manufacturing and services sectors.

Held every year, **SAUDICOM** is the longest-running event of its kind, and enjoys the support of the key Saudi Ministry of Post Telegraph and Telecommunications. In 1994, **SAUDICOM** hosted

over 170 international and regional exhibiting companies, including national groups from Canada, Italy, USA and UK. Some 25,747 industry professionals visited the five-day event.

The Canadian Embassy in Riyadh will operate an information booth at which Canadian firms may participate.

For more information, contact Rick Clynick, Africa and Middle East Trade Development Division (GBT), Department of Foreign Affairs and International Trade, Ottawa, Tel.: (613) 944-5984; Fax: (613) 944-7431.

TRADE FAIRS AROUND THE WORLD

Middle East Toy Show is Serious Business

DUBAI, UNITED ARAB EMIRATES — The fun world of toys, games and hobbies is serious business, as will be discovered by those who participate in **The Middle East International Toys, Games & Hobbies Exhibition & Conference** being held here March 11-14, 1996.

This market worldwide is valued at US\$52 billion and manu-

facturers and retailers are aggressively exploring new growth areas — a prime region being the Middle East, with Dubai being the gateway to markets of more than one billion consumers.

Indeed, it's a market not to be toyed with. It has one of the world's: youngest populations; highest per capita incomes; and

highest ratios of leisure time. As well, an average family has six children; half the space in shopping malls is devoted to children's shops; the multi-cultural society has a rich history of seasonal gift giving; and newly enforced copyright laws encourage substantial foreign investment.

At the first exhibition earlier this year, orders worth over US\$10 million were recorded. Participants included an impressive 223 companies from 22 countries, with buyers coming from a total of 47 countries.

For registration details and other information, contact the show organizer's Canadian representative, Andrée Nahabet, President, TechnAutour Inc., Outremont, Quebec, Tel.: (514) 276-0012; Fax: (514) 276-4311.

Communications in Spotlight at Five-Event Mid-East Show

DUBAI, UNITED ARAB EMIRATES — A five-event, all-under-one-roof exposition that covers the spectrum of communications techniques and services is being held April 21-23, 1996 in this market-oriented city strategically situated at the crossroads of the information superhighway.

The **Middle East International Communications Expo (MIDCOM'96)**, which provides participants the best possible opportunity to profit from the communications boom that has taken off in the Middle East, is comprised of:

- * **Telecom'96** — focuses on telecoms infrastructures, upgrades and state-of-the-art systems;
- * **Broadcasting'96** — spotlights systems and technologies, from telephony to space stations;
- * **Midcab & Midsat'96** — a twin show that focuses on cable and satellite TV technology;
- * **Programme Sales'96** — provides a forum for international and local production houses and TV stations; and
- * **Networking'96** — covers a range of networking applications, including messaging, office productivity, inventory control, video conferencing, and multimedia.

Companies that want to showcase their products and services to a market that has the spending power to buy the latest systems will find that **MIDCOM'96** is the highway to take.

Registration and other details on **MIDCOM'96** are available from the show organizer's Canadian representative, Andrée Nahabet, President, TechnAutour Inc., Outremont, Quebec, Tel.: (514) 276-0012; Fax: (514) 276-4311.

Security in India

Continued from page 9

equipment for forensic science laboratories; police/fire fighting equipment; radio communications and traffic monitoring systems.

ISE'95 is organized by the India Trade Promotion Organization in collaboration with the government's Central Industrial Security Force.

Complete details on ISE'95 are available from High Commission of India, Ottawa, Tel.: (613) 744-3751; Fax: (613) 744-0913.

Business Agenda

Ottawa — November 8, 1995; **Winnipeg** — November 15; **Saskatoon** — December 5; **Mississauga** — December 7 — **Making Trade Shows Work** is a series of two half-day workshops in one day. **Effective Show Planning** and **The Secrets of Working a Booth** feature trade show expert Barry Siskind and are offered by International Training & Management Company, Terra Cotta, Ontario, Tel.: (519) 927-9494; Fax: (519) 927-9493.

Fredericton — November 13, 1995; **Quebec City** — November 14; **Ottawa** — November 15; **Winnipeg** — November 16; **Calgary** — November 17 — **Take a World View** seminars are designed for small and medium enterprises (SMEs) in the services sector that are seriously interested in exporting. Presented by the Department of Foreign Affairs and International Trade and Industry Canada, with the Canadian Exporters' Association, the seminars cover: preparing to export your service...how to get started; relationship marketing and the services exporter; how to export services and choose markets; partnering strategies; and government assistance programs. For more information, call 1-800-267-8376 or fax: (613) 996-9709.

Toronto — November 13-14, 1995 — **Staying Competitive in the North American and Global Auto Markets** is the focus of the two-day Canadian Auto Sector Congress (CASC'95). The forum will attract all those interested in the changing and

challenging auto market, from CEOs and original equipment manufacturers (OEMs) to suppliers and distributors. Topics run the gamut, from trade issues and export strategies to choosing the most effective media vehicle in the new media age. Cost, including GST, is \$1171.65. To register, contact Conference Coordinator, Institute For International Research, Toronto. Tel.: 1-800-461-2398 (Toronto area: 416-928-1770); Fax: (416) 928-2994.

Montebello, Quebec — November 28, 1995; **Mississauga, Ontario** — November 29, 1995 — International marketing direc-

tors, business planners and trade consultants, trade lawyers, and sales and accounting managers are among those likely to attend **Transnational Transactions**, two half-day workshops on international trade. Included are workshop discussions on transfer pricing; joint ventures; rules of origin; and financing exports. Also on the agenda is a demonstration on the use of Internet in international market planning. Details on cost, registration and additional offerings are available from the organizer, InTraTech, Division of E.L. Littlejohn & Associates, Ottawa, Tel.: (613) 235-9183; Fax: (613) 594-3857.

Canada-Austria Business Cooperation and New Financing

Montreal — November 21, 1995; **Toronto** — November 23 — Canadian companies interested in doing business with their Austrian counterparts and learning about the new co-financing possibilities available, should plan to attend these one-day conferences on **Canada-Austria Business Cooperation and New Financing**.

The conferences should help Canadian project contractors and equipment/system suppliers increase their knowledge of Austrian business partners as well as their international sales and capital project success.

Austrian companies would benefit from competitive Canadian partners and financing

in other parts of the world where Canada is well represented.

In June 1995 EDC and its Austrian counterpart, OKB, signed a *Cooperation Framework Agreement* that should facilitate the efficient co-financing of new business involving Canadian and Austrian exporters in partnerships.

Representatives from OKB, EDC, Austrian banks, and companies that have cooperated successfully will present their perspectives on new joint business and relate their success stories.

Austria is an export-depend-

Continued on page 12
Canada - Austria

PUBLICATIONS

French Telecommunications Market

Just released by the Canadian Embassy in Paris, *Market Information on the French Telecommunications Market* (available in French only) reports on the size and breakdown of the market, French regulations, the public operator, and relevant French company and government contacts.

To obtain a copy of the report, contact Tom Oommen, Canadian Embassy, Paris, Fax: (33 1) 44 43 29 98.

Bottin International

The publishers of *Québec dans le monde* soon will be releasing the 1996 edition of the *Bottin International*. This directory provides information on areas of activity, countries of interest and the addresses of Quebec stakeholders such as exporters, trading houses, consultancy firms and so on. Registration in the directory costs \$50; the deadline is November 15, 1995.

For further information, contact *Québec dans le monde*, Tel.: (418) 659-5540; Fax: (418) 659-4143.

Benchmarking

Benchmarking the Canadian Business Presence in East Asia is a recent study on the status of

Canadian trade and investment in China, Japan and Southeast Asia and what can be done to improve it. The study was conducted by Victor Falkenheim, Keith Head, William V. Rapp, John Ries, A.E. Safarian and Lorna Wright and is part of a series of the Hong Kong Bank of Canada *Papers on Asia*.

Copies may be obtained from the Centre for International Business, Faculty of Management, University of Toronto, Tel.: (416) 978-2451; Fax: (416) 928-6694.

China's Agenda 21

In 1994, the State Council approved *China's Agenda 21*, or the *White Paper on China's Population, Environment, and Development in the 21st Century*. The paper maps out a general strategy and puts forward policies and methods for sustainable development to ensure the balanced improvement of economy, society, resources, environment, population and education. While the *White Paper* is available, another document, *Priority Programme for China's Agenda 21*, which lists 62 project proposals, may be more interesting to Canadian environmental companies.

Both documents are available for US\$50 each from the

Administrative Centre for China's Agenda 21 (ACCA 21) 4-2403, No. 40 Xiao Nan Zhuang, Haidian District, Beijing, China, Tel.: 011-86-1-2588128; Fax: 011-86-1-258 8127.

Canada - Austria

Continued from page 11

dent country with excellent business connections in Central Europe and a competitive export and project financing support infrastructure. Austrian exports to Central and Eastern Europe have increased fivefold since 1990, accounting for approximately 14 per cent of total Austrian exports. In the region, Austria is the source of 10 per cent of total foreign direct investment.

For more information on the conferences, contact the Austrian Trade offices, in Montreal, Tel.: (514) 849-3708; Fax: (514) 849-9577; in Toronto, Tel.: (416) 967-3348; Fax: (416) 967-4101.

For information on doing business in Austria, contact the Commercial Division, Canadian Embassy, Vienna, Tel.: 011-43-1-53138-3350; Fax: 011-43-1-53138-3906.



DFAIT's InfoCentre provides counselling, publications and referral services to Canadian exporters. Trade-related information can be obtained by contacting the InfoCentre at 1-800-267-8376 (Ottawa region: 944-4000) or by fax at (613) 996-9709; by calling the InfoCentre FaxLink (from a fax machine) at (613) 944-4500; by calling the InfoCentre Bulletin Board at 1-800-628-1581 via a computer modem; and by visiting the InfoCentre Internet World Wide Web site at <http://www.dfait-maeci.gc.ca> using the Gopher menu.

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Canada Captures Gold at Olympics of Telecommunications

RETOURNER A LA BIBLIOTHEQUE DU MINISTRE

Canadian companies participating at the "Olympics" of the telecommunications world – Telecom 95 – concluded hundreds of deals that could bring in as much as \$1 billion. And it was a "Team Canada" effort all the way!

Team Approach

Industry Minister John Manley said: "Canadian successes at this event are proof that Team Canada partnerships help Canadian companies win in the global marketplace, and that Canadian expertise in telecommunications is recognized the world over."

More than 70 Canadian companies were on-site at **Telecom 95**, held October 3-11, in Geneva, Switzerland. The 32 companies in the Canada Pavilion alone negotiated 74 distributorships and agency agreements and signed 21 contracts worth more than \$7.1 million. A further \$542 million in deals is projected over

the next three years.

That's obviously a hefty return, considering the Canada Pavilion cost \$900,000 – of which \$530,000 (or, roughly 60 per cent) was collected from industry!

Strongly supported by Canadian industry and government, **Telecom 95** saw "excellent cooperation" among a variety of performers, including Foreign Affairs and International Trade, Industry Canada, and show exhibitors Teleglobe and Nortel.

TEAM CANADA IN CHINA: ONE YEAR LATER

Canadian employment and economic growth are the immediate benefits of the signing of contracts valued in the billions of dollars during the historic Team Canada mission to China in November 1994. More important to the longer-term growth of this trading relationship was the reaction to Team Canada by China's decision makers: it convinced them that, in matters of trade, Canada is a committed comrade, a major turn-around and one confirmed by Chinese Premier Li Peng's October visit to Canada. Herewith, a look at Team Canada in China... one year later.

Trade Before Team Canada

Since 1978, when China's Deng Xiaoping initiated economic reforms, bilateral trade between Canada and China has increased at an average annual growth rate exceeding 13 per cent, rising from Cdn\$770 million to Cdn\$6.2 billion in 1994.

Need for Improvement

Despite this impressive growth, the consensus was that Canada should be doing better.

Canada possessed all the tools – technology, investment

pool, management know-how, superb consulting engineers, a strong and underutilized manufacturing base, and world-class capability in the precise sectors in which China had declared a strong preference for foreign participation.

In addition to the need for an increased presence in China, it was apparent that Canada had to dispel any doubts the Chinese had about Canada's support or commitment to trade and economic initiatives.

Continued on page 4 – Team

Canada Beaming

As a venue for the promotion of Canadian expertise in telecommunications, **Telecom 95** was fully exploited by Team Canada – from the attendance of some 20 of Canada's Trade Commissioners and Commercial Officers, to a reception attended by 600 Canadian business contacts, to 13 bilateral sessions conducted by Minister Manley, to a Manley-led press conference that was

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SHARING TRADE SECRETS

BIG COMPANIES OR SMALL, CHINA GOES CANADIAN NORTEL Wins Contract....

Having a foothold in a foreign country is no guarantee of continued success in that market — even for large and well-established multi-billion dollar companies like Northern Telecom Limited (Nortel). This is where hard work, perseverance and a superior product can make the difference.

With operations in close to 100 countries worldwide, the Mississauga, Ont.-headquartered Nortel is not new to the Chinese market.

Nor, for that matter, to the megalopolis Shanghai (11 million inhabitants), where it already had two joint ventures — operation of a very large scale integrated circuit wafer foundry, and design and supply of integrated circuits for Nortel's joint venture in Guangdong province.

But what had eluded Nortel up till last June, date of the contract, was the sale of advanced telephone switching systems to Shanghai, a market that had been monopolized up till then by European — mainly Alcatel, France — and Japanese companies, in a field which has considerable potential for growth.

Presence, contacts are key

Nortel started investigating the Shanghai market back in 1992

and established an office there the following year.

"Visibility in the local market and establishing close contacts locally are absolutely essential," points out Sonny Wu, Nortel China's Manager, Strategic and Business Development.

Wu, who has since moved to Nortel's Beijing office from the one in Shanghai, says that, thanks to a strong presence in Shanghai, "it was no secret that Nortel was known in local government circles, including Shanghai's Post and Telecommunications Administration (PTA).

This is in fact how Nortel found out about the upcoming contract. "We maintain very good relations with Shanghai city government," explains Wu.

The negotiations

According to Wu, who was a member of Nortel's negotiating team, discussions about the multi-mil-

lion dollar contract started in early 1994.

They involved two-way marketing and technical discussions that

Continued on page 7 — Nortel

....So Does M3i

Quality products, perseverance, a local agent and solid support from the Canadian Consulate General gave M3i Systems Inc. of Longueuil, Que. the edge over its competitors in Shanghai.

The five-year old company's latest foray into China resulted in the signing of a \$1.8 million contract with the Shanghai Post & Telecommunications Administration (PTA) to provide an integrated software system monitoring the upgrade and daily network management of the Shanghai telephone network.

How did M3i win out over other major international telecom vendors?

Past performance counts

The company had made a foothold in China over two years ago following a visit by Shanghai's mayor to Montreal and to M3i's facilities.

This was followed by an

Continued on page 8 — M3i

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Russia, Canada Forum to Resolve Trade, Investment Issues

Russia and Canada have established an Intergovernmental Economic Commission (IEC) in which their business communities provide the leadership. The inaugural IEC was held in Ottawa early last month during the visit of Russian Prime Minister Victor S. Chernomyrdin. Participating Canadian business executives agreed to meet again in Russia in early autumn, 1996. In the intervening months, there will be ongoing IEC activities, specifically meetings of several sectoral working groups.

Purpose of the IEC

The IEC serves as a forum for resolving issues related to bilateral trade and investment between Russia and Canada. These are identified, substantiated, and brought forward to the IEC via the private-sector-led sectoral working groups.

Inaugural Meeting

The October 5 meeting was co-chaired by Russian Deputy Prime Minister Alexander Zaveryukha and Canada's Minister for International Trade Roy MacLaren. Participants included 35 Russian business executives and officials and more than 80 Canadian business people, in addition to representatives of several industry associations and provincial or regional governments.

Presentations were primarily by Russian and Canadian executives on their experiences in Russia-Canada trade and investment. They exposed the difficulties that they had experienced in doing business, and recommended strategies to overcome them.

Minister MacLaren told the IEC, that he was "delighted to see so many representatives of the business community here today because you are the ones who will make our cooperation really mean something by investing, by transferring technology, and by creat-



Photo: Jean-Marc Carisse, PMO

Canada and Russia will reinforce economic relations through the Double Taxation Agreement, signed in Ottawa last month by Deputy Prime Minister of the Russian Federation Alexander Zaveryukha (left) and Canadian Minister of Finance Paul Martin. Witnesses include Russian Prime Minister Victor Chernomyrdin (rear left) and Prime Minister Jean Chrétien.

ing jobs in both Canada and Russia".

Russian Deputy Prime Minister Zaveryukha said that the first session of the Commission had laid a foundation for regular consultations between governments on economic cooperation.

The Russian and Canadian Prime Ministers, who opened the Commission, expressed their support to create the best possible conditions for trade and investment, including further liberalized trade and effective manage-

ment of trade disputes. They agreed that the IEC has a useful role to play in this regard.

Noting that governments "have to ensure that the right environment is there for our companies to do business together," Prime Minister Jean Chrétien added, "We are resolved to do what is necessary to increase economic cooperation".

The Prime Ministers agreed that negotiations will begin soon

Continued on page 6 — Russia



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Team Canada in China – Continued from page 1

Finally, since decision-making in China filters downward from the central government, it was evident Canada had to convince the hierarchy that it was, indeed, serious about doing business with China.

A Prime Minister-led trade mission was the obvious answer.

Mission Significance

There's no denying the significance of the Team Canada contract signings, but far more impressive and important to the longer-term growth of the trading relationship was the reaction of Chinese decision makers to Team Canada.

From the head of Chinese leadership down, Canada is viewed more than favourably as a sincere trading partner. The commitment of Canadian governments and Canadian business to the Chinese market is no longer in doubt within China. Momentum has been established and access to key decision makers is much improved.

Key to Export Growth

Now, the key to strong growth in Canada's exports to China is to take advantage of this improved business climate and Chinese goodwill. A sustained effort by Canadian business and governments will be required to achieve Prime Minister Chrétien's oft-quoted challenge: to increase two-way trade to \$20 billion by the year 2000. Combined trade must grow at an average annual rate of 21 per cent to reach the target.

Based on trends over the past five years, China will easily meet this growth rate, having increased at an annual average of nearly 27 per cent since 1985.

Highlights Team Canada in China One-Year Later

* Decision makers at all levels of Chinese government are more accessible to Canadian business.

* Commercial agreements totalling \$8.25 billion indicate Chinese acceptance of Canada as a major player in its market. China now is Canada's fifth-largest trading partner.

* There is a greater awareness of China's potential in all sectors of Canadian business. The lesson that "trade follows investment" is ingrained in company marketing strategies.

* Of the 106 companies that signed deals during — and after — Team Canada, 47 used investment to enhance their competitiveness and promote further business.

* Canada's exports to China were up 36 per cent in 1994 and 53 per cent in the first half of 1995.

* Value-added exports to China have more than doubled over the past two years. They account for close to 35 per cent of total exports in 1994, up from only 4 per cent in 1988.

* China's increasing population and the use of grain as a dietary staple set the stage for improved grain sales to China.

* Since the mission, additional contracts signed by at least 48 Canadian companies (Team and non-Team members) exceed \$800 million.

* Canadian firms are well placed to cater to one of China's latest needs — the provision of services; companies are winning infrastructure contracts and are in on the ground floor of the rapidly expanding market for environmental equipment and services, telecommunications and other fields.

Challenge Attainable

Several indicators suggest that Canada will meet the challenge:

(i) exports to China in 1994 were up 36 per cent and growth in the first half of 1995 was even greater, at 53 per cent;

(ii) fully manufactured goods should continue to fuel export growth after recording average annual increases of 39 per cent since 1989;

(iii) wheat will continue to provide a solid base, as all forecasts predict a wealthier and more populous China will import several times more wheat over the next decade than it currently does.

In September 1995, the total value of the November 1994 agreements was adjusted to \$8.25 bil-

lion, from \$8.72 billion. In the same month and year, a total of 33 agreements had moved into the contract stage (additional 14 agreements since November 1994). The total value for these projects is approximately \$2.38 billion.

Since the Team Canada visit, at least 37 Canadian companies (Team Canada and non-Team Canada participants) have signed further agreements — a

Continued on page 5 — Team Canada

Team Canada in China — Continued from page 4

solid indication that the business climate has improved. The preliminary value of these deals, which take the form of contracts, Memoranda of Understanding (MOUs), Letters of Intent (LOIs), and direct investment, is approximately \$1.2 billion.

Opportunities

China's imports from the world rose from US\$10.9 billion in 1978 to US\$103 billion in 1993. China's imports, by early in the next century, are predicted to exceed US\$1,000 billion. There is little reason why Canadian companies, if they continue to diversify their exports, should miss out on their share of this pie.

The number of **joint ventures** and investment-related deals signed during the Team Canada visit suggests that Canadian business is fully prepared to build sales through astute use of **investment**. Canadian firms also are well placed to win contracts in **infrastructure programs**, currently the top priority of China's Central Government and many of its provinces.

With the more open market approach adopted by the Chinese in 1993, services and their provision are set to be the next major growth area for foreign firms in China.

Since 1993, even though Chinese central authorities continue to be cautious in expanding the regulatory framework, there has been an explosion of services-related initiatives by foreign firms in China. Canadian **consulting engineering and project management** firms have long worked successfully in China in major infrastructure projects. They have now been joined in earnest by major services and management organizations in

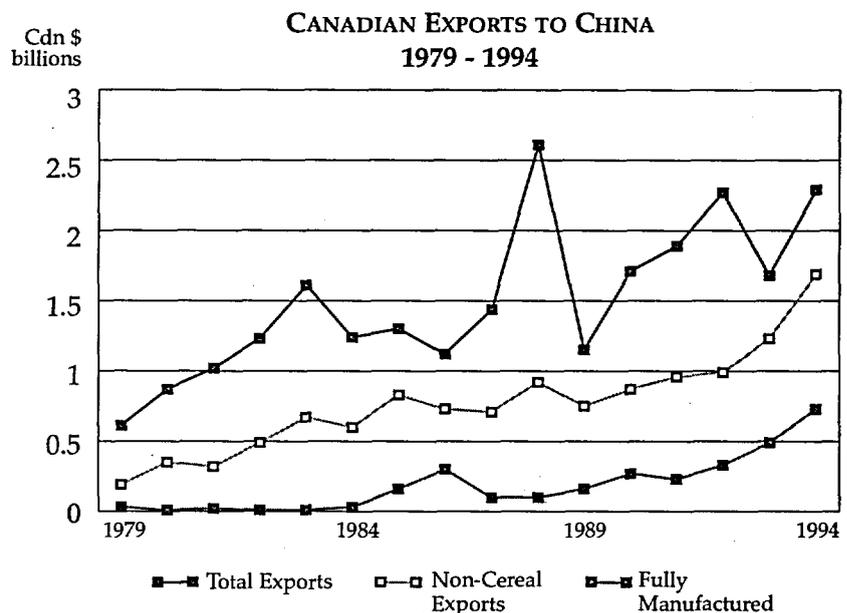
such fields as insurance, banking/financial, real estate, legal, accounting, patents, postal services, investment, urban development and architecture.

Canadian access to the China market should significantly improve when China enters the World Trade Organization.

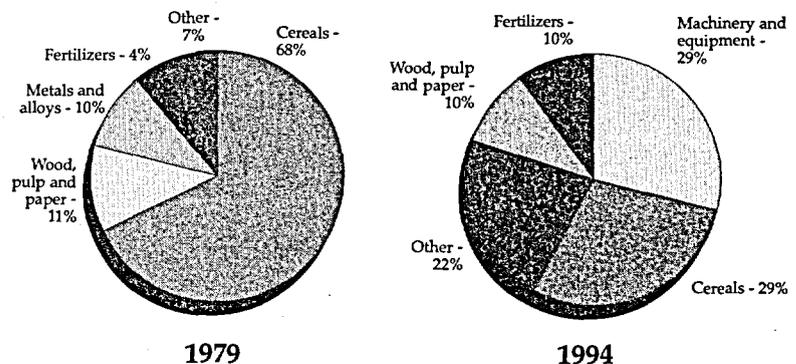
Canadian companies also have caught the wave of **environ-**

ment-related equipment and services opportunities in China. (As growth in China's cities has expanded well beyond the capacity of water and sewage treatment infrastructure, there seems to be almost limitless projects in this area. There is also evidence that the various levels of Chinese government are coming

*Continued on page 6 —
Team Canada*



STRUCTURE OF CANADIAN EXPORTS TO CHINA



Source: Statistics Canada

Team Canada in China — *Continued from page 5*

to grips with the growth limitations imposed by wholesale pollution of the atmosphere).

Export Support

Canada, though in a more restricted fiscal environment, is well placed to continue a Team Canada approach.

Federal trade promotion programs and market intelligence information, Export Development Corporation (EDC) consensus and concessional lines of credit and Canadian International Development Agency (CIDA) industrial support programs remain the best way for the federal level to support the needs of Canadian business in the China market.

Interdependence with provincial support programs and coordination of effort are key needs to ensure a minimum of overlap in assistance to busi-

ness. Provincial interest in pursuing business through twinning agreements with Chinese provinces and municipalities will grow in importance as China is compelled to further relax central control and authority.

Canadian provincial trade promotion should, as in the past, be concentrated on areas of obvious provincial comparative advantage.

Canada, obviously, has all the tools at its disposal to achieve \$20-billion in two-way trade by the year 2000.

Team Canada: Canadian Perspectives

"Team Canada had a strong impact on trade ... Ceremony is important and relationships between governments and business are important. That's what it's all about — working together." — **Gary Dube, Vice-President, Technophar Equipment and Services Ltd., Oldcastle, Ontario**

"A real landmark in the way Canada conducts itself internationally. A real partnership between the private sector and government ministers and officials." — **Tim Reid, President, Canadian Chamber of Commerce**

"When you go with the head of state, all the doors are open..." — **Dr. Rix, Metro-McNair Clinical Laboratories, Vancouver, B.C.**

"We're very happy to see Canada's profile raised. It makes our job easier and it's a welcome change..." — **Norbert Sporns, Upsilon Estate International, Montreal, Quebec**

Russia-Canada Forum — *Continued from page 3*

on a revised Foreign Investment Protection Agreement to enhance investment protection, increase investor confidence and help promote investment flows.

Agreements Signed

Several bilateral agreements and memorandums of understanding were signed during the visit of the Russian Prime Minister.

The Double Taxation Agreement is important to the business community. It will prevent double taxation and fiscal evasion of taxes on income and capital. It will improve the business climate in Russia, encourage increased trade and attract more Canadian investment in Russia.

Minister MacLaren said that

"these agreements serve as important pillars in strengthening our bilateral trade and economic relations."

Companies Part of Process

Canadian companies with established commitments in Russia are invited to participate in the ongoing IEC process.

Four working groups will meet between the plenary sessions of the IEC. The groups cover Agriculture-Agrifood, Advanced Technology (including Science and Technology), Energy and Natural Resources, and Investment and Trade Policy matters.

Information about the IEC will be made available on the Internet in late 1995 on the Department of

Foreign Affairs and International Trade's Home Page at the URL: <http://www.dfait.meci.gc.ca>. This will contain documents on Canada-Russia trade, investment and technology cooperation. It is expected that Internet users will be able to send messages to the IEC Secretariat from inside the World Wide Web site.

IEC Contact

For information, contact: Coordinator for the Russia-Canada IEC, Eastern Europe Division, Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2, Tel.: (613) 996-6324; Fax: (613)

Continued on page 7 — Russia

Nortel Wins Path-Breaking Contract in China – *Continued from page 2*

lasted for a year before Nortel won out — based on its superior technology over its two strongest competitors, Alcatel and AT&T.

Although negotiations can take a long time, Wu is quick to point out that “the Chinese are good negotiators.”

Canadian support

Even well-established 100 year-old companies like Nortel — with revenues of US\$8.9 billion and approximately 60,000 employees worldwide, some 20,000 in Canada alone — acknowledge that it is only beneficial to maintain a close working relationship with the Canadian government.

The Chinese know, says Wu, that the company has the full backing of the Canadian government through the presence of the Canadian Consulate General in Shanghai.

“We have excellent relations with both the Embassy in Beijing and the Consulate in Shanghai,” Wu points out. “We usually have monthly briefings with the Embassy to keep Canadian officials abreast of our activities.

“The visit last year by former

Governor General Ramon Hnatyshyn and especially the Team Canada delegation led by Prime Minister Jean Chrétien were also very good in raising Canada’s visibility in China,” says Wu.

It was the Commercial Section of the Consulate General in Shanghai that was instrumental in inviting Shanghai PTA officials to the trade show **Intercom '95** held last February in Vancouver, and officially hosted by Industry Canada Minister John Manley.

The contract

The sale — the fifth of its kind for Nortel in China — calls for the supply of three pairs of Digital Multiplex Systems-Signalling Transfer Point (DMS-STP) to the Shanghai Post and Telecommunications Administration (PTA). (STPs are software to control the intelligence of the network with number 7 signalling.)

Thanks to this path-breaking contract in Shanghai, Nortel will be able to improve the efficiency of telecommunications services available to companies and individuals in the Shanghai area.

In addition, the sale will lay the

groundwork for the future implementation of value-added and advanced intelligent network services, including customized service creation, centralized service introduction and consistent and rapid service delivery.

“The construction of CCS7 networks puts China on the cutting edge of telecommunications network technology,” commented Boris Chiu, Chief Representative of Nortel Shanghai Office. “We will continue to work closely with the Shanghai PTA to ensure that the new CCS7 network will be among the most advanced of its kind in the world.”

Future prospects

Ming Li, Senior Managing Director of Nortel China, is confident that this sale, in addition to the four successful installations in Xiang, Beijing, Tianjin and Hebei province, “represents a major step in the development of CCS7 networks in China.”

Contact Bill Neil, Director, Government Relations-International, in Ottawa. Tel.: (613) 783-8904. Fax: (613) 783-8910.

Russia-Canada Forum – *Continued from page 6*

995-1277; E-mail: cda-rus.commission@extott04.x400.gc.ca.

Business Assistance Contacts

For assistance with exports, investment and technology development, contact DFAIT’s Eastern Europe Division. The Trade Commissioners with responsibility for Russia are: Jillian Stirk, Tel.: (613) 996-2633, E-mail: jillian.stirk@extott04.x400.gc.ca; Rene Wassill, Tel.: (613) 996-7701; E-mail: rene.wassill@extott04.x400.gc.ca and Ben Gailor, Tel.: (613) 992-8590, E-

mail: ben.gailor@extott04.x400.gc.ca. Write to the address in the **IEC Contact** paragraph or fax: (613) 995-1277.

Canadian Offices in Russia

Canadian companies may contact DFAIT Commercial/Economic staff at: Canadian Embassy, Starokonyushenny Pereulok 23, Moscow, 121002 Russian Federation, Tel.: 7-095-956-6666/241-1111; Fax: 7-095-241-9034; E-mail: td.mosco@mosco01.x400.gc.ca; or at: Canadian Consulate General, 32 Malodetskoslensky

Prospect 198013, St. Petersburg, Russian Federation, (mailing address: Canadian Consulate General, c/o P.O. Box 107, Lappeenranta, Finland, SF-53501), Tel.: 7-812-119-8448; Fax: 7-812-119-8393. (Note: *The first three digits of the phone and fax numbers will change from 119 to 325 on January 1, 1996*). Internet: /DD.ID=SPURG.STE/S=SPURG/@gemdes.x400.gc.ca. Consulate territory includes Republic of Karelia, and Leningrad, Pskov, Novgorod, Murmansk, and Arkhangelsk regions.

M3i Systems Inc. — Continued from page 2

invitation to attend a seminar in Shanghai — a city of 11 million people — in 1992. That, in turn, led to a small contract with the Shanghai Electric Power Company with most of the money being put up by the Canadian International Development Agency (CIDA) and M3i.

"We didn't make much money on this project," admits Jian Zhao, M3i's Regional Sales Manager for Asia-Pacific, "but it proved to be a good marketing tool."

As a matter of fact, this led to a second contract with Shanghai Electric last year. Although worth only \$200,000, it again demonstrated a strong show of interest on the part of the Chinese.

But most important, both contracts came in handy when the PTA project came up for bids.

Winning combination

"The very first lesson that we learnt," Zhao advises, "is to have a good local agent." This, M3i did early in the year.

Although M3i had been talking to PTA back in November, it was really the local agent, FLIC, that advised the company that the telecom deal was up for grabs.

The agent immediately brought

the prospective customer to see M3i's products and services at Shanghai Electric. Seeing the M3i control room display installation in action had a positive influence on PTA's decision.

There followed two months of intense negotiations on the technical specifications of the project.

By then, M3i had found out that a Belgian, as well as a major American company, were also on the bid shortlist.

Suddenly in May, right in the middle of the technical negotiations, the door opened and in came the Chinese commercial negotiation team.

"I knew there and then that we were on the right track," says Zhao who was one of M3i's negotiators.

It took another two weeks of intense negotiations before M3i won out over its competitors.

Canadian Consulate help

In addition to the importance of engaging a good local agent, Zhao is very strong on enlisting the support of Canada's Trade Commissioner Service.

"The Canadian Consulate General in Shanghai gave us valuable information as to which

Chinese officials to contact," he says, "in addition to hosting the actual contract signing in the Consulate itself.

"The Chinese consider such official Canadian backing very important," Zhao says, "as it adds credibility to Canadian companies."

Other opportunities

The multi-million dollar and 450-strong — mainly software engineers — M3i hopes that this latest contract will lead to further opportunities in China.

As Zhao put it, "We are proud to play a part in Shanghai's emerging role as a centre for technological advances in Asia, and to showcase Canadian technology."

With close to 80 per cent of sales based on exports in North America, Europe and Asia, M3i is gearing up for new markets in Southeast Asia and China through participation in trade fairs this fall in Singapore and Shanghai.

For more information on M3i, contact Jian Zhao, Regional Sales Manager for Asia-Pacific. Tel.: (514) 928-4600, ext. 2342. Fax: (514) 442-5076.

Canada Captures Gold — Continued from page 1

beamed, direct, from the Canadian Pavilion to television outlets in Toronto, Montreal and Vancouver!

In taking home the gold, the team from Canada reaffirmed its highly regarded capabilities and expertise in the world of telecommunications. Equally important, its performance will have a positive ripple effect on **TELECOM** — the world's lar-

gest telecommunications trade show and conference.

More than 100 government ministers responsible for communications and several hundred CEOs of telecommunications businesses worldwide participated in **Telecom 95**. There were 1,000 exhibitors and more than 130,000 visitors, including 1,700 media representatives.

Organized by the Internatio-

nal Telecommunications Union and held every four years, **Telecom** has proved — for Canadians — a great place to leave a lasting impression.

Contacts

Further information on **Telecom** is available from Paul Connors or Wes Rathwell, Foreign Affairs and International Trade, Ottawa, Fax: (613) 944-1008.

BUSINESS OPPORTUNITIES

Before entering into a contractual agreement with a company, readers are advised to verify the bonafides of the companies listed here.

CHINA (People's Republic)
— A major Chinese factory specializing in manufacturing fibre cement and friction material products seeks a Canadian **joint venture/licensing partner to manufacture non-asbestos brake pads and shoes for passenger cars in China.** The Canadian partner will provide **key equipment (new/used) and advanced technology.** Contact George Chen, President, Canada Shuming Development Ltd., 2-4058 Corners Place, Victoria, B.C., V8X 3Z5, Tel.: (604) 727-7009; Fax: (604) 721-7715.

CHINA (People's Republic)
— A company which exports industrial goods to China has a client that seeks **scrap copper and scrap aluminum.** Contact Ming Fu, Richland Company Ltd., Suite 390, 1335 Williamsport Drive, Mississauga, Ontario, L4X 2S9, Tel.: (905) 624-2187; Fax: (905) 624-3656.

CHINA (People's Republic)
— Several reputable and profitable manufacturers of **water and wastewater treatment equipment** in China are seeking **Canadian partners for advanced technologies or to jointly develop and manufacture better products** to fill the overwhelming market demand in this field, said to be one of the priorities in China's upcoming Five-Year Plan. Products range from household water treatment to large-scale municipal and industrial waste-

water treatment equipment. Interested parties may contact Jim Chan or Ivy Li, Millian Business Inc., 280 Spadina Avenue, Suite 501, Toronto M5T 2E5, Tel.: (416) 805-5018; Fax: (416) 593-8402.

CHINA (People's Republic)
— Individual companies here are seeking Canadian **joint venture partners** involved in **medical and pharmaceutical raw materials; veterinary medicine; corn starch production; and the manufacture of biodegradable starch cellulose resin and photo degradation film.** Contact Linda Lu, Office Manager, China Info Globe Inc., Scarborough, Tel.: (416) 298-2298; Fax: (416) 292-9627.

INDIA — A distillery established in 1951, producing 34 million litres of **Ethyl alcohol** and having a licence to produce 8 million litres of potable alcohol, including **whisky, rum, vodka, gin and brandy,** is interested in a **joint venture** with Canadian companies. Contact A. Qadeer, General Manager, Saraya Distilleries Ltd., 11 Panchsheel Park Shopping Centre, New Delhi 110 017, Tel.: 011-643 1747; Fax: 011-643 8227.

INDIA — A well-known Raunaq Group company with installed capacity to produce 300,000 hecto litres of beer, is building a 150,000 hecto litres brewery and holds a license for

setting up an additional 450,000 hecto litres brewing capacity. The company is interested in a **joint venture with Canadian breweries** with an international image. Contact: R.S. Duggal, Vice-President, Raunaq Group of Industries, Allahabad Bank Bldg., 17 Sansad Marg, New Delhi, 110 001; Tel.: 011-310, 014/310 310; Fax: 011-334 5018.

INDIA — An Alberta company's agent in India, Alloys Engineers, seeks a **joint venture** with Canadian firms in which it would **import technology to manufacture (for sale to Asian markets) slurry pumps, well head (oil) equipment, and high pressure valves.** Authorized to negotiate on behalf of Alloys Engineers is Pradeep Dass, CAN-K Process & Mining Equipment Ltd., Site 6, Box 10, RR 1, St. Albert Industrial Park, St. Albert, Alberta T8N 1M8, Tel.: (403) 459-2391; Fax: (403) 459-2416.

ITALY — An energy conservation-oriented firm in Rome wishes to enter into **joint venture partnerships and technology transfer arrangements** with Canadian firms engaged in, among other fields, **consulting services** (environmental assessment studies, waste management); **project management** (process control of plants, cooperation in process development, process consult-

*Continued on page 10 —
Business Opportunities*

BUSINESS OPPORTUNITIES

Continued from page 9

ing); **special services** (air conditioning systems, traditional/alternate sources of energy plants, heating pumps); and **research and development services**. Contact F. Banotti, Impianti Per L'Energia di F. Banotti, Tel.: (06) 5570311; Fax: 003965593435; Telex: 620363 ENERBA 1.

MEXICO — A company that has been marketing **ice bars, blocks, cylinders and bottled water** for 80 years, seeks **investors** to help upgrade and expand its facilities so that it can keep ahead of the competition. The upgrade includes the installation of cylinders, refrigerating system, and modern equipment to produce ice and bottled water. Contact Lic. Martha Elean Canals, Business Manager, Fabrica De Hielo, Mier y Pesado 28-C, Col. del Valle, C.P. 03100, Mexico D.F. Tel.: 6-82-43-00/2-72-22/2-88/63.

NEW ZEALAND — The Waitakere City Council is inviting interested companies to submit detailed proposals to provide **services for treating and/or disposing of Waitakere City's solid waste**. It is expected that the waste management service will be put in place before the year 2000. Detailed information on the requirements for submitting a proposal can be obtained from Worley Consultants, Newmarket P.O. Box 4241, Auckland, New Zealand, Tel.: (09) 379 1200; Fax: (09) 379 1201. For assistance in finding local partners, contact the Canadian

Consulate, Auckland, Tel.: (09) 309 3690; Fax: (09) 307-3111.

NEW ZEALAND — An importer and distributor of sports equipment wishes to source suppliers of **snow skis and associated ski equipment, snowboards, and toboggans** for the 1996 season. Contact Ian Little, Managing Director, Trontech Corporation Ltd., Unit 10, 75 Peterborough Street, P.O. Box 1216, Christchurch, New Zealand, Tel.: (64-3) 366-7622; Fax: (64-3) 379-3962.

SPAIN — A commercial and legal firm with international business connections can **act as**

a **foreign agent for Canadian companies** seeking to penetrate the market in Spain. In addition to providing **market studies and legal advice**, the firm can help: **set up joint ventures; sell a company's products/services; open branch offices; and select agents/distributors**. The firm has direct contacts in sectors such as electrical, sports, pharmaceutical, construction, mechanical, consumer goods and raw materials. Contact Adrian Lopez, Asesoria Juridica y de Empresas, C.C.F.M., C.B., Gral. Alvarez de Castro, 31.B, 28010 Madrid, Spain. Tel./Fax: 447-23-17.

EDC Financing Aids Sales to China

The availability of US\$125 million in Export Development Corporation (EDC) financing should help Canadian exporters of goods and services to the People's Republic of China.

EDC recently renewed a US\$25 million line of credit with the Bank of Communications and a US\$100 million line of credit with the People's Construction Bank of China.

"This EDC financing will help exporters compete and win business in China," said International Trade Minister Roy MacLaren. "China offers Canadian exporters tremen-

dous trade and investment opportunities."

With EDC financing, exporters can offer their buyers pre-arranged financing terms. This gives Canadian companies of all sizes and in all sectors a competitive edge when selling goods or services in foreign markets.

Financing can be arranged through EDC offices in Vancouver, Calgary, Winnipeg, London, Toronto, Ottawa, Montreal or Halifax.

Exporters with sales under \$1 million can call EDC's Emerging Exporter Team at 1-800-850-9626.

Selling Software Online in the United States

Getting a foothold in the highly competitive, crowded U.S. software market can be a daunting, if not impossible, task for a small Canadian software company.

Now there is another way for such a firm to penetrate the U.S. market — selling on the Internet which has become a home to a new distribution channel: online sales of software.

Each month new online shopping services and “cybermall” appear on the World Wide Web. Two examples of such shopping websites are the **Internet Shopping Network (ISN)** and **CyberSource**.

ISN has been on the Internet since April 1994 and, since then, has collected data on all visitors to their home page. ISN was purchased by the Home Shopping Network in September 1994. From 600 companies, ISN lists 20,000 products, ranging from computer to consumer goods.

A customer chooses the item online and then telephones the order in and provides a credit card number. The order is then shipped by overnight mail from the manufacturer/distributor to the purchaser. ISN experiences 250,000 hits per day and processes a sale every 2.5 minutes.

CyberSource was also founded in 1994 but sells only software. It currently lists over 8,000 packages and offers many of its products through Ingram and Merisel.

A transaction with **CyberSource** is done online and the software is sent to the customer across the Internet. Its target market is large commercial accounts and institutions primarily because they have high speed broad band connections.

Lessons Learned

The lessons that **ISN** and **CyberSource** have learned are that people buy from them because of low price, convenience and service (such as online assistance and independent product reviews).

It is also important to have a responsive system with 1-800 numbers and customer support. You must also merchandise your products and offer free items and keep the customer coming back by making daily changes, posting editorials, product reviews, have a “what’s new” section, debugging information, manuals, etc. As well, it is important to link to the vendors and other relevant websites.

Online Advantages

Among the many advantages offered to the software

publisher by selling online some are:

- . free advertising
- . merchandising
- . public relations
- . beta testing
- . 100 per cent registration of software
- . offer product trials where 90 per cent to 95 per cent buy (since they are corporate customers)
- . receive customer feedback
- . receive market information on customers
- . no inventory concerns.

If you have products that you would like to sell on the Internet today, you may explore working with one of these Northern California companies:

Internet Shopping Network
world wide web: <http://shop.internet.net>
e-mail: info@internet.net
1-800-677-7467

CyberSource (Sells Software Products Only)
world wide web: <http://software.net>
e-mail: pubinfo@software.net
1-800-617-7638

For additional information, also contact the Canadian Consulate Trade Office in San Jose, California at 408-289-1157 or by e-mail at canada-trade-sanjose.org

CommerceNet

If you are more interested in developing software tools or platforms to enable electronic commercial transactions over the Internet, an alliance of Northern California firms that is developing leading edge products and services for electronic commerce is **CommerceNet**.

CommerceNet, launched in April 1994, is a consortium of over 80 companies experimenting with commerce on the Internet. Some of the **CommerceNet** alliance members are Bank of America, Federal Express, IBM, Hewlett-Packard, Netscape and Silicon Graphics. Some of the products and services that **CommerceNet** provides are: **Starter kits** (ISDN from Pacific Bell and BBN BARRnet; hypermedia browsers and networking hardware);

Directories (top-level directories, alphabetical and categorized; specialized third-party directory and

Continued on page 15 — Selling Software

TRADE FAIRS AROUND THE WORLD

Investment, Technology: Theme of India Market

New Delhi, India — Fair organizers have designated Canada as a 'partner country' in **Investment and Technology Market (Intechmart '96)** being held here February 17-20.

A follow-up to similar successful events held in 1994 (Investmart) and 1995 (Intechmart), **Intechmart '96** brings together potential foreign and Indian investors to explore opportunities for joint collaboration, technology transfer/acquisition and investment.

This year, the focus will be on

four industry sectors: food processing and packaging; textiles and ready-made garments; electronics/telecommunications equipment; and chemicals and allied products.

At **Intechmart'96**, companies can display their technologies in a variety of ways: product samples, drawings, process flow diagrams, photographs, and product catalogues/brochures.

Further information on **Intechmart'96** is available from A.K. Banerjee, Deputy High

Commissioner, High Commission of India, 10 Springfield Road, Ottawa K1M 1C9, Tel.: (613) 744-3751; Fax: (613) 744-0913.

Panama Trade Show Door to Latin American Markets

Panama City, Panama — **EXPOCOMER 96**, the venue of buyers for the immense markets of the Caribbean, Central and South America, will be held here March 6-11.

Featuring products and buyers from around the world, **EXPOCOMER** attracts companies, including Canadian, engaged in food products, construction and hardware, medical and healthcare, telecommunications, textiles, informatics and office products supplies, automotive accessories, jewellery, perfumes and cosmetics, mining equipment, lamps, carpets, crystalware and kitchenware.

The 1995 edition of **EXPOCOMER** was attended by 42,061 visitors from 31 countries, among whom 19,289 buyers made purchases valued at US \$76.5 million.

For more information on **EXPOCOMER 96**, contact Céline Boies, Latin America and Caribbean Trade Division, DFAIT, Ottawa, Tel.: (613) 995-0460; Fax: (613) 943-8806; or Manuel Ruiz, Canadian Embassy, San Jose, Costa Rica, Tel.: (506) 296-4149; Fax: (506) 296-4280.

Trade Fair Builds in China

Guangzhou, China — The Commercial Division of The Commission for Canada in Hong Kong invites suppliers of Canadian building materials to display product literature in its Canadian information booth at **Building South China '96**, being held March 12-15. Literature display space is limited to a maximum of 20 companies.

The 1995 version of the **International Exhibition on Building Materials, Building Services and Interior Decoration Industries** attracted over 100 exhibitors from 17 countries.

The more than 40,000 visitors viewing the latest building materials and technologies represented building materials wholesale, distribution and retail businesses; property developers; construction contractors; interior decoration

companies; design institutes and architects; import and export corporations; hotels and commercial buildings management; and manufacturers of building materials.

Companies interested in capitalizing on this opportunity should send two (2) copies of product literature, along with a brief company introduction, to Ms. Eunice Wong, Commercial Officer, Commission for Canada, 13/F., Tower I, Exchange Square, Central, Hong Kong, Tel.: (852) 2847-7454; Fax: (852) 2847-7441.

Those interested in taking their own booth, may contact directly the show organizer: Adsale Exhibition Services Ltd., 14/F., Devon House, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong, Tel.: (852) 2516-3351; Fax: (852) 2516-5024. Contact: Miss Vickey So.

TRADE FAIRS AROUND THE WORLD

Chile to Host Air, Space Fair

Santiago, Chile — Companies are being recruited to participate in Canada's national stand at the ninth **International Air and Space Fair (FIDAE)** being held here March 10-17, 1996.

FIDAE attracts decision makers from government and private and public organizations, as well as private-sector buyers.

It is an excellent platform from which to establish solid commercial contacts, to learn what business opportunities are available in the region and to become acquainted with the reality and needs of new clients.

Exhibits are in fields that include: aircraft/engine design and production; aircraft service and maintenance; airport infrastructure, equipment and systems; systems for transport and shipment of cargo; flight safety and rescue equipment and systems; detection and communication systems; environmental management; space development; meteorology; and defence systems.

Being held concurrently are conferences and seminars on, among other subjects: commercial aspects of airline operation; environmental protection; aerospace medicine; air rescue; and space research.

Some 350 exhibitors participated in the last **FIDAE**. Among the 32 countries were Canada, United States, Israel, South Africa, Italy, France, Russia, Argentina, Brazil,

England and Peru. Canada's pavilion included 29 companies.

Organized by the Chilean Air Force and held biannually, **FIDAE** is considered the right vehicle for Canadian companies that are interested in selling and servicing the Latin

American market.

Complete information on **FIDAE 96** is available from Jon Dundon, Latin America and Caribbean Trade Division, Foreign Affairs and International Trade, Ottawa, Tel.: (613) 996-6921; Fax: (613) 994-0479.

Water Management, Treatment Conference, Fair Set for Cairo

Cairo, Egypt — Potable water management and water treatment technologies will be highlighted at **Aqua-Tec Egypt 95**, an international conference and fair being held December 5-7.

Exhibitors include those engaged in: water treatment technologies for potable water; sea and brackish water desalination technologies; sewage water treatment and recovery for reuse; sludge treatment and reuse; industrial wastewater treatment and recovery for reuse; water pumps; and chemicals for water treatment.

The event will be attended by representatives of the business sector, international development agencies, government agencies, the industrial sector, consulting firms, and academic institutions. Topics to be addressed include: opportunities for co-

manufacturing; opportunities for technology transfer; water treatment technologies, particularly low-cost systems; and innovative financial and management mechanisms for potable water management.

For information on the fair, contact ICAT For Projects, 4 Salah Magdi Street (off Mohammed Abdallah Deraz Street), Golf Land, Heliopolis, Cairo, Egypt, Tel.: (202) 290-6432/417-9620; Fax: (202) 290-9237. **Attn: Eng. Mahmoud El-Gammal.**

For information on the conference, contact Egyptian Environmental Affairs Agency (EEAA), Technical Cooperation Office for the Environment (TCOE), 16, Lebnan Street, Mohandessin, Cairo, Egypt, Tel.: (202) 302-9102/ 302-6925; Fax: (202) 302-9081. **Attn: Eng. Ayman Khoudeir.**

Canada-Korea Partnerships Mean Business

New partnership arrangements that will benefit both countries were signed last month between Canadian and Korean businesses.

"By establishing strategic alliances, Canadian and Korean companies can enhance their competitiveness not only in each others' markets but also in their respective regional markets," Minister for International Trade Roy MacLaren said.

An arrangement establishing a Committee for Industrial and Technological Co-operation also was signed. The Committee will promote co-operation and foster strategic alliances and partnerships between Korean and Canadian companies, especially in the priority sectors of telecommunications, environment, energy, biotechnology, manufacturing technologies, chemicals and new materials.

Some of the 12 new business arrangements signed are:

* National Research Council and the Korea Research Institute of Chemical Technology will exchange scientific and technical information as well as personnel, and will conduct co-operative research projects in the field of membrane separation technology.

* The Business Development Bank of Canada and the Korea Small- and Medium-Industry Promotion Corporation will promote industrial co-operation between small- and medium-size businesses in Canada and Korea by exchanging business development strategies and relevant business information.

* The Canadian Chamber of Commerce and the Canadian Chamber of Commerce in Korea will work on promoting bilateral

trade, investment, economic and technical co-operation, and international marketing exchanges. The two chambers will facilitate the exchange of business information between Canadian and Korean business communities.

* The Canadian Manufacturers' Association and the Korea

Small- and Medium-Industry Promotion Corporation will exchange information regarding business opportunities in both countries and will promote the exchange of business delegations.

For more information on trade opportunities in Korea, contact Greg Goldhawk, DFAIT, Tel.: (613) 995-8705; Fax: (613) 996-1248.

Strong Growth Forecast for Exports

Canadian exports will grow at an average annual rate of 9.2 per cent during 1995-2000, according to a forecast released recently by the Export Development Corporation (EDC).

This is well up from the four per cent growth that occurred between 1985-1990, but slightly lower than the 11.5 per cent growth registered between 1990-1995.

Top five export markets 1995-2000

* The destination of 85 per cent of Canadian exports, the **United States** is expected to increase its share at an average annual rate of 7.6 per cent.

* Canadian exports (currently just over 6 per cent) to **Western Europe**, Canada's second-largest commercial market, are expected to grow at an average rate of 10 per cent.

* Exports to **Japan**, Canada's third-largest market with 4.5 per cent, are expected to increase at an average annual rate of 6.9 per cent. The recent strong appreciation of the yen will give Canadian exporters a boost in this market, particularly for exports of coal and forest products.

* With the economy of **Asia** continuing on a strong growth path, the region's current intake of 4 per cent of Canadian exports is expected to flourish at an average annual rate of 14 per cent.

* **Latin America**, Canada's fifth-largest market, should see the current close to a two per cent share of Canadian exports grow at an average annual rate of 12.5 per cent, once the larger economies of Mexico, Brazil and Argentina resolve some of their structural difficulties.

Top seven export categories

Canada's top seven export products are, in order of priority: automobiles and parts; forest products; capital goods; mineral products; energy products; consumer goods and miscellaneous manufactured products; and agri-food products.

EDC Financing Supports Exports to Argentina

Canadians selling goods and services to the Argentina energy sector are benefiting from EDC new export financing of up to US\$55 million.

The breakdown includes: a US\$25 million line of credit with

Total Austral S.A.; an increase from US\$10 million to US\$25 million of an existing line of credit with Bidas S.A.P.I.C.; and a US\$15 million line of credit with Industrias Metalurgicas Pescarmona S.A.I.C. (IMPSA) — a man-

ufacturer of turbines, generators and cranes that has awarded five contracts totalling US\$6.6 million to four Canadian companies.

A US\$5 million credit line with Transportadora de Gas del Norte brings to US\$70 million the total amount of EDC financing available in support of potential Canadian exports to Argentina's energy sector.

In addition, EDC has six other credit lines, totalling more than US\$110 million, with four banks and two telecommunications companies in Argentina.

Exporters with annual sales under \$1 million can call EDC's Emerging Exporter Team at 1-800-850-9626.

The corporation may be reached at its offices in Vancouver, Calgary, Winnipeg, London, Toronto, Ottawa, Montreal or Halifax.

PUBLICATIONS

Procurement in Virginia

The Virginia state government and its agencies are forecast to purchase over US\$4.5 billion in goods and services in 1996 — and the opportunities are excellent for Canadian exporters to get a piece of the pie.

It's timely then, that an overview of government procurement, *Selling to the Virginia State Government*, will be available later this month to Canadian firms interested in doing business there.

The report focuses on state (with some federal, county and city level analysis) procurement and outlines ways Canadian vendors can increase their visibility and success rate for bidding on Virginia government contracts. It provides, as well, information on whom to contact, what the Virginia state government looks for, and how to effectively market goods and services.

A copy of the report may be obtained by faxing Foreign Affairs and International Trade Canada's InfoCentre at (613) 996-9709.

More information on this subject also is available from Judith A. Bradt, Canadian Embassy, Washington DC, Tel.: (202) 682-7746; Fax: (202) 682-7619.

California Wastewater

Industrial Wastewater Treatment Study California, produced by the Canadian Consulate

in Los Angeles, covers regulatory aspects, Maquiladora operations, products and waste treatment technologies, in-situ treatment needs, and opportunities for Canadian suppliers.

To obtain a three-page summary in English or French, or the complete study in English only (also available on diskette), contact Donald Marsan, DFAIT, Ottawa, Fax: (613) 944-9119.

Mining in Chile

Prepared by the Canadian Embassy in Santiago, Chile, the report, *Opportunities in Chile: The Mining Equipment and Services Market*, may be ordered, quoting code number 180LA, through the Department of Foreign Affairs and International Trade's InfoCentre (see box at bottom of page 16).

India Journal

Canadian companies with new products or seeking export opportunities, joint ventures and collaborations in India can have their interests published, free of cost, in a monthly industrial electronics journal, published in Bombay.

Contact Mr. M. Arokiaswamy, Editor & Publisher, Instruments & Electronics Developments, 64, Mahendra Chambers, 134/136, Dr. D. N. Road, Bombay 400 001. Tel.: 91-22-2049567/2844516; Fax: 91-22-2844516.

Selling Software

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referral services);

Security (authentication, encryption and digital signatures);

Methods of Payment (digital credit cards, debit cards digital cash and cheques);

Secure Hypertext Transfer Protocol (S-HTTP) Enterprise Integration Technologies together with RSA Technologies has defined the standards for this negotiation protocol between client and server.

To learn more about the numerous **CommerceNet** pilot projects, contact **CommerceNet** on the web at URL <http://commerce.net/> or by e-mail at info@commerce.net or by telephone at 415-617-8790.

BUSINESS AGENDA

Toronto — November 29-December 1, 1995 — Foreign visitors and construction industry buyers from more than 25 countries are expected to attend **Construct Canada'95**, which attracts more than 16,000 visitors to its 750 exhibits and 150 seminars. Concurrent with Canada's largest annual exposition and conference for architects, contractors, engineers, home-builders and property managers are **PM Expo** (Canada's largest annual exposition for property managers); **CIDC'95** (computer applications for design and construction); and **The Real Estate Show** (for corporate real estate

executives and asset managers). Contact York Expositions Inc., Toronto, Tel.: (416) 869-0141; Fax: (416) 869-1660.

Vancouver — December 8, 1995; **Toronto** — December 12; **Montréal** — December 13 — **Doing Business in Asia in Partnership with Japan** seminars are designed to enhance business relationships between the two countries. The seminars (limited to 75 persons) are intended primarily for Canadian private enterprises and associations with strong interests in infrastructure development, consulting engineering, telecommu-

nications, environment and transportation. Highlighted (through the factual presentation of information on Japan's Official Development Assistance programs) will be the significant procurement opportunities open to Canadian exporters — and a primer on how to access those opportunities. The seminars, costing \$75 per participant, are sponsored by the Embassy of Japan in Ottawa and the Department of Foreign Affairs and International Trade (DFAIT). To register or to obtain more information, contact G. Daniel Caron, DFAIT, Tel.: (613) 995-1677; Fax: (613) 943-8286.

Toronto to Host *Joint Venturing in China* Conference

A one-day conference is planned in Toronto in April 1996 for Canadian companies/investors interested in joint ventures that would help a number of provincially-owned industries in Anhui province expand and modernize their existing facilities.

Among the sectors considered for joint venture undertakings are: coal-washing equipment; halogen lamp manufacture; multimedia computer manufacture; waste-water treatment equipment for

domestic sewage; steel-making and paper-making; and large-screen colour television production.

Conference participants will meet with representative of Anhui province, trade officials from Canada and China, and banking and technical advisors.

Early confirmation of interest is requested. Contact Anhui Province Joint Venture Meeting, 30 York Ridge Road, Willowdale, Ontario, M2P 1R7, Fax: (416) 222 6158.

PUBLICATION

3-in-1 Export Service

Canadian exporters can promote their products and services in 1996 through a "packaged" network consisting of *Canexport*, an English, French and Spanish directory circulated internationally; *Export Plus*, a quarterly trilingual publication focusing on environment, hi-tech/communications, natural resources and industrial sectors; and *Virtual Market Place*, a catalogue representing Canadian companies worldwide, also available on CD-ROM and Internet: <http://www.virtualmarketplace.com>. Contact Joseph J. Vella, Montreal, Tel.: 1-800-644-5865.

INFOCENTRE

DFAIT's InfoCentre provides counselling, publications and referral services to Canadian exporters. Trade related information can be obtained by contacting the InfoCentre at 1-800-267-8376 (Ottawa region: 944-4000) or by fax at (613)996-9709; by calling the InfoCentre FaxLink (from a fax machine) at (613)944-4500; by calling the InfoCentre Bulletin Board at 1-800-628-1581 via a computer modem; and by visiting the InfoCentre Internet World Wide Web site at <http://www.dfait-maeci.gc.ca> using the Gopher menu.

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Ottawa, Ont.
K1A 0G2



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CANADA EXPORT

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Canada-U.S. Border Alliance Aims to Bolster Business

Last June, the Canadian Consulate General in Buffalo helped to structure a group dedicated to improving the trade, tourism and investment opportunities in the region that runs around the western shore of Lake Ontario from Oshawa to Rochester. This semi-circular string of communities is the fifth-largest economic zone in North America. The initiative was called BorderNet.

What is BorderNet

BorderNet, whose anchor cities are Toronto, Hamilton, Buffalo and Rochester, is a Canada-US cross-border affiliation among the proscribed region's business groups.

The goal is to encourage local companies to do more business with each other, and to improve trade, tourism and investment in the entire area.

The BorderNet sponsoring organizations are: Canadian Man-

ufacturers' Association (Ontario); Hamilton & District Chamber of Commerce; Greater Buffalo Partnership; and Greater Rochester Chamber of Commerce.

BorderNet Benefits

The partnership initiated through the BorderNet alliance can take many forms, including:

- * licensing;
- * joint ventures;
- * joint development;
- * exporting/importing;

- * cross marketing;
- * franchising;
- * subcontracting; and
- * distribution.

Whatever the form the relationship takes, one thing is certain: together, using their combined strengths and resources, Canadian and U.S. firms are more likely to increase sales in

ASEAN SUPPLEMENT

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new or expanding markets, not only in Canada and in the U.S., but in North American or overseas markets.

Potential Enormous

The geographical proximity and synergy of industry and distribution between Toronto, Hamilton, Buffalo and Rochester make

*Continued on page 7
BorderNet*

MacLaren Launches Canada's New Action Plan for Japan

Minister for International Trade Roy MacLaren, on November 7, 1995, unveiled Canada's new Action Plan for Japan in Tokyo before an audience of Canadian business leaders. The Plan is adaptable to Japan's changing and lucrative market.

Canadian exports to Japan in 1994 equalled more than \$9.5 billion, an increase of more than \$1 billion over 1993. In 1995, Canadian exports to Japan are expected to exceed \$12 billion. As the second-largest economy in the world, Japan, obviously, is a market whose importance cannot be questioned.

Changing Market

A soaring yen, domestic deregulation and a focus on increasing imports of value-added consumer goods are changing the market in Japan.

The growth rates of traditional Canadian raw material exports have been minimized and value-added consumer markets have become more attractive. Japanese consumers are demonstrating higher levels of product sophistication and

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SHARING TRADE SECRETS

Embassies Help Put Vancouver Tour Operator on Right Track

When it comes to exporting Canadian products and services, there's one key sector that does not always come to mind — tourism. Yet there are numerous tour operators who successfully attract foreign buyers — tourists — to Canada. The Rocky Mountaineer Raitours of North Vancouver offers one such success story.

Not that success has come easily for the young Rocky Mountaineer.

But it has managed to build an enviable track record — in a large measure thanks to the help of Canadian tourism officers working in Canadian Embassies and Consulates throughout the world.

A rocky start

It all started five years ago.

Although VIA-Rail had introduced all-day tours of the Rocky Mountains back in 1988, the money-losing service ended up on the chopping block two years later in the face of government cutbacks.

That's when a group of dedicated people — with over 120 years of collective experience at B.C. Rail, CN and CP — put in a bid to take over the dayliner.

Following its successful bid, the group, led by current Rocky Mountaineer President and CEO Peter Armstrong, had two weeks to get things moving.

Luckily, the rolling stock was part of the deal — all the former transcontinental coaches built in the early '50s but refurbished since.

Overcoming hurdles

The young company was immediately faced with a lot of challenges.

"One of our major hurdles," relates Eric Belanger, the company's Director of Media and Public Relations, was that the travel world at large had been left with the impression that rail travel in Canada had come to an end."

And with inaccurate stories such as "The last Train to Medicine Hat" aired by PBS, the tone was set and caused tremendous uncertainty in the marketplace.

"Our new company certainly did not have a presence in these markets to directly combat the misinformation, nor the financial resources to mount and sus-

tain the massive media campaign that would have been required to correct the situation," admits Belanger.

Embassies to the rescue

That's when Armstrong went to Tourism Canada and together, they devised a marketing plan with key contacts.

"We turned to Canada's representatives in our Consulates and Embassies abroad and were rewarded with immediate and impressive results," says Belanger.

"These dedicated public servants came to the assistance of the Rocky Mountaineer and Canada's tourism industry, during a time of real need."

With a majority of Rocky Mountaineer customers coming from other countries — 50 per cent from the U.S. alone — little wonder that marketing abroad is crucial for the young company.

According to Belanger, "The Tourism Officers immediately provided expert knowledge of key markets in the U.S., Europe and Asia. This vital marketing advice came complete with sales contacts.

"The often unsolicited role they played at consumer and trade shows, in media relations and in travel agent relations, directly contributed to re-establishing Canada's place in the railtour business," Belanger believes.

Thanks to all this help, the
Continued on page 3 — Rocky

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Department of Foreign Affairs and International Trade (DFAIT)

December 4, 1995

Carnet "Passport" Takes Trouble out of Business Travel

"We have found Carnets to be extremely useful when we carry demonstrators overseas on business, as well as when we send demo goods to potential customers and representatives of our company. They allow for smooth, easy clearance through Customs with minimal cost and/or delay." — Dela Mulligan, JDS FITEL INC.

Taking temporary imports, like commercial samples or professional equipment, into any of over 45 countries is a simple procedure — provided one carries an ATA (Admission temporaire/Temporary Admission) Carnet (car-nay).

Carnet Benefits

Carrying a Carnet eliminates most of the red tape and hassle that can be encountered both on entering and leaving a foreign country with samples or equipment. As well, the Carnet can be particularly useful in countries where there is a language barrier.

Carnets guarantee Customs authorities in most developed countries that all duties and

excise taxes will be paid in the event that any of the items on the document are not taken out of the country within a year.

A Carnet can cut out a lot of expense when entering a country: Without a Carnet, a person may be required, in *each* country visited, to pay all tariffs and excise taxes on entering, and claim a refund on departure (both require time and paperwork); or purchase a temporary import bond.

Uses and Users

Diverse Canadian businesses and organizations in the arts, sciences, sports, media and other fields use the Carnet for a variety of reasons and in numerous situations.

This official international customs document is used, for example, by:

- * company or government bodies exhibiting in overseas trade fairs;

- * sales people carrying samples of their wares for export marketing;

- * touring sports teams for their equipment (which may include anything from ski gear to racing cars to show horses);

- * executives or professionals carrying their own laptop;

- * geophysical survey or electronic testing crews transporting specialized equipment from country to country;

- * magazine staff taking camera equipment and fashions to overseas shoots; and

- * music and theatre groups taking instruments, sound equipment, costumes and props on tour.

Contacts

For more than 23 years, the Canadian Chamber of Commerce has been providing ATA Carnets to businesspeople travelling abroad. To find out more about Carnet, contact, **in Ottawa**, Diane Orr, Tel.: (613) 238-4000; Fax: (613) 238-7643; **in Montreal**, Bill Browne, Tel.: (514) 866-4334; Fax: (514) 866-7296; **in Toronto**, Helen Chang, Tel.: (416) 868-6415 ext. 237; Fax: (416) 868-0189; and, **in Vancouver**, Karen Sanvido, Tel.: (604) 681-2111; Fax: (604) 681-0437.

Rocky Mountaineer Railtours

Continued from page 2

young company is doing very well, meeting targets and goals and even making a modest profit at it.

That's quite a turn-around of a 40-year old trend of money-losing railway history.

The 21-coach and one-dome car operation now employs a staff of 125 — from 25 five years ago — and carries over 32,000 passengers for the season — from the original 7,000.

Much of this success again is attributable, according to Belanger, to the efforts of Canadian tourism officers around

the world, "This highly skilled group of professionals who have the unique challenge of developing business leads, creating opportunities, facilitating promotions and transactions around the world for Canadian businesses."

"These public servants," he adds, "are true unsung heroes."

For more information on the Rocky Mountaineer Railtours, contact Eric Belanger, Director of Media and Public Relations, North Vancouver. Tel.: (604) 984-3131. Fax: (604) 984-3112.



Win Export-Looking for Export Opportunities?

Make sure you are registered in the WIN Exports database which will showcase your company's capabilities to foreign buyers. To register, fax your request on your company letterhead to 1-800-667-3802 or 613-944-1078.

LNG Project Means Major Opportunities in Oman

Downstream opportunities for Canadian sub-contracting exist in Oman for work on a liquified natural gas (LNG) plant project which, at current prices, is estimated to total US\$6 billion.

Opportunities

Products or services opportunities are in: gas processing equipment; instrumentation, including metering; completion services and tools; fire protection; plant piping, with cryogenic capabilities; valves and fittings; control system accessories; software support; engineering services, including specialized manpower in project management, construction management and contracts administration.

Opportunities also exist in power co-generation, housing for personnel, and civil works, including road construction.

Background

Four international consortia have announced plans to bid for the turnkey engineering, procurement and construction (EPC) contract for Oman's liquefaction plant and ancillary facilities. LNG production capacity is targeted for 6.6 million tons/year, with production to start in the year 2000.

Technical bids for the main EPC contract are due by February 1996; commercial bids by April 1996, with awards likely to be made in the third quarter 1996.

The upstream part of the project is being undertaken by Petroleum Development Oman PDO, which awarded the Canadian firm, Delta Catalytic Hudson, a front-end design and engineering contract for the installation of facilities at the gas fields which will provide natural gas feedstock for the future liquefaction plant through a 350-km pipeline. PDO also has awarded a contract to R.J. Brown (Singapore) for laying a 42-inch gas line, linking

the fields to the plant.

Consortia

The consortia to bid for the liquefaction plant are:

* The M.W. Kellogg Company (USA) and Japan Gas Corporation JGC (Japan) which, in November 1994, won the front-end design and engineering contract for the project;

* Fluor Daniel (USA) in association with Mitsui (Japan) and Mitsubishi (Japan);

* Foster Wheeler Energy (USA) and Chiyoda (Japan); and

* Bechtel Corporation (USA) in association with Technip (France) and Snamprogetti (Italy).

Contacts

Canadian companies should contact, *immediately*, the consortia companies in Oman or their headquarters elsewhere.

The contacts for additional information are:

Ranjan Banerjee, Commercial Section, Canadian Embassy, P.O. Box 25281 Safat, Kuwait 13113 Kuwait City, Tel.: (011-965) 256-3025; Fax: (011-965) 256-4167.

Roger Beare, Africa and Middle East Trade Development Division (GBTE), Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2, Tel.: (613) 944-6983; Fax: (613) 944-7431.

Bids Invited for India Power Transmission System

Power Grid Corporation of India Limited (a Government of India Enterprise) has issued an Invitation for Bids (closing date January 17, 1996 at 1100 hours) for turnkey packages (A & B) for substations associated with the Vindhychal Stage II 400 kV power transmission system.

Package A (specification no. C-30905-S148-7) is for substations at Satna and Bina; package B (specification no. C-30906-S148-7) is for Raipur, Bhilai and Korba substations.

The scope of work includes: complete project management; design; engineering; type testing; manufacture; testing; transportation to site; insurance; storage; erection; testing and commissioning of respective 400 kV

AC substations.

Major equipment to be supplied covers the gamut, from auto transformer, shunt reactor, circuit breaker, and current transformer, to capacitive voltage transformer, surge arrester, grounding switch, and fire protection system.

Bid documents each cost US\$100 and bidders must furnish — along with the bid — a bid guarantee of US\$340,000 (for package A) and US\$380,000 (for package B).

Contact Manager (CS-WR), Power Grid Corporation of India Limited, Hemkunt Chambers, 10th Floor, 89, Nehru Place, New Delhi 110 019. Telex: 031-66138/031-65949; Fax: 91-11-6428357/6476133.



ASEAN: A New Frontier for Canadian Business

Established in 1967, the Association of Southeast Asian Nations (ASEAN) is comprised of seven member countries -- Singapore, Thailand, Malaysia, Indonesia, the Philippines, Brunei Darussalam, and Vietnam which joined in 1995. With its population of 413 million, an increasingly affluent middle class, a Gross Domestic Product (GDP) of some \$450 billion, and boasting four out of the ten fastest-growing economies in the world, the ASEAN region holds significant potential for Canadian business. This supplement focuses on ASEAN's four strongest economies -- Singapore, Thailand, Malaysia and Indonesia.

ASEAN's development into advanced consumer, service-oriented and discerning societies brings with it the need for overseas expertise, goods and services of all kinds. Canadian firms are ready and able to provide these products, and must now search out the partnerships in ASEAN that will ensure successful sales.

Teenage Tigers

ASEAN's four strongest economies, the "Teenage Tigers", are Singapore, Thailand, Malaysia and Indonesia.

Since the late 1980s, these countries averaged between 5.8 per cent and 13.3 per cent in annual growth. Their governments are openly committed to sound economic policies and stable, open trading environments.

The Asian Development Bank (ADB) and the International Monetary Fund (IMF) predict that, within 25 years, total East Asian Gross National Product (GNP) will surpass the combined GNP of Canada, the United States and Mexico.

ASEAN is forecast to represent 6 per cent of world import markets by the year 2000. In fact, an average family income in Singapore already surpasses that of an average Canadian by \$6,000 a year!

Opportunities Abound

For Canadian business, the ASEAN region is a solid market with fast-growing middle-class consumer populations, high demand for capital and infrastructure investments,

"Canada has five years to engage itself in Asia-Pacific or risk losing out." — Prime Minister Goh of Singapore, September 1995 in Ottawa.

and competitive production costs. Many of ASEAN's requirements are perfect matches for Canadian capabilities.

Growth in consumer markets is more than matched by a tremendous surge in demand for infrastructure: roads, airports, harbours, telecommunications systems, energy and waste management systems needed to drive modern economies.

In addition to the rapidly growing demand for goods, technology and expertise, there now exist opportunities in service sectors such as health care, education, management consulting, financial services and tourism. Indeed, the services sector in ASEAN overall is growing at an annual rate of 19.5 per cent.

In natural resources development, ASEAN needs Canadian engineering expertise in mining, oil and natural gas exploration, fishing and forestry management as well as Canadian design, con-

struction and management skills for mines, refineries, gas plants and pipeline systems.

The implementation of needed infrastructure to meet the growing demands of more affluent populations is creating important new investment opportunities, with the private sector — domestic and foreign — seen as the engine of growth for sustainable economic development.

Significance for Canada

Opportunities in these sectors are constantly being identified by the commercial officers of the Canadian Embassies and High Commissions in the region.

Continued on page VII — ASEAN

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B.C. CONSULTING GROUP MAKES GOOD IN ASIA... WITH GOVERNMENT HELP

Getting a foothold in foreign markets is not always easy, especially in a totally different cultural environment such as Southeast Asia. This is where a little Canadian government help can come in very handy, as Hatfield Consultants Ltd. will acknowledge.

The small multi-million dollar environmental and aquaculture consulting company, established just over 20 years ago in West Vancouver, is currently doing half of its business overseas, with offices in Indonesia and Thailand.

Both joint ventures – set up five years ago in Indonesia and just this year in Thailand – have benefitted immensely from Canadian government help.

Embassy and CIDA Inc. backing
"We got established with Federal government risk-sharing and assistance," admits the company's President Christopher Hatfield.

This came in the form of financial assistance from the Industrial Cooperation Program (Inc.) administered by the Canadian International Development Agency (CIDA), as well as help from the respective Canadian Embassies which were instrumental in establishing contacts with future partners and clients.

"We wouldn't be abroad without federal assistance," says Hatfield.

Why Southeast Asia?

Hatfield had always been very interested in the region and, what is even more important, the entire senior management of the company shared this attraction to what he calls "one of the most booming regions in the world."

But Hatfield is also quick to point out that "you need strong commitment from senior echelons of the company because of the uncertainty this market offers."

He agrees that it would be much easier to just head south of the border, but he is interested in diversifying his markets and not

putting all the eggs in one basket.

Hatfield also points out that working in international markets provides challenge to his staff of 50, and this challenge in turn has provided him with staff stability.

But he is quick to warn to "be prepared for darn hard work, be persistent, and don't expect results over the short term."

The company is obviously following this advice as its Indonesia joint venture is bringing in some \$750,000 in revenues a year, and even the recently-started Thailand operation is already earning some \$300,000.

Market advice

Countries in this region differ greatly from one-another, says Hatfield.

"Indonesia and Thailand are teeming with a lot of small business people and entrepreneurs ready to do business, which makes these markets very attractive," he says.

On the other hand, a country like Vietnam, where the company is just starting up, is still very much government-controlled, according to Hatfield, "but also very challenging because things are just opening up and it's a great time to get in on the ground floor."

He also describes Laos, where the company is already bidding on projects, as "a country with a lot of potential that is just now opening to the world, and therefore there is a lot less competition."

But Hatfield also cautions that "there is no real legal recourse in some of these countries, whose legal systems are poorly developed, and therefore there is a need to find good,

honest and reliable people to make sure you get paid.

"Things don't work the same way there as in North America," he warns, "so be prepared."

With over 15 years overseas experience and an office in Santiago, Chile as well – in keeping with his Pacific Rim interest – Hatfield again emphasizes the "excellent help, many contacts and good advice" he has received from Canadian Commercial Officers, "and which is there for the asking."

For more information on Hatfield Consultants Ltd. or The Hatfield Group of companies, contact Christopher Hatfield, President. Tel.: (604) 926-3261. Fax: (604) 926-5329.

Some other successful Canadian companies in Southeast Asia

Cougar Helicopters Inc., located at the Halifax International Airport, had its marketing efforts in Thailand rewarded last June with a multi-year contract to provide a dedicated Sikorsky S-76 medium-size all-weather helicopter for offshore support services to oil rigs. The 11-year old and 100 per cent Atlantic Canada-owned multi-million dollar company of 45 employees is also hoping that its two-year ongoing consultant relations in Malaysia will yield some positive results. According to Director of Flight Operations Bill Jones, Industry Canada has provided the company with some outstanding help in its marketing endeavours. Cougar also prides itself on holding the largest Canadian helicopter services contract in its joint venture with Helikopter Service of Norway for the Hibernia

Continued on page VIII
Successful

Indonesia

Indonesia represents a market of unbridled opportunity for Canadian firms. It is one that requires patience and understanding as business and cultural practices are quite distinct from those found in North America.

Overview

Indonesia, the fourth most populous country in the world with over 190 million people (26 million middle class), is an archipelago of more than 17,000 islands stretching 3,000 miles from east to west.

It is one of Asia-Pacific's fastest-growing economies, with a 1993 Gross Domestic Product (GDP) of \$171 billion and an annual growth rate projected at 7.5 per cent.

Economic stability has led to rapid improvement of social conditions, underpinned by a market economy that is increasingly opening up to foreign participation and international business standards and practices. Since the mid-1980s, accelerated deregulation has been at the forefront of the government's economic agenda.

Canada-Indonesia Trade

Two-way merchandise trade between Canada and Indonesia (Canada's largest export market in Southeast Asia) tripled since 1980, and it will exceed Cdn \$1.1 billion in 1995.

Canadian exports accounted for \$450 million, showing growth in high value-added products such as electrical power and environmental equipment, as well as steady growth in key commodity exports such as wheat, potash, sulphur and wood pulp.

Services also are an important source of export revenue for Canadian firms. It is estimated that they contribute an additional Cdn \$200 million annually to bilateral commercial flows.

Canadian Presence

Canada's strong foreign direct investment (FDI) presence in Indonesia stands at an estimated \$5 billion in assets and is poised to grow by an additional \$1 billion to \$2 billion in the next three years.

Initially, FDI was focussed in resource development, in particular oil and gas exploration and mining. Now, it includes an array of sectors such as consulting engineering, manufacturing, insurance and environmental services.

Today, there are over 70 Canadian companies in the market, including seven oil companies, INCO, Bata Shoes Ltd., and over a dozen consulting engineering firms.

Canadian firms wishing to invest in Indonesia will have to address the country's growing need for risk capital. The ability to package the necessary technological, financial and administrative capabilities for investment initiatives is increasingly the key to capitalizing on

emerging market opportunities in Indonesia.

Promising Sectors

Eliminating restrictions on private investment in such areas as transportation, energy, telecommunications and infrastructure, has created many new business prospects for investors and traders.

Canadian firms can look forward to a significant share of these opportunities as there is an excellent "fit" between Canadian capabilities and Indonesian needs, which is fuelling growth in bilateral commercial relations. The sectors holding the greatest potential for Canadian business include:

- **energy** equipment and services, in particular generation and transmission, natural gas, hydro, oil, coal and geothermal-based power;
- **information** technology opportunities in software expertise for systems integration for telecommunications (in particular datacom services), financial, environmental and medical services, and in engineering design;
- **environmental** technologies and services to serve megaprojects in urban development, forestry, power and construction sectors;
- **mining** and minerals, especially exploration/investment and the supply of mineral processing and production equipment and consulting engineering;
- **transportation** equipment/services for application in toll roads, airport, seaport, rail and urban transit projects (estimated at over US\$13 billion in the next five years);
- **construction** equipment and building products, particularly in residential construction, high-rise, steel pipe and building ceramics; and
- **processed foods** for the rapidly expanding consumer products market in major cities.

The challenge for Canadian firms is to accept the market on its own terms, invest in key priority sectors, and look at mid- to long-term returns, rather than short-term, business development and growth.

PUBLICATIONS

INDONESIA

AgriFood		
34603 Beef: Indonesia	94	8pgs
34643 Pork: Indonesia		3pgs
34402 Oilseed: Indonesia	94	10pgs
34519 Special Crops & Pulses: Indonesia	95	6pgs
76321 Agriculture & Food Products	95	3pgs
76346 Animal Stockfeeds	95	3pgs

Continued on page VII – Publications

Malaysia

Strong economic growth, industrial diversification, political stability, a favourable investment environment, and an efficient and modern infrastructure make Malaysia an excellent location for Canadian trade and investment.

Overview

With a population of over 19 million people, Malaysia had a Gross Domestic Product (GDP) of \$71.5 billion in 1993 and a growth rate of 8 per cent, the seventh consecutive year Malaysia's GDP has grown by over 7 per cent.

With low inflation, high investment, rising prosperity and nearly full employment, Malaysia has an economy that continues to be described as stable and strong.

Canada-Malaysia Trade

Bilateral trade between Canada and Malaysia has more than tripled since 1986, reaching \$1.5 billion in 1994.

Exports of Canadian goods to Malaysia in 1994 reached \$267 million, an increase of \$60 million from the previous year. This total nearly doubles when sales of Canadian services are included.

The most important exports are fertilizers, pulp and paper, organic chemicals, machinery and cereals. There is also significant potential for manufactured products such as transportation equipment, processed food, and high-technology equipment needed to help fuel Malaysia's rapid industrialization.

Exports of Canadian services in engineering consulting and other areas are thriving as the Malaysian government offers myriad tax incentives and subsidies to hightech industries to help the country boost automation and mechanization.

Canadian imports from Malaysia increased by \$336 million in 1993 to \$1.2 billion in 1994 and include mostly manufactured products such as consumer electronics and electrical machinery, rubber articles, boilers, and clothing.

Canadian Presence

Canada is not a major investor in Malaysia; however, direct investment and joint ventures continue to grow. Canadian investors in Malaysia include Bata Shoes Ltd., Alcan Aluminum, Northern Telecom, and Dominion Textiles. As well, Canadian firms in the manufacturing and service sectors have signed approximately 50 signed agreements.

In 1991, the Enterprise Malaysia-Canada Project was established by the Canadian International Development Agency to promote joint ventures and other business partnering arrangements.

Bilateral arrangements avoiding double taxation and protecting Canadian investments in Malaysia contribute to the stability of investment relations between the two countries.

Canada and Malaysia have a long history of co-operation in several key sectors of the economy, including forestry, environment, energy, transportation, telecommunications, aviation and aerospace.

Education is another key sector, with co-operation dating back to the Colombo Plan in the 1950s. Since then, it has expanded enormously — over 70,000 Malaysians have received their secondary or tertiary education in Canada.

Promising Sectors

Malaysia's National Development Plan (1991-2000) encourages investment in high-tech manufacturing and infrastructure. Considerable opportunity for Canadian companies lie in the following sectors:

- **Transportation:** Major projects include the new Kuala Lumpur International Airport at Sepang, phase two of the Kuala Lumpur light rail transit system and monorail system, and the supply of rail locomotives and cars.
- **Communications and Informatics:** Several projects should be of interest to Canadian companies in geographic information systems, telecommunications, satellite receiving equipment, sea surveillance systems, railway signalling and railway telecommunications training.
- **Environment:** The Malaysian government has identified air and water quality, landfill and solid waste handling, and noise pollution abatement as priorities.
- **Defence:** Opportunities exist for a variety of land vehicles, rockets, aircraft cockpit simulators and defence equipment.
- **Power and Energy:** There are several large projects being planned, in particular the new 2400 mw, \$8-billion Bakun hydroelectric project.

PUBLICATIONS

MALAYSIA

AgriFood

34605 Beef: Malaysia	94	8pgs
34646 Pork: Malaysia	95	6pgs

Transportation

Automotive:
47306 Automotive Aftermarket

Copies may be ordered through the DFAIT InfoCentre (see box bottom page 8).

Singapore

The Republic of Singapore's success in international trade lies in its central location in Southeast Asia and its traditional function as an entrepot for the ASEAN region.

Overview

A city state of 3.1 million people, Singapore, at \$30,589, boasts one of the world's highest per-capita income rates. In 1994, its Gross Domestic Product (GDP) was \$89.6 billion, with an economic growth rate of almost 10 per cent. A recent World Bank report on the world's richest countries ranked Singapore ninth, displacing Canada.

Singapore is the business and financial centre of ASEAN — and for good reason: it has the highest national savings rate in the world (48.3 per cent of GDP in 1993 and estimated at 45 per cent in 1995); superior infrastructures; large foreign reserves; relatively low inflation; and competitive interest rates.

With most goods free of quotas, duties and the need for import licences, Singapore, with its free-market economy, encourages foreign firms to establish facilities and regional offices locally. Generous investment and tax incentives — especially for technology development activities — are widely available.

Canada-Singapore Trade

Singapore, for most Canadian exporters, represents a relatively straightforward market to enter, although there is very strong competition. The language of business is English, business practices are very similar to Canada's, communications are efficient, and tariffs and duties virtually non-existent.

Canada's exports of goods and services to Singapore in 1994 exceeded \$377 million, making Singapore Canada's biggest export market in ASEAN. In the same year, total two-way trade reached \$1.2 billion, leaving Canada with a significant trade deficit of \$775 million.

Canada's major exports to Singapore include aircraft and parts, machinery, telecommunications, electrical equipment, paper, software, building products, and food and fisheries products.

Canadian direct investment has increased steadily through the 1990s to almost \$2.2 billion in 1994, primarily in the service sectors, especially banking and financial services.

Canadian Presence

Viewing foreign business as essential to its own economic growth, Singapore generally imposes no restrictions on foreign ownership. Today, there are more than 3,000 multinational corporations located in Singapore, including more than 75 Canadian companies, associations and offices, and some 200 agents and distributors of Canadian products and services.

There also are a great many joint ventures and technology transfers between Canada and Singapore,

particularly in aerospace, defence, educational services, public utilities, and R&D initiatives.

Singapore's total trade is more than triple its GDP and the city state is among the world's largest entrepot trading centres (75 per cent of ASEAN trade goes through Singapore). It is the second-largest offshore banking centre after Hong Kong, and the second-largest foreign exchange dealer in Asia.

Promising Sectors

There are many promising sectors. Those identified by the Canadian High Commission as offering excellent potential for Canadian exporters include:

- **information technology/electronic products** — These are growth industries and pre-requisites to establishing Singapore as a regional services centre;
- **agriculture/food products** — Singapore accounts for more processed food sales than any other country in Southeast Asia. An evolving westernized middle class and the impact of tourism have heightened interest in specialty, niche market food products.
- **transport systems/services** — Singapore's intent to maintain its status as the regional transportation hub and its drive for more efficient solutions to urban transportation challenges give rise to abundant opportunities for exports and joint ventures.
- **defence products** — Having one of the region's best equipped armed forces creates opportunities for suppliers of all types of radar, avionics, and advanced military equipment.
- **oil and gas equipment/services** — The concentration of petroleum refineries and oilfield service companies creates numerous opportunities.
- **environmental equipment/services** — Growing regional environmental concerns give rise to opportunities for technology transfer. Canadians can benefit from environmental management capabilities and regional connections of local companies.

PUBLICATIONS

SINGAPORE

AgriFood		
34539 Special Crops & Pulses: Singapore	95	11pgs
34608 Beef: Singapore	94	7pgs
34649 Pork: Singapore	95	4pgs
76375 Beef Products		2pgs
76376 Bottled Water		1pg
76381 Pork Products		1pg
76382 Seafood and Marine Products		2pgs

Continued on page VIII — Publications

Thailand

Thailand, with its strong, vibrant private sector, abundant natural resources, favourable investment climate, and an openness to foreign ideas and expertise is an attractive trade and investment partner for Canada.

Overview

The Thai economy is among the most successful and resilient in Asia and is one of the fastest growing in the world. Burgeoning trade with Asian partners has contributed to a more mature and diversified market structure and Thailand's Gross Domestic Product (GDP) growth rate averaged 11.4 per cent between 1988 and 1993. In 1993, total GDP reached \$137 billion. A recent Organization for Economic Co-operation and Development study predicted that Thailand would rank among the 10 largest economies in the world by the year 2010.

The Thai government is seeking to sustain annual economic growth at an average of 8.2 per cent, with major policy emphasis on the following priorities: to upgrade human resources in the public and private sectors, improve quality of life, and reduce pollution, diversify trade and improve transportation and telecommunications infrastructure.

Canada-Thailand Trade

Total bilateral trade between the two countries was \$1.3 billion in 1994, making Thailand Canada's 23rd-largest export market and second largest in ASEAN. Canadian exports increased \$55 million over 1993, reaching \$408 million, with main exports being organic chemicals, mechanical and electrical machinery and equipment, pulp and paper, and wheat. Canada imported a record \$896 million worth of goods from Thailand in 1994 with agricultural and fisheries products and textiles leading the way.

Canadian Presence

One of the main reasons for Thailand's success is its ability to attract foreign direct investment, which totalled \$2.5 billion in 1992, and today represents about 40 per cent of total investment in Thailand. Canada's share is modest, at approximately \$45 million, but there has been considerable interest by Canadian firms in recent years to establish a presence in Thailand.

Joint ventures with local partners and other long-term commercial agreements are encouraged by Thailand's Board of Investment, particularly if they provide new technology. There are about 30 agreements for joint ventures or technology transfers between Thai and Canadian firms, representing over \$100 million, in manufacturing and services, food processing, metal fabrication, petrochemicals and many other fields.

Promising Sectors

Strong domestic demand from Thailand's close to 60 million citizens, a revival in private investment and continuing growth in public investment, and a stable open market economy, make the country a promising focus for Canadian business interests.

Thailand's infrastructure needs and rapid industrial diversification present a number of opportunities to Canadian companies in a variety of areas, including:

- urban waste management and human resources development;
- advanced technology and telecommunications products and services.

The serious lack of adequate transport infrastructure also holds great potential in:

- urban transport systems and equipment;
- services for airport expansion, aircraft and avionics, as well as in port and railway expansion.

With electricity demand expected to jump by more than 10 per cent annually for at least another decade, Canadian know-how is especially needed in:

- power generation and oil and gas exploration.

Thailand's concern for the environment is also very strong, prompting the government to look for:

- expertise in waste-water, chemical and toxic-waste treatment,
- air-treatment and pollution measurement and control systems.

PUBLICATIONS

THAILAND

AgriFood			
34542 Special Crops & Pulses: Thailand	95	7pgs	
34611 Beef: Thailand	94	6pgs	
34651 Pork: Thailand	95	3pgs	
76405 Food Market Study- Executive Sum	95	5pgs	
Energy			
<i>Oil&Gas:</i>			
76401 Oil & Gas Sector	95	128pgs	

Copies may be ordered through the DFAIT InfoCentre (see box bottom page 8).

Tips on Doing Business in ASEAN

As this supplement shows, there are a great many opportunities for Canadian business in ASEAN. However, it is extremely important to keep in mind that ASEAN cultures and business practices differ greatly from those in Canada. No matter how good a Canadian company's products and services may be, to succeed in this market it is essential to respect ASEAN ways and values. Following are some of the more important matters to remember when conducting business with ASEAN business people.

BUSINESS TIPS

- A product or service must have a unique quality. Competition is fierce — buyers in ASEAN can pick and choose. Bring something unique or extra to the marketplace, or concentrate on niche markets. Training or ancillary services, normally an extra charge in North America, often must be included in the price of the product.
- Engage a reliable local agent or establish an office. It is essential that customers have a local contact for assistance. Asian entrepreneurs do not like to do business at arm's length; they want to deal directly or with an agent, on a face-to-face basis, whenever possible.
- Be price competitive. Remember, landed cost must include freight and insurance, and the factoring in of import and other taxes in most ASEAN countries.
- Modify products to meet ASEAN

requirements or standards. Local quality control can be very high; ASEAN is not a dumping ground for inferior goods.

- Appropriate follow-up is crucial to the success of a business visit. On returning to Canada, promptly attend to thank you notes, samples, brochures and requested information.

- Be prepared for a lengthy courtship. Asians expect to know the people that they do business with and are unlikely to sign a contract until they do. Plan to visit the country frequently to meet with prospective customers.

CULTURAL TIPS

- Asians pride themselves on being polite and refined. To succeed in ASEAN, observe and act according to the cultural norms of their societies.

- Respect is highly valued. It is important always to avoid confrontation and displays of anger. Avoid criticism of host governments or religious beliefs and practices.

- Harmony is valued. Do not expect to hear a direct "no" but listen carefully for underlying messages. Consensus is also highly valued as Asian people tend to be more group oriented and less individualistic than people in Western cultures.

- Business is built on relationships. Expect business associates to ask personal questions and, initially, to

spend very little time discussing business. Relationships must be nurtured.

- Modesty is appreciated in Asian cultures; try to avoid the "hard sell." A balanced presentation will sell itself. Being open and honest builds credibility and trust.

- In Muslim culture, the left hand is considered unclean. It should not be used for eating, giving or receiving things.

- Typical North American body language may appear aggressive. Avoid standing with arms crossed or with hands on hips. Sit up straight and be attentive; yawning or slouching during meetings is considered rude and inappropriate.

PUBLICATIONS

Continued from page III
Indonesia

Advanced Technology

Telecommunications:

76347 Telecomm. 95 3pgs

Geomatics:

76336 Geomatics 95 4pgs

76337 Geomatics 3pgs

Energy

Oil&Gas:

76342 Oil & Gas 95 4pgs

76352 The Natuna
Gas Project 95 8pgs

Power:

76329 Electrical Equipment 3pgs

Transportation

Aerospace:

76322 Air Transportation 95 3pgs

Environment

76330 Environment

Protection 95 4pgs

Copies may be ordered through the DFAIT InfoCentre (see box bottom page 8).

ASEAN: A New Frontier

Continued from page 1

Canadian firms serious about a long-term commitment to business in ASEAN should be in contact with these officers on a regular basis. Their names and coordinates can be found at the end of this supplement.

KEY CONTACTS

In Canada:

International Trade Centres		phone #	fax #
St. John's	Keith Warren	(709) 772-6600	772-2373
Halifax	Maryanne Everett	(902) 426-6659	425-2624
Moncton	Ben Hong	(506) 851-6669	851-6429
Montreal	William Horowitz	(514) 283-8792	283-8794
Toronto	Ghislaine Harquail	(416) 973-6154	973-8161
Winnipeg	Charles Hatzipanayis	(204) 983-2594	983-2187
Saskatoon	Rana Pudifin	(306) 975-5318	975-5334
Edmonton		(403) 495-2944	495-4507
Vancouver	John Burbridge	(604) 666-7633	666-8330

Department of Foreign Affairs and International Trade Southeast Asia Division:

Indonesia	Georgina Wainwright	(613) 992-0959	944-1604
Malaysia	Pamela O'Donnell	(613) 996-5824	944-1604
Singapore	Pamela O'Donnell	(613) 996-5824	944-1604
Thailand	Elizabeth Gammell	(613) 995-7662	944-1604
Philippines	Pam Hay	(613) 995-7659	944-1604

ASEAN-Canada Business Council	(613) 238-4000	238-4000
Asia-Pacific Foundation	(604) 684-5986	681-1370
Canadian Exporters' Association	(613) 238-8888	563-9218
Export Development Corporation	(613) 598-2992	237-2690

In Indonesia:

Canadian Embassy	(011-98-21) 525-0709	571-2251
Ambassador	Lawrence Dickenson	
Counsellor (Commercial)	Guill Rishchynski	

In Malaysia:

Canadian High Commission	(011-60-3) 261-2000	261-3428
High Commissioner	John Bell	
Counsellor (Commercial)	Paul Lau	

In Singapore:

Canadian High Commission	(011-65) 225-6363	225-2450
High Commissioner	Gavin Stewart	
Counsellor (Commercial)	William Roberts	

In Thailand:

Canadian Embassy	(011-66-2) 237-4126	236-6463
Ambassador	Manfred von Nostitz	
Counsellor (Commercial)	Ken Lewis	

Successful Canadian companies

Continued from page II

oil field. For more information on Cougar, contact Director of Flight Operations W.H. Jones. Tel.: (902) 873-3611. Fax: (902) 873-3972.

MGI Packers Inc. of Kitchener, Ont. has been successfully selling commercial to high grade beef and offal to Malaysia, Indonesia, Singapore and Japan for the last four to five years. It is also looking to expand into Korea and Taiwan. "Each country has different palates and demands to which we try to cater," says Export Manager Peter Spurgeon. One way is by offering Halal beef — certified by the North American Islamic Society — to some of these countries with large Muslim populations. MGI deals closely with the Canada Beef Export Federation and works with the Canadian Embassies which, according to Spurgeon, are of great benefit to his company. "Our marketing and sales operations have to be very efficient because the competition is fierce," Spurgeon admits. For more information on the rapidly expanding, 170-strong company, contact Peter Spurgeon, Export Manager. Tel.: (519) 744-7142. Fax: (519) 744-5533.

PUBLICATIONS

Singapore — *Continued from page V*

Advanced Technologies

Telecommunications:

76383 Telecomm. 2pgs

Information Technologies:

76380 Information Technology

Transportation

Automotive:

76385 Automotive Market 95

Copies may be ordered through the DFAIT InfoCentre (see box bottom page 8).

BUSINESS OPPORTUNITIES

Before entering into a contractual agreement with a company, readers are advised to verify the bonafides of the companies listed here.

BANGLADESH — A company seeks a **joint venture partner** for the manufacture of a **pole-top type distribution transformer (5 kva-100 kva)** to be used by the country's Rural Electrification Board. The firm's Canadian representative is Mohammed Hossain, Bacan International, 1442 Lawrence Avenue West, Suite 802, Toronto M6L 1B5, Tel.: (416) 241-7315; Fax: (416) 241-7321.

Invitations to Tender on Hong Kong Government Internet

Invitations to tender for the supply of goods and services to the Government of Hong Kong now can be accessed on the Internet through a GSD Home Page.

The GSD (Government Supplies Department) is the central purchasing, storage and supplies organization for the Hong Kong Government, serving over 80 government departments and agencies and many non-government organizations, including the Hospital Authority.

In 1994, Canadian companies sold some Cdn\$16 million worth of goods (mostly telecommunications, medical and information

technology equipment) to the Hong Kong Government — which, in the next 12 months, forecasts spending about Cdn\$1 billion on major purchases.

The new service will provide potential suppliers with easier access to information about current tenders. Further inquiries may be sent to them directly by E-mail, though completed tenders must still be placed in the designated tender box.

GSD's Internet services provider is Hong Kong Star Internet Ltd. Their Internet address is: <http://www.hkstar.com/gsd/tender.htm>.

New Action Plan for Japan — *Continued from page 1*

the "buy Japanese at all costs" mentality is fast disappearing.

Flexible Plan

Like the Japanese economy itself, Canada's *Action Plan for Japan* is dynamic. This is the fourth version of the *Action Plan for Japan* since it was first launched in May 1993. It responds to changes in Japan and the needs of Canadian exporters who are trying to capitalize in this dynamic and lucrative market.

Two new sectors, health products and consumer products (furniture), have been added. This will help to position many new Canadian small- and medium-size businesses to enter Japan's often confusing market.

Two other sectors, auto parts

and aerospace, have been graduated from Canada's *Action Plan for Japan*. Canadian aerospace and auto parts companies are competitive and mature exporters. In many cases Canadian firms have developed long-term relationships with Japanese partners to develop products for export to Japan and the world.

For example, Mitsubishi's collaboration with Bombardier to produce the Global Express passenger aircraft is a major success story of Canadian business activity in Japan.

Team Approach The Constant

What has not changed in Canada's *Action Plan for Japan* is the successful Team Canada approach to export development.

Committed industry groups are in the forefront with support from federal and provincial levels of government. Together, all the players can utilize a cost-sharing partnership that maximizes returns to Canadian business.

Copies/Contacts

An integral part of the Government of Canada's efforts to promote trade in Asia/Pacific, Canada's *Action Plan for Japan* is available from the Japan Division, Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2.

Further information on Canada-Japan trade matters also may be obtained through the above address or: Tel.: (613) 995-1282; Fax: (613) 943-8286.

TRADE FAIRS AROUND THE WORLD

Exhibition in South Africa Enhances Education

Johannesburg, South Africa — This country's premier forum for the promotion of education and training, **Instructa'96**, will be held here March 13-16.

An ideal venue at which to promote education and training products and services, **Instructa'96** gives exhibitors the opportunity to display their capabilities to top-level visitors involved in the field of education and training.

The show covers all elements of training, school supplies and book markets.

Instructa'96, the twelfth such exhibition to date, expects a large contingent of overseas participants.

The event is supported by the South Africa Ministry of National Education and Training as well as key organizations in the industry.

For further information on **Instructa'96**, contact the organizers directly: Gabriela Forca Marinez, Exhibition Manager, Specialized Exhibitions, Johannesburg, Tel.: (011-27-11) 835-1565; Fax: (011-27-11) 496-1161.

Recruitment on for Japan Food, Beverage Show

Tokyo, Japan — Canada, through the Department of Foreign Affairs and International Trade (DFAIT), again will have a national stand at Asia's premiere food and beverage show, **Foodex Japan'96**, being held March 12-15 at the Nippon Convention Centre.

Two other food- and beverage-related events also are planned: a solo show (March 18-19) at the Canadian Consulate General in Osaka; and a food seminar (tentatively scheduled for March 21) at the Canadian Consulate in

Nagoya.

Booth space at Canada's national stand — enough to accommodate about 15 companies — at **Foodex Japan'96** will be provided to firms on a first-come, first-serve basis.

Entering its 21st year, **Foodex Japan** attracts more than 86,000 trade visitors from more than 40 countries.

For further information, contact Paola de Rose, Japan Division, DFAIT, Ottawa, Tel.: (613) 992-6185; Fax: (613) 943-8286.

Security Fair in South Africa

Johannesburg, South Africa — Local and international security industries will showcase their products and services at **Security and Securex Africa**, an exhibition and seminar being held here February 13-15, 1996.

Security and Securex Africa'96, now in its third year, is a highly specialized trade only event that will focus strictly on accredited visitors from national, private and corporate security fields. It gives professionals the opportunity to sample and experience the latest in modern technology in a secure "hands-on" environment.

Further information on **Security and Securex Africa'96** is available from the show organizer's North American representative, Reed Exhibition Companies, Norwalk, Connecticut. **Attn:** Sarala Govindan, Tel.: (203) 840-5355; Fax: (203) 840-9355.

India Event Eyes Renewable Energy

New Delhi, India — One of the largest and best attended energy-oriented events is taking place here February 12-14, 1996.

The **Second International Renewable Energy South Asia'96 Exhibition and Conference** is targeted at the prof-

itable and growing South Asian market.

Exhibits will cover the wind power, hydropower, biomass, biogas, solar thermal, solar photovoltaics, and geothermal energy sectors.

The event attracts manufac-

turers, suppliers, distributors and consultants to these fields.

For registration, cost and other details, contact Alternative Development Asia Limited, 5F Wood Road, Wanchai, Hong Kong, Tel.: +852-2574-9133; Fax: +852-2574-1997.

TRADE FAIRS AROUND THE WORLD

Innovators and Investors Focus of Fest in Burnaby

Burnaby — Those involved in the business of innovation are well advised to mark March 29-30, 1996 on their calendars. That's when Canada's largest innovation show will take place.

IDEAS FEST'96 is the venue at which Canadian entrepreneurs, buyers and investors have the opportunity to get first options on the country's engineer-

ing, science and technology innovations.

This **Festival of Creativity, Innovation, Engineering, Science & Technology** also is the venue at which the more than 100 exhibitors, in all fields of innovation, have the opportunity to meet manufacturers and agents, to gain access to investment capital, and to tap into

potential markets.

For more information on **IDEAS FEST'96**, contact the Canadian Young Inventors' Fair Society, Box 12151, 1220-808 Nelson Street, Vancouver V6Z 2H2, Tel.: (604) 687-2107; Fax: (604) 684-4589; Email: cwebb@wimsey.com. Website <http://www.Ideas.wis.net/ideas96.html>.

Auto Industry on Highway to Germany

Leipzig, Germany — It's a fair bet that companies interested in the automotive business soon will be on the autobahn to **AUTO MOBIL INTERNATIONAL**, being held here April 13-21, 1996.

Exhibitors at **AMI'96** focus on cars, commercial vehicles, replacement parts/accessories, car care/lubricants, workshop and

filling station equipment, and car services.

Last year's event featured 290 exhibitors from 21 countries, with visitors totalling 185,000. Larger participation is expected this year as **AMI'96** is being held in the just-inaugurated exhibition centre, an ultra-modern complex with a gross exhibition

area of 102,000 m².

Further details on **AMI'96** are available from the show organizer's Canadian representative: Carlos Pechtel De Avila, Agent General, Leipzig Fair Canada Office, 11231 Jasper Avenue, Edmonton T5K 0L5, Tel.: 1-800-661-2221 or (403) 482-3427; Telex: 037-2991; Fax: (403) 488-0350.

BorderNet Bolsters Business — *Continued from page 1*

strategic alliances easy to form and maintain.

A wealth of opportunity in many complementary industry sectors make the region one of the largest economic zones in North America — a fact that is not yet fully appreciated by businesses on both sides of the border, but one that should be more readily grasped through **BorderNet**.

Rob Mackenzie, Canadian Consul General in Buffalo, is confident that business will come to realize that, in the global economy, two communities are stronger than one — and that **BorderNet** is one step to

enhancing the region's business potential.

Mackenzie contends that, if all goes well, five years from now there no longer will be a need for **BorderNet** because local companies will be doing more business with each other and the area will be recognized as an international trade corridor.

North America's Benelux Buffalo's Lauren Rachlin, President of Western New York International Trade Council and the person who led the private-sector campaign to make **BorderNet** a reality, believes that some day Western New

York and Southern Ontario will be known around the globe as a centre for trade — just like the Benelux countries (Belgium, the Netherlands and Luxembourg).

At this point, **BorderNet** is at the model stage, but it is a model that other regions in Canada might find useful in their business dealings.

Those "others" wanting more information on **BorderNet** may contact in Toronto: <http://www.bordernet.org>; or the Canadian Manufacturers' Association, Fax: (416) 798-8050; E-mail: BorderNet@cma.online.com.

PUBLICATIONS

Source Book Bound for China

One hundred Canadian companies that can demonstrate world class expertise and a commitment to the Asia market have an opportunity (*deadline is December 15, 1995*) to reach 5,000 senior Chinese decision makers.

Companies of Excellence: 100 Leading Canadian Businesses, is a source book to be written in Mandarin and produced by the Canadian Exporters' Association (CEA) in a joint venture with the International Centres for Chinese Affairs (ICCA) and the Canada China Institute. It will celebrate the growth of China-Canada two-way trade and inform senior Chinese business and political leaders of world class goods and services available from Canada.

Companies of Excellence provides a rare opportunity for Canadian firms already in or planning to enter the Chinese market to publicize their history, products, services and technologies, as well as their intentions for the

Chinese market.

As part of the joint venture, the source book will be distributed — in China, to Chinese leaders, the Central Government agencies, major corporations and libraries — by the China Council for the Promotion of International Trade (CCPIT).

The CCPIT represents more than 110,000 major corporations and manufacturers in China. Its members include nearly all of the top 500 Chinese importers and exporters. The CCPIT has 14 industrial sub-councils, 45 provincial and municipal sub-councils, and 14 overseas representatives offices.

In Canada, the CEA will distribute copies to senior Canadian private sector and government leaders.

Canadian companies wanting more information on criteria, costs and other factors concerning their inclusion in **Companies of Excellence: 100 Leading Canadian Businesses** may contact

Vanessa Hammond or Carol Middleton, CEA, Ottawa, Tel.: (613) 238-8888 ext. 244; Fax: (613) 563-9218.

Sectoral Profiles: Germany

A series of sectoral profiles on Germany is now available for interested companies. The sectors include advanced technology, construction, consumer goods, forest products, medical and health care instruments, machinery for primary and secondary industries, and transportation systems. The studies are available on electronic bulletin boards via the Internet, and on interactive fax machines. To obtain a copy or complete list of the studies, contact the DFAIT InfoCentre (see box, bottom of p.8). Companies wishing to access the electronic bulletin board or the Internet must be included in our WIN computerized inventory (see box, bottom of p.3). For trade or economic information on Germany, contact Mr. André Landry of DFAIT, Tel.: (613) 943-0611.

BUSINESS AGENDA

Toronto — December 7, 1995 — Trade and investment opportunities with Chile and Argentina are the focus of an evening reception/dinner-program sponsored by the International Law Section of the Canadian Bar Association-Ontario (CBAO). Confirmed speakers include the Consul General of

Chile; the Consul for Commercial Affairs, Argentina; and Kerry Gray of Ernst & Young. Cost is \$34 (CBAO members); \$44 (non-members). Contact Geoffrey Kubrick, Ottawa, Tel.: (613) 230-6030; Fax: (613) 230-6969.



DFAIT's InfoCentre provides counselling, publications and referral services to Canadian exporters. Trade related informations can be obtained by contacting the InfoCentre at 1-800-267-8376 (Ottawa region: 944-4000) or by fax at (613)996-9709; by calling the InfoCentre FaxLink (from a fax machine) at (613)944-4500; by calling the InfoCentre Bulletin Board at 1-800-628-1581 via a computer modem; and by visiting the InfoCentre Internet World Wide Web site at <http://www.dfait-maeci.gc.ca> using the Gopher menu.

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OTTAWA

Season's Greetings!

Next issue will be January 15, 1996

CANADA EXPORT

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DEC 19 1995

December 18, 1995

Paris Aglow with the Colours of Canada

RETOURNER A LA BIBLIOTHEQUE DU MINISTERE

The biggest promotion of Canadian products and culture ever organized in France is in full swing in the heart of the French capital.

Paris is where the highly prestigious department store, Le Printemps — \$20-million annual

INDIA SUPPLEMENT

Pages I-VIII

sales, one-third at Christmas — has decided this year to focus its greatest ever holiday season ad-

vertising effort — and its theme is “Christmas in Canada.”

Canada's colours are evident throughout the some 50,000m² of the three Le Printemps stores, strategically situated on the “grands boulevards” directly behind the Opéra-Garnier. Some 100,000 customers pass through the stores each day.

Early Successes

As soon as the event opened on November 15, customers flocked to the Canada Shop to see the highly acclaimed Canadian products and decorations bearing the Canadian emblem.

One Canadian participant, Mrs. Lise Watier, president of the beau-

Continued on page 9 — Paris

APEC Leaders Meet in Osaka

Setting the Stage for Free Trade in Asia Pacific

The Asia Pacific Economic Co-operation (APEC) has emerged as the key forum for economic and trade consultation and cooperation in Asia Pacific. By the end of the century, it is expected that the area will account for 60 per cent of the world population, 50 per cent of its Gross National Product (GNP) and 40 per cent of global consumption. The region presents significant opportunities in areas of Canadian capability and expertise, particularly in telecommunications, power generation, transportation, oil and gas, and the environment.

What is APEC?

APEC, founded in 1989, is an annual forum for Foreign and Trade Ministers and Leaders to discuss mainly regional trade and investment issues. This forum is supported by a series of meet-

ings of senior government officials throughout the year, as well as by

Vancouver Site for 1997 APEC Summit Meeting — Page 5

a number of committees and working groups which meet to

examine and provide advice on specific trade and investment issues. Its 18 members include all three NAFTA countries, Japan, Brunei, Malaysia, Indonesia, the Philippines, Thailand, Singapore, the People's Republic of China, Hong Kong, Chinese Taipei, South Korea, New Zealand,

Continued on page 4 — APEC

Foreign Affairs and International Trade Wins Award

The Department of Foreign Affairs and International Trade has received the 1995 Best Investment Promotion Campaign Award from the UK-based investment magazine *Corporate Location* and the international consulting firm Coopers & Lybrand. The award presentation took place in Lon-

don on September 25 at the Sixth Annual Convention of Investment Promotion Agencies.

The award recognizes the Department's innovative approach in promoting Canada as an investment destination. This approach consists of engaging consultants with relevant busi-

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SHARING TRADE SECRETS

EXPORTING DOES NOT ALWAYS MEAN BIG BUCKS

Canadian know-how, just like products, is a highly marketable commodity abroad. Even if it does not necessarily translate into large dollar signs, it is a valuable tool for exporting Canadian expertise and penetrating foreign markets. Take the case of the Ontario Natural Resources Safety Association (ONRSA).

As its name implies, ONRSA is primarily an organization that promotes health and safety in the forestry, mining, and pulp and paper communities through the development and delivery of programs and services.

Although its primary jurisdiction is the province of Ontario, ONRSA has been looking increasingly outside of the province and beyond Canada, to other countries.

"As the largest and best organized health and safety organization in these sectors in Canada, we see great potential in export exposure," says John Connors, the Executive Director of ONRSA.

Prospecting in Chile

One of the Association's most recent and largest forays into foreign markets included a week-long prospecting trip to Chile.

The occasion was the Second International Meeting on Work in the Forest Sector, in Concepción,

at the invitation of the Chilean Safety Association (Asociacion Chilena de Seguridad - ACHS).

According to Connors, "The state of health and safety among forestry workers in Chile has great potential for improvement."

Based on his discussions with both managers and workers and on-site tours that included ACHS Workers' Hospital, the National Steel Mill, University of Concepción School of Forestry, and plantation forests, Connors came up with several recommendations.

"There appears to be a real need," he says, "for high quality technical/trades training in the natural resource sectors, including forestry and mining.

"In addition, there is a need for national health and safety standards with inspection and enforcement provisions, including an adequate number of trained inspectors with sufficient powers to influence workplace and work-force compliance."

Connors also noted that the emergency services systems in Chile are fragmented and require coordination, cooperation, standardization and training.

What would be the immediate benefit of such improvements?

"They are fundamental," Connors believes, "to achieving more competitive forest sector productivity which salary increases alone will not bring."

How do the Chileans see this challenge?

According to Connors, "Participants in the conference — and they included government as well as labour and management — gave evidence of enthusiastic resolve to address the health, safety and productivity issues facing the forest industry."

And since the Chilean Safety Association is also firmly committed to this task, it offers a great potential for ONRSA.

Contracts in sight

The visit has already paid off.

"As a matter of fact," says Connors, "our two associations are just on the verge of signing a joint venture agreement for the translation and marketing of each other's safety material."

Connors is hopeful that the agreement will be officially signed within the next few months.

What's even more important is that with this foot in the door, the opportunity exists to penetrate the whole South and Central

Continued on page 8 — ONRSA

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Mail to: *CANADEXPORT* (BCT), Department of Foreign Affairs and International Trade, 125 Sussex Drive, Ottawa K1A 0G2.

Canadian Consulate Ready to Promote Trade in Korea

The Canadian Consulate in Pusan, which opened earlier this year, now has a full complement of a Commercial Officer and Commercial Assistant ready to assist Canadian business people.

Pusan, located in Korea's second-largest commercial region, represents a substantial consumer market, with a population of 4.5 million people.

Canada already has significant commercial interests in south-eastern Korea, including the AECL project at Wolsong and the construction by Hyundai Heavy Industries of the Hibernia platform in Ulsan.

Regional powerhouse

Nevertheless, trade officials feel that Pusan and southeastern Korea have a lot more to offer to Canadian companies interested in that market.

For example, of the 476 companies listed on the Korea Stock Exchange, 39 of them have their headquarters in Pusan or the immediate area. That region alone accounts for some 23 per cent of Korea's economic output, or GNP of US\$ 305.7 billion.

Industries concentrated in the cities of southeastern Korea offer numerous market opportunities to Canadian companies. These include:

- power engineering at Changwon,
- shipbuilding in Ulsan,
- iron and steel fabrication in Pohang, and
- aerospace in Pohang and Kimhae.

Market opportunities

The following Canadian products

and services have potential markets here:

- pulp and paper,
- petrochemicals (rubber),
- timber products (lumber, veneer),
- aerospace products,
- auto parts,
- marine equipment, navigational systems, supply to shipbuilding industries (specialized services),
- logistical management equipment (port development, subway development, highway management), and
- industrial equipment.

The city of Pusan itself, although a few years behind Seoul in terms of overall economic development, is expected to see the same trend witnessed in the capital with the emergence of a new consumer base.

As a matter of fact, some goods already represent excellent markets: education and industrial training services; tourism products; consumer goods, including cable TV programming; and building materials.

In addition, Pusan will continue to match the overall rates of development of the Korean economy. This will be fuelled by an impressive range of multi-billion-dollar capital projects scheduled to take place over the next five or so years.

These include:

- new housing: 557,000 units by 2004;

- port infrastructure: Kamchon port, fourth phase being implemented;

- Tadaepo port, fifth phase planned;

- a US\$1.1 billion project in port development and environmental improvement;

- a US\$800 million science-energy research complex in Kangso-gu, to be completed by 2002;

- a US\$6 billion expansion of surface transportation networks, including completion of arterials (inner and outer beltway, port feeder expressways);

- a Pusan terminus for the high-speed rail line linking it to Seoul, for completion in 2001;

- a Samsung automobile plant, to produce 400,000 vehicles per year, by 2002; and

- installations to host the Asian Games (and possibly the World Cup) in 2002.

Canadian promotion in Korea

Canada has sponsored a number of commercial activities in Pusan in the past several years, including tourism and education shows, food promotions, a visit by the Canadian frigate HMCS Vancouver and displays of Canadian marine technology, plus participation in exhibitions of fishing equipment and technology.

A series of seminars and exhibitions will also take place throughout the coming months, in areas

Continued on page 6 — Trade



Win Export-Looking for Export Opportunities?

Make sure you are registered in the WIN Exports database which will showcase your company's capabilities to foreign buyers. To register, fax your request on your company letterhead to 1-800-667-3802 or 613-944-1078.

APEC Leaders Meet in Osaka — *Continued from page 1*

Australia, Chile and Papua, New Guinea.

Since 1993, the addition of an annual meeting of Leaders from the region has significantly increased APEC's momentum and credibility. The Bogor Declaration of 1994 marked a watershed, setting out the objective of achieving free and open trade in the region by 2010 for industrialized economies (such as the U.S., Japan, Canada and Australia) and 2020 for developing ones.

Canada, an active proponent of regional and multilateral initiatives to help improve competitiveness, supports the call for trade and investment liberalization among APEC members and believes it is central to Canadian interests in the Asia Pacific region.

Osaka APEC Economic Leaders' Meeting

APEC leaders, at their November 1995 meeting in Osaka, Japan, adopted an Action Agenda through which APEC members aim to remove trade barriers and to achieve free and open trade and investment in the region.

The Agenda sets out a number of principles (e.g. comprehensiveness, non-discrimination) to guide the liberalization process and various

concrete actions, including in the area of trade and investment facilitation (e.g., customs harmonization and streamlining), to advance the initiative.

the APEC Ministerial next year in the Philippines. Based on this, APEC economies will begin their implementation as of January 1, 1997, during Canada's year as APEC chair.

At Osaka, APEC Leaders also welcomed a package of members "Initial Actions" in tariff reduction and deregulation already commenced by APEC economies since the meeting in Bogor. Of particular interest was the Chinese announcement of a 30 per cent cut on a broad range of tariff lines. This package provides a useful snapshot of liberalization underway in the region and a compelling argument as to why Canada needs to be present.

Canada's own initial Action package for Osaka included, beyond its Uruguay Round commitments: reductions of MFN rates on 1,500 tariff line items; reduction of 3,016 existing GPT (General Preferential Tariff) rates; and the extension of GPT treatment to 219 tariff lines not previously covered.

Business Involvement

APEC is fundamentally about business

Individual member economies will develop initial liberalization Action Plans and deliver these to

in the region. To this end, Canada values and encourages the input

Continued on page 5 — APEC

Significance of APEC and the Asia Pacific Region to Canada

APEC is important to Canada as the preeminent forum for economic and trade cooperation in the Asia Pacific which is the fastest growing and most dynamic region in the world today. APEC provides an institutional window on developments in this area, and an unparalleled opportunity to develop relationships with the governments in this region — where government still plays a very significant role in business decisions — and a seat at the table as the regional framework for economic cooperation and trade is developed.

The Asia Pacific region — which comprises the booming economies of East Asia, ASEAN and Australasia — now has a population approaching 2 billion, produces an aggregate GDP more than twice that of the European Union, and accounts for 27 per cent of world trade.

In 1994, the Asia Pacific region included four of Canada's top ten export markets and 11 of the top 25 markets. Canada's two-way trade with this region grew by 16 per cent in 1994 to reach Cdn\$52 billion.

The Asia Pacific region is also increasingly important as a potential source of foreign direct investment for Canada. Altogether, the region had Cdn\$11 billion invested in Canada in 1994 (with Japan's total of almost C \$6 billion, making it the third-largest foreign investor in Canada). Moreover, the emerging industrial giants in other economies in the region are undertaking ambitious international diversification plans.

Similarly, the Asia Pacific region has become an important destination for Canadian investment abroad with the stock of Canadian investment in the region growing from Cdn\$5.6 billion in 1987 to Cdn\$12.9 billion in 1994.

Vancouver the Venue for 1997 APEC Summit

The first ever Asia Pacific Economic Cooperation (APEC) Summit to be hosted by Canada will be held in Vancouver in 1997.

"Vancouver and British Columbia are Canada's gateway to the huge Pacific market," said Secretary of State (Asia Pacific) Raymond Chan on making the announcement at the 1995 APEC Summit in Osaka, Japan. "They have been the engine behind Canada's new focus on this dynamic region."

As chair, Canada will host a number of APEC events, including the Leader's meeting, Ministerial meetings and a series of lead-up meetings involving senior officials in the private sector. Some 3,000 delegates and 2,000 media representatives normally visit the host city during these major events.

"This will clearly generate significant economic benefits for the entire city," said Mr. Chan. "It will put Vancouver on the map as

the gateway to the Asia Pacific region and its fast-growing markets."

BC Premier Mike Harcourt said: "...The steps which lead to the Summit meeting and the meeting itself will stimulate direct economic activity. With all the potential in mind, I have asked BC Trade to begin immediately to bring together the province's team that will work with Canada to make every aspect of APEC'97 a success."

APEC – Continued from page 4

of the Canadian private sector at all levels of APEC activity, especially in the 10 working groups and symposia where useful technical exchanges and new relationships can result.

Over the past three years, APEC has benefitted from private sector insights and advice from two prominent bodies – the APEC Eminent Persons Group (where Canada was represented by John S. MacDonald of MacDonald Dettwiler) and the Pacific Business Forum (where Canada has been represented by the President of the Canadian Chamber of Commerce, Tim Reid). Input from these groups was particularly critical in helping governments find the political will to agree to the vision of regional free and open trade and investment set out in the Bogor Declaration. This year, at the Osaka APEC meetings, it was decided that such an advisory capability should be made permanent and the decision was taken to form an APEC Business Advisory Council with up to three representatives per member. APEC also seeks to integrate private sector know-how and views at the working level.

APEC has 10 sectoral working groups which often directly involve business participants or advisors. These groups cover: Fisheries; Human Resources Development; Industrial Science and Technology; Resources Conservation; Energy Cooperation; Telecommunications; Trade and Investment Data; Trade Promotion; Transportation; and Tourism. In addition, there are ad hoc experts groups covering small and medium enterprises (SMEs) and agricultural technology. These working groups contribute towards economic and technical development, for example, through technology transfer and solutions for regional economic infrastructure.

A Public/Private Sector Dialogue on Infrastructure was held in Indonesia in September, providing significant opportunities for interested private sector participation. In recent months, Canadian private sector members have joined Canadian delegates to the APEC Ministerial Meeting on Small and Medium Enterprises and to the APEC Investment Symposium in Bangkok.

FIDAE FAX

The correct Foreign Affairs and International Trade (Ottawa) fax number for information on the **International Air and Space Fair (FIDAE)** being held March 10-17, 1996 in Santiago, Chile is (613) 944-0479.

CANADIAN CONSULATE OPENS IN NICE

Canada officially opened an Honorary Consulate in Nice, southern France, last month. It is located at 64 av. Jean Médecin, 06000 Nice. Tel.: 93-92-93-22. Fax : 93-92-55-51. The Honorary Consul, Michèle Felizzola, as President of a travel agency, can offer Canadian business people excellent rates on their business trips throughout the Riviera. She can also be reached in the afternoon. Tel.: 93-13-08-13. Fax : 93-13-95-05.

Nominations Solicited for Canada-U.S. Business Achievement Award

Individuals, associations, businesses and government organizations across Canada and the United States have until *March 1, 1996* to submit nominations for the **1996 Canadian-American Business Achievement Award**.

The 1996 Award will be presented June 6, 1996 during ceremonies at the Embassy of Canada, Washington, DC.

Inaugurated in 1995, the

Award is an annual presentation that recognizes Canadian and U.S. companies for excellence in innovation, growth and commitment to community (the three basic criteria for selection). It also promotes Canada-U.S. business partnerships and cooperation.

To enter, a Canadian and American team of companies must complete a brief Nomination Form that provides infor-

mation on business achievement and partnering success.

Nomination forms may be obtained by writing or phoning the Award administrator, The Foundation for Canadian-American Business Achievement, in **Canada**: 7 Heather Glen Court, Stittsville, Ontario K2S 1L4, Tel.: (613) 831-7713; **in the U.S.**: 4401-A Connecticut Avenue NW, Suite 346, Washington DC 20008, Tel.: (202) 363-1487.

Canadian Awards for International Development

All Canadian companies involved in international development have an opportunity to apply for the **Canadian Awards for International Development 1996**.

The awards were created four years ago by the Canadian Exporters' Association (CEA) to recognize the significant role played by the Canadian private sector in international development in Africa, Asia, Latin America and the Caribbean.

Projects will be assessed in five categories:

- activities or services devoted to the improvement of the physical infrastructure or the development of natural resources.

Sponsored by the SNC Lavalin Group;

- contributions to the creation of long-term business links or the advancement of technical capability. Sponsored by Nortel;

- commitment to the improvement of the social infrastructure or to the protection of the environment. Sponsored by Babcock and Wilcox;

- provision of transport equipment or services or other capital equipment which promotes the development of the industrial base. Sponsored by General Motors of Canada Limited (Diesel Division);

- all entries submitted will be

eligible for the Women in Development Award. Sponsored by the Bank of Montreal.

The prizes, which are supported by the Canadian International Development Agency (CIDA) and awarded following a nation-wide competition, will be presented at the 13th annual CEA-CIDA Days, scheduled for Ottawa in the spring of 1996.

For further information on the Awards, or to obtain an application form (*the final date for applying is February 16, 1996*), contact Paule Charest of the CEA, Sainte-Thérèse, Quebec, Tel.: (514) 434-4196; Fax: (514) 430-5684.

Trade in Korea Promoted — Continued from page 3

such as investment, tourism and education. Finally, Canadian naval frigates are expected to make a return visit to Pusan some time in 1996.

Contacts

The Canadian Consulate in Pusan is headed by Honourary Consul Koo Hyoung-Woo (he is

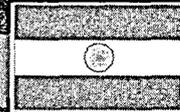
also the President of the city's second-largest mutual financing institution). Trade enquiries can be addressed to Lee Bon-keun — he is planning to visit Canada next month to meet with Canadian exporters and companies — and his Assistant Sunny Kim.

They can be reached at the Consulate, located in the Bumun

Building, 4th Floor, 32-1, 2-ga, Daechung-dong, Chung-gu, Pusan. Tel.: 82-51-246 7024. Fax: 82-51-247 8443.

Information on trade opportunities in Korea is also available from Denis Chouinard, Korea and East Asia Division, DFAIT. Tel.: (613) 996-2807. Fax: (613) 996-1248.

CANAD EXPORT



Focus on India

India: An Emerging Economic Giant

"In view of its market size, I do not think major Canadian companies can afford to stay out of India; nor should they ignore projections by the World Bank and others that foresee both India and China emerging as economic giants by the year 2010." — Stanley Gooch, Canada's High Commissioner to India.

Political Stability

India is the world's second most populous (over 900 million people) and seventh largest (3.3 million square kilometres) nation. The country is overwhelmingly rural, yet more than 50 million Indians live in the eight largest cities. India is geographically and culturally diverse; it officially recognizes 18 languages, and is home to six major religions.

An ancient land, India also is the world's largest democracy, has a stable government, and an educated, English-speaking elite with a well-established entrepreneurial tradition.

India is a federal republic with a parliament and president. Prime Minister Narasimha Rao has been head of the Congress Party, India's dominant political party, since the 1991 assassination of Rajiv Gandhi. Recently, party dissidents have emerged to challenge Mr. Rao's leadership.

The Prime Minister must reunite and re-energize his party to win another term. National elections are due by early 1996. Most observers, aware that all major parties support economic reform, believe the modernization and liberalization of India's economy will proceed — irrespective of which party forms the next government. Political risk to investors, therefore, is low to moderate, depending on the local situation.

Good Economic Performance

The Indian economy, powered by 14 per cent growth in the industrial sector, grew by 5.9 per cent in the first six months of 1995 (up from 4.3 percent in fiscal year 1994-95).

Although poverty and over-population remain enduring problems, it is the "other India", comprising a rapidly growing and dynamic middle class estimated at between 180 million and 250 million people, which represents India's best hope for the future.

Services sector growth of 5.7 per cent also was impressive.

The economy of Maharashtra, of which Bombay is the capital, has grown at a rate of 9 per cent. Neighbouring states, Gujarat and Karnataka, registered similar growth. Indeed, the November 13, 1995 issue of Fortune magazine claims that Bombay ranks eighth of world cities in growth potential.

In the huge agriculture sector, where public investment has stagnated and subsidies remain in place, growth dipped below 3 per cent; food grain production, however, remained strong and huge surplus stocks currently are held in storage.

Growth projections for fiscal year 1995-96 vary depending upon which economic indicator is highlighted. The less optimistic forecast focuses on political uncertainty, the high fiscal deficit and persistent double digit inflation. The government will be

hard-pressed to keep inflation, which has remained in double digits until recently, within politically acceptable limits.

In other areas, however, the economy has performed well and its prospects are brighter: food production and industrial output show strength; exports and foreign exchange reserves are in excellent shape; the foreign debt picture has improved; and foreign direct investment is grow-

ing solidly (although portfolio investment is down dramatically). Annual export growth of over 18 per cent exceeded the Commerce Minister's expectations, while imports grew at 28 per cent.

The negative trade balance is of little concern as the high level of imports underscores increased investment in imported capital goods.

IN THIS ISSUE

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TORONTO-BASED CONSULTING COMPANY WINS OPENING BID IN INDIA

Winning a World Bank bid in India is not the easiest thing in the world. But as R.V. Anderson Associates Limited (RVA) recently has shown, it can be done with much perseverance and a little bit of government backing.

The Toronto-based company has been engaged in consulting engineering and technology management since 1948, but it's only recently that it has ventured onto the export scene in a big way.

As a matter of fact, the bulk of the \$10 million-\$20 million annual sales of this 150-employee firm is still domestic.

But all this could all change, thanks to a \$3-million contract to upgrade the sewerage operation and maintenance services of the Municipal Corporation of Greater Bombay.

Focus India

How did RVA choose India as its main focus?

One of the contributing factors, according to Alan Perks, RVA Manager, International Business, was the *Focus India Strategy* officially launched last June.

Various federal organizations — including the Department of Foreign Affairs and International Trade, Industry Canada, the Canadian International Development Agency (CIDA INC), and the Export Development Corporation (EDC) — as well as the provincial governments contributed to form a Team Approach.

The purpose was to pool each organization's specific expertise into a common strategy to help Canadian companies take advantage of Indian market opportunities in three priority sectors: telecommunications, environment and power projects.

Contract bidding

How did RVA find out about this World Bank project?

"It was through our Bombay-based partner PHE Consultants," Perks explains. "We had formed that partnership in 1993 after having met the Indian company during its trip to Canada."

But during the more than year-long negotiations, the company faced many ups and downs.

"We were up against large British and American companies," Perks recalls, "but in the end our package won out."

And quite a package it was.

For the project, RVA enlisted the support of a number of Ontario partners, including the Ontario Clean Water Agency, Envirotrain International (a consortium of six Canadian Community Colleges), and the Regional Municipality of Ottawa-Carleton.

Their role will range from developing personnel

organization and management information systems to training and human resources development assistance through practical training and exchanges.

Government help

"What was also instrumental in winning the bid — a real Team Canada approach," according to Perks, "was the bidding support provided by CIDA INC and the Ontario International Trade Corporation, and CIDA INC support for an enhanced training package that was made available to the Bombay Municipal Corporation."

Perks firmly believes that such financial support in the face of fierce international competition is crucial for small- and medium-size Canadian companies to succeed in this high-stakes market.

"It's a very difficult and time-consuming process to win these bids," Perks admits. "That's why there is a strong need for teamwork between industry and government," emphasize Perks.

He is also quick to recognize the help and support — in terms of communications and attending meetings — received from the Canadian High Commission and Consulate in India.

Future prospects

RVA will no doubt put such help to good use as it seeks other opportunities in India for itself and a host of other Canadian firms and equipment suppliers.

"In this case," says Perks, "our PHE partners will not only be instrumental in completing our Bombay contract, but they will also provide a solid base for pursuing other environmental and infrastructure opportunities throughout the Indian sub-continent."

RVA already is pursuing that quest by participating last month at Envirotech Trade Fair in Bombay. Although it is too early to talk about results, excellent contacts were made.

For a company which strength is built on environmental and infrastructure specialists in water, wastewater, transportation, urban development and telecommunication technologies, opportunities will abound.

For more information on RVA, contact Alan R. Perks, Manager, International Business. Tel.: (613) 226-1844. Fax: (613) 226-8930.

Continued on page VI — Know-how

Five Ps are Positive Steps toward Succeeding in India

Having a good product or service certainly is essential in selling to foreign markets. Equally essential, but perhaps less obvious, is having the right mindset, one that can be acquired by adopting the "five Ps".

Perspective: Have realistic expectations. India is a rapidly developing economy, with experienced traders and strong global links. Foreign competition is present and getting stronger.

Preparation: "Prior Planning Prevents Poor Performance." Do your homework before buying a plane ticket. Does your business plan have a market entry strategy for India? If not, why not?

Protocol: Understand local culture. Be prepared to

work with a local partner.

Participation: Consult with Trade Commissioners in Delhi and Bombay and other Team Canada members who are critical to your success.

Perseverance: Make regular visits to the market. Do not be discouraged if success is not immediate. Perseverance is paying off for a good number of Canadian companies in India.

CULTURAL, BUSINESS TIPS

Just as the adoption of the "five Ps" can be beneficial to business, so too can the acquisition of an appreciation of a country's cultural and business practices. This applies particularly to India which, for many entrepreneurs, remains a market both mysterious and exotic. Following are some observations worthy of note.

- **Names** often indicate whether a person is Hindu, Muslim or Sikh. Address people by their given names only if requested to do so. Professional titles (Doctor, Professor) are used, when appropriate.

- **Greetings** between most Indians are with the "namaste" gesture (bending gently with palms kept together below the chin) and rarely with a handshake. Indian men and very westernized women may offer to shake hands with foreigners, but a Western woman should not initiate a handshake with an Indian man; instead, she should wait for him to offer one; if he does not, she should nod and smile.

- **Business negotiations** require time and patience. Impromptu business meetings are common. Plan on several visits before a decision is reached.

- **Communications** by most Indians, particularly where "yes" and "no" answers are expected, are usually vague. "No" may be expressed by saying "I'll try." A smile or head jerk may indicate "yes" but can also mean "I don't know."

- **Business relationships** in India are highly personal. Indians are very interested in the family life and values of a potential partner. Invitations to visit the home of an Indian colleague are common and are an essential step in building rapport.

- **Dinner invitations** and home visits frequently are extended to visiting business people. Unless hosts are wearing footwear, guests at a meal in a private home should remove their shoes before entering. Gifts of chocolate, Indian sweet meals or flowers are appropriate. Do not wrap presents in white or black; such colours are considered unlucky.

Approaches to Business Vary

Potential partners may be found in *Member Companies of the Confederation of Indian Industries Interested in Doing Business with Canada*. Contact the DFAIT InfoCentre (see box bottom page 12).

Indian agents are a vital link in India's complex selling processes. Most Canadian companies find an agent invaluable in guiding them through the maze of regulations and red tape.

Joint venture arrangements often are preferred when the Canadian firm is bringing some form of technology or know-how, rather than a specific product, to the partnership. In the beginning, the partnership tends to be of equal (a 50-50) value.

International science and technology links —

Continued on page VI — Business Approaches

Canada-India Trade Relations

There is enormous scope for Indo-Canadian commercial cooperation, both in the Indian market and jointly in the global economic village.

Canada's international trade strategy has taken a very positive approach to Canada-India trade. Both the *Focus-India Strategy* (based on extensive government/private-sector consultations) and the planned visit in January 1996 of a large-scale business delegation led by Prime Minister Chrétien, reflect the priority Canada places on the Indian market, one destined to become increasingly important for Canadian business.

As the Indian economy improves, more Canadian companies are entering the market with local production bases and/or joint venture operations.

Concurrent with this is the fact that Canadian engineering firms are bidding on — and winning — large projects, either as consultants or project managers/operators.

Canadian content in these projects runs into the hundreds of millions of dollars but is not always captured in the merchandise trade statistics.

These developments help explain Canada's lower export figures to India (down from \$393 million in 1988 to \$259 million in 1994 but significantly higher in the first eight months of 1995).

Trade, Investment Reforms

Since 1991, India has undertaken significant economic reforms to liberalize both trade and investment, moves that, to a certain degree, help improve market access.

In trade liberalization, for example, the government has increased the number of items on the "freely permissible" list of consumer goods imports and those which may be freely traded on Special Import Licences.

However, in view of the import restrictions contained in the "negative list of imports", the "peak rate" for import duty which, though reduced from 65 per cent to 50 per cent in 1995, is still too high. As well, numerous non-tariff barriers remain.

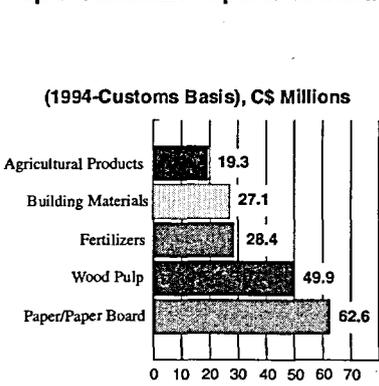
As for direct foreign investment in India, it is

welcomed in virtually every sector — except defence and atomic energy. Salient features of the country's new foreign investment policies are:

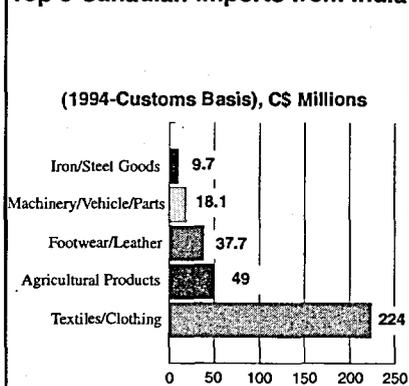
- Foreign equity up to 100 per cent is allowed, subject to conditions.
- Automatic approval for foreign equity participation up to 51 per cent is granted in several key areas.
- The Foreign Investment Promotion Board (FIPB) has been set up in the office of the Prime Minister to speed the approval process.
- Foreign investors need not necessarily have a local partner.
- Free repatriation of profits and capital investment is permitted, except for a short specified list of consumer goods industries where it is subject to dividend balancing against export earnings.
- Use of foreign brand names/trade marks for sale of goods in India is permitted.
- Capital markets now are open to foreign institutional investors.
- Indian companies are permitted to raise funds from international capital markets.
- India, having signed the General Agreement on Tariffs and Trade (GATT), now is a member of the World Trade Organization (WTO).
- Corporate taxes have been reduced from 15 per cent to 10 per cent. Further progressive reductions are planned.
- Special investment and tax incentives are given for exports and certain sectors such as power, electronics and food processing.

Canadian direct investment is growing substantially. Since 1991, more than 85 Canadian companies have established some form of joint venture (in addition to those establishing sales agency relationships). This bodes well for an enhanced flow of Canadian goods and services.

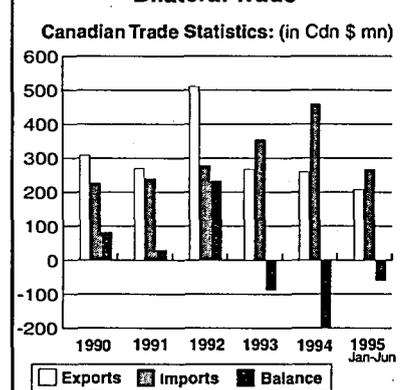
Top 5 Canadian Exports to India



Top 5 Canadian Imports from India



Bilateral Trade



Sectors Offering Good Prospects

India's trade liberalization measures, economic reforms, and privatization of state entities have created opportunities in areas where Canadians have considerable expertise. The Canadian High Commission in New Delhi, following up on the successful launch of Focus India, suggests the sectors profiled here are well worth being pursued by Canadian business.

Agri-food

Opportunities exist in food processing, seeds and special crops, horticulture, and ways to improve pre- and post-harvesting technologies, including grading and storage facilities.

Telecommunications

This is a priority sector. The Government of India plans to install 13 million new telephone lines by the end of the decade. Opportunities for Canadian suppliers exist in basic telephone transmission, switching and distribution, terminal equipment, special added services and miscellaneous items such as specialized services equipment (e.g. fax cards, echo cancellers, etc). Opportunities also lie in the cellular market.

Software

Great potential exists for the forming of joint ventures with Indian software companies to produce software in India for domestic as well as for third-country markets. India, with the world's third-largest scientific and technical workforce, is an expert in software applications. The country's software exports grew 51 per cent in the first six months of 1995.

Cable Television Equipment

The requirements for CATV and regular broadcast equipment are many and the opportunities extensive. Cable TV now reaches 25 million homes in India and, with the growth of satellite TV providers, the demand for cable is increasing substantially. This is in addition to the 247 million people who receive over-the-air broadcasts from almost 700

transmitters spread throughout the country.

Environmental Equipment/Services

The value of the market today is estimated at \$0.5 billion. At an annual growth rate of 20 per cent to 25 per cent, the market should be worth \$4 billion by the year 2000. Opportunities exist in prevention, control and remediation of air, water and land pollution. Automobile-generated air pollution, fly ash from coal-burning thermal power generation, and flue gas desulphurization present problems for which advanced technology Canadian companies have solutions. Many Indian firms with limited experience in the field are looking for foreign partners in environmental consulting to help them meet the growing demands of this market.

Financial, Insurance and Agency Services

The highly restrictive market structure prior to 1991 has left local financial firms devoid of expertise. They now are seeking alliances with international firms, though further reform of the financial services sector is required to really open this area to Canadian banks and insurance firms.

Mining/Metals/Minerals

Opportunities exist generally in mining equipment, coal washeries, coking coal development, and hardrock mineral exploration and development. All metal groups (coal has some remaining restrictions) are open to private investment and development, a move encouraged by the government's March 1993

New Mineral Policy.

Oil and Gas

This sector was opened in 1991 to private exploitation — from exploration and development, to refining and downstream distribution. There are many opportunities in this \$3.5 billion to \$4 billion equipment market, one that is expected to grow by 12 per cent to 15 per cent over the next five years. Pipeline projects also are key areas for participation. As well, the services sector offers considerable opportunities, particularly in logging, cementing, management of rigs, and data acquisition.

Power and Energy Equipment

Opportunities exist in engineering and construction, equipment supply and the refurbishing of older power plants. By reducing barriers to entry, the Government of India also has given a boost to the alternative energy sector. In the privatized (1992) power sector, there are a wide range of incentives (including tax holidays and generous guaranteed rates of return on investment) to spur private investment.

Primary/Secondary Industrial Machinery

Almost all types are freely importable and Indian buyers are shopping globally for the latest technology at reasonable prices. By value (\$3.3 billion in 1993-94), these imports constitute 25 per cent of India's total imports. Expected annual growth is 15 per cent. Opportunities exist for: packaging; filtering and

Continued on page VI— Primary

PRIMARY/SECONDARY INDUSTRIAL MACHINERY.

— Continued from page V

purifying equipment for liquid and gases; sophisticated machine tools for metal working; industrial furnaces and ovens; measurement control equipment; spares for pumps and electrical generating equipment; and environmental monitoring and control equipment.

Transportation

Two general areas in the *automotive sector* offer significant opportunities: partnerships with Indian manufacturers for export production; and collaboration with an Indian auto parts manufacturer for production of labour-intensive sub-components on a buy-back basis. In the *after market*, there are some niche opportunities, such as anti-rust coatings (in coastal areas). In the *aviation sector*, a domestic "open skies" policy offers opportunities in the air taxi and airport redevelopment fields. Replacement of aging short-haul aircraft and expansion of the civil aircraft market provide several additional opportunities. The deregulation and privatization of *shipping and ports* means many opportunities for Canadian firms experienced in tank farms, dredging, and navigational aids. In the *railway sector*, gauge conversion and re-modernization create opportunities in signalling, the supply of stronger track, modern communications, multimodal traffic, and associated rail, road and port facilities.

Know-how in Nepal Stepping-stone to Business in India

Continued from page II

N.D. Lea International Ltd., of Lea Associates Group, based in B.C and Ontario, had been doing transportation project management in Nepal for 25 years before setting up shop in India.

"Our experience in Nepal enabled us to make many contacts in neighbouring India," says Lea International President Greg Wood, "where we established a wholly-registered company to take advantage of the vast opportunities in the Indian sub-continent."

In one multi-million dollar project alone, the company has been entrusted with the overall management of 14 contracts financed by the Asian Development Bank.

As one of only 20 major international companies doing work in this field, Lea International has learned many lessons. These include: develop long-term relations in the host country; commit yourself to the country; negotiate contracts carefully and patiently because the local bureaucracy can be very cumbersome; and find out about the local tax system to make sure you get all the tax advantages that come with international tenders.

Wood also advises to get in on the ground floor since the competition can be fierce. "But it is all worth it," admits Wood, "because there is a lot of business in India and there will be for a long time." He also recommends staying in touch with the Canadian High Commission and Consulates and to seek bidding support from federal and provincial governments.

For more information on Lea International, contact W.G. Wood, President. Tel.: (416) 490-8887. Fax: (416) 490-8869.

Business Approaches

Continued from page III

in the areas of upgrading skills, modernization of research and development facilities and mutual exchange of science-related information — are promoted by India's Department of Science and Technology.

Many overseas firms — BNR is a Canadian example — have established developmental links with Indian software and research organizations, especially around Bangalore, the new "Silicon Valley" in southern India.

Financial Services

Canadian companies doing business in India can call on the financial services expertise of several Canadian financial intermediaries including, the Export Development Corporation, the Bank of Nova Scotia and Toronto-Dominion Bank. Both BNS and T-D have offices in India. The other major chartered banks, as well as the Hongkong Bank of Canada and the State Bank of India (Canada), have corresponding banks in India.

MAJOR 1996-97 INDIA TRADE EVENTS

January 1996

Print Pack '96 — January 12-17 — New Delhi — International printing and packaging show.

Elecrama — January 17-23 — Bombay — Power equipment.

Infotek '96 — January 18-20 — New Delhi — Information technology, hardware and software.

4th International Mining Machinery Exhibition (IMME'96)

— January 29-February 1 — Calcutta — Held every four years. Canadian information booth. CAMESE, the Canadian Association of Mining Equipment and Services for Export, has booked two booths for display of catalogues and posters of Canadian equipment suppliers.

February 1996

WISITEX '96 — February 7-13 — New Delhi — Information technology; telecommunications; avionics-space and aeronautical; manufacturing technology, systems and aids; industrial electronics and instrumentation.

CODATU-VII Conference — February 12-16 — New Delhi — International conference on urban transport and integrated development.

Intechmart'96 — February 17-20 — New Delhi — Opportunities for joint collaboration, technology transfer/acquisition and investment, with the focus on four industry sectors: electronics/telecommunications equipment; food processing/packaging; textiles/ready-made garments; and chemicals and allied products.

F & B TECH-TRIPLE EXPO '96 — February 20-24 — Bombay — International exposition organized by Chemtech Foundation on beverage technology, food processing and hospitality sectors.

Auto Expo 96 — February 21-27 — New Delhi — premier automobile, accessories and components show.

March 1996

India International Civil and Defence Equipment and Systems Exhibition (IICDES 96) — March 4-8 — New Delhi.

AHARA'96 — March 8-11 — Pragati Maidan, New Delhi — annual show organized by the International Trade Promotion Organization in collaboration with the Ministries of Agriculture and Food Processing. Excellent opportunity for suppliers of food processing and packaging machinery, hotel equipment and supplies and food products.

Globe '96 — (associated Incoming Indian Buyers Mission) — March 26-29 — Vancouver.

October 1996

Communications India '96 — October 22-25 — New Delhi — telecommunications equipment and services.

December 1996

IT Asia '96 — December 6-9 — New Delhi — international show highlighting information technology with an Asian focus.

February 1997

Indian Engineering Trade Fair (IETF 97) — February 9-15 — New Delhi — the apex, biannual, international, multi-sector Indian trade show.

PUBLICATIONS

Selected Sources of Information for Doing Business in India

Focus India, launched in June 1995 by Minister for International Trade Roy MacLaren, has been updated to reflect recent comments and changes since 1995. Copies are available through the DFAIT InfoCentre (see box bottom page 12). The InfoCentre's Bulletin Board Service also provides an electronic forum or conference on India (type J 4 at Main command prompt) where the update of *Focus India* can be found.

Canadian Guide for Researching Markets in India — Further details on the guide, produced by a Toronto business information researcher, are available from: BizInt International, P.O. Box 187, Station D, Scarborough, Ontario M1R 5B7, Tel.: (416) 299-4556; Fax: (416) 299-4148; E-mail: Mceachin@inforamp.net

Internet sites:

Gopher: India.bgsu.edu;
WWW:
<http://India.bgsu.edu/index.html>
<http://meer.net/indolink/>
<http://spiderman.bu.edu:80/misc/India/>
Use net: soc.culture.indian

Insight Plus CD-ROM, available from Industry Canada, has 186 articles which mention India. Call 1-800-390-2555.

Several other sources exist in local libraries, business bookstores, or business services support agencies.

General Business India Guides

Doing Business in India — Arthur Anderson/Citibank;

Continued on page VIII — Publications

PUBLICATIONS

Continued from page VII

Exporter's Encyclopedia — Dun & Bradstreet;
Doing Business in India — Ernst & Young;
India Profile — Hong Kong and Shanghai Banking Corporation;
Doing Business in India — Price Waterhouse;
India (1994) — Euromoney Books.

General Business Information Sources

Sources of International Trade Information Available Electronically — DFAIT InfoCentre (BBS);

International Business Information: How to find it, how to use it — Ruth A. Pagell, ORYX, 4041 North Central Ave, Suite 700, Phoenix, Arizona 85012-3397;
Europa World Factbook.

Company and Financial Information

Indian Companies Handbook — Euromoney Books, 1994
Kothari's Industrial Directory of India, 1994

Kompass Asia/Pacific Asia-Pacific — Dun's Market Identifiers.

Periodicals

Business India
Economic Times
India Today
Pragati (published in Montreal)
India Abroad (published in Etobicoke, Ontario)
Far Eastern Economic Review
Asiaweek.

Cultural Guides

Working with an Indian Partner — Centre for International Training, CIDA, 200 Promenade du Portage, Hull, P.Q. K1A 0G4
Multinational Executive Travel Companion — Strand Publishing Company, 207 Atlantic Street, Stamford, CT.
Lonely Planet Guide to India.

TRADE ADDRESSES APPROPRIATE TO INDIA

IN INDIA

Canadian High Commission
 Commercial Section
 7/8 Shantipath, Chanakyapuri
 New Delhi, 110 021, India
 Tel.: 011-91-11-687-6500
 Fax: 011-91-11-687-5387
 E-mail: td.delhi@delhi01.x400.gc.ca

Canadian Consulate
 41/42 Maker Chambers VI,
 4th Floor
 Jamanalal Bajaj Road Marg
 Nariman Point
 Bombay 400 021, India
 Tel.: 011-91-22-287-6027
 Fax: 011-91-22-287-5514
 E-mail:
 Consulate.Canada@coc.Sprintprg.sprint.com

Confederation of Indian Industry
 23-26 Institutional Area
 Lodi Road
 New Delhi 110 003
 India
 Tel.: 011-91-11-462-9994
 Fax: 011-91-11-462-6149

Federation of Indian Chambers of Commerce and Industry
 Federation House
 Tansen Marg
 New Delhi 110 001 India
 Tel.: 011-91-11-331-9251

India-Canada Cooperation Office
 D 1/56 Vasant Vihar
 New Delhi 110 057 India
 Tel.: 91-11-668-4051
 Fax: 91-11-688-6236

All India Manufacturer's Organization
 Jeevan Sahakar
 Sir P M Road
 Bombay 400 001 India
 Tel.: 266 1016

IN CANADA

India Desk
South Asia Division
Foreign Affairs and International Trade
 125 Sussex Drive
 Ottawa, Ontario K1A 0G2
 Tel.: 613-996-5903
 Fax: 613-996-5897
 E-mail: psa.extott@extott02.x400.gc.ca

High Commission of India
 Commercial Section
 10 Springfield Road

Ottawa, Ontario K1M 1C9
 Tel.: 613-744-3751
 Fax: 613-567-3213
 E-mail: hicomind@ottawa.net

Canada-India Business Council
 % Canadian Chamber of Commerce
 1160-55 Metcalfe Street
 Ottawa, Ontario, K1P 6N4
 Tel.: 613-238-4000
 Fax: 613-238-7643

Indo-Canada Chamber of Commerce
 700-5160 Yonge Street
 Toronto, Ontario, M2N 6L9
 Tel.: 416-224-0090
 Fax: 416-224-0089

Canadian International Development Agency (CIDA)
 Industrial Cooperation Program
 200 rue Principal
 Place du Portage
 Hull, P.Q.
 Tel.: 819-997-0563
 Fax: 819-953-5024

South Asia Department
Export Development Corporation
 151 O'Connor Street
 Ottawa, Ontario, K1A 1K3
 Tel.: 613-598-2500
 Fax: 613-598-2503

International Trade Centres and Provincial Trade Offices
 (check telephone directory blue pages for nearest ITC or provincial office)

IN UNITED STATES

India Trade Promotion Organization
 445, Park Avenue (18th floor)
 New York, NY 10022
 Tel.: 212-753-6655
 Fax: 212-319-6914

Public Information Centre
 The World Bank
 1818 H Street N.W.
 Washington D.C. 20433
 Tel.: 202-458-5454
 Fax: 202-522-1500

IN THE PHILIPPINES

Publications Unit,
 Information Office,
 Asian Development Bank
 P.O. Box 789, 0980 Manila
 Philippines
 Fax: 632-632-6344.

First Canada Business Awards in the Philippines

"It is important to recognize those who make a difference for our Canadian businesses in the many countries around the world where we operate." — Minister for International Trade Roy MacLaren.

Five Filipino companies were recognized last month for outstanding contributions in building business relations with Canada.

They were the winners of the first **Canada Business Awards in the Philippines**, presented by Canada's Ambassador in Manila, Stephen Heeney, and Minister for International Trade Roy MacLaren during his highly successful visit to that country.

Chosen for their long-term commitment to Canadian business rather than volume, the selected companies are: ICC (International Communications Corporation); International Bulk Commodities Handling & Trading Corporation (Interbulk); MCA Holdings & Management Corp.; PTC Commercial Corp.; and Textron Corporation.

ICC, a major builder of telecommunications infrastructure, recently contracted a \$100-million supply agreement with Nortel, Canada's largest telecommunications company in Asia. The switching equipment and services

supplied by Nortel will help ICC meet the demands of Metro Manila and surrounding area.

Interbulk's award was based on the company's dedication to the promotion of Canadian muriate of potash and solid sulphur. In addition to being the exclusive representative of Canpotex Ltd. — making the Canadian company one of the major potash suppliers in the Philippines — Interbulk was also instrumental in Shell Canada's US\$3.4 million sale of solid sulphur to that country.

MCA has been tirelessly pursuing the interests of a number of Canadian firms in the expensive and risky business of marketing capital projects in the Philippines. These firms include Ontario Hydro (memorandum of agreement for the San Roque project), West Coast Engineering (supply of steel poles), and ConWest of Canada (hydro program).

PTC's success is based on introducing and expanding markets in

the Philippines for Canadian processed food products, including McCain's frozen french fries, fruit juices, and frozen desserts; Labatt's ice beer; and canned salmon. PTC's enthusiastic promotion efforts have tremendously increased consumer awareness of Canadian high-value food products in the Philippines.

Textron has facilitated the procurement of Philippine government contracts for a number of Canadian firms. These include SR Telecom, MITEL and SaskTel (a \$80-million contract to install a network of public calling offices).

The Award, which is to become an annual event, is a joint effort of the International Business Development Section of the Canadian Embassy in Manila and the Canadian Chamber of Commerce in the Philippines. It consists of an engraved maple leaf plaque and a framed congratulatory letter signed by Canada's Ambassador.

Foreign Affairs Wins Award — Continued from page 1

ness experience to identify and profile Canadian companies in a targeted sector interested in pursuing international investment partnerships.

Selected companies are then featured in promotional materials which include a CD-Rom version containing footage of company CEOs promoting their firms. These materials are used extensively to support presentations by outside consultants in seminars or roundtables usually hosted by

Canadian missions abroad. Consultants are also available for follow-up with local business executives and to facilitate subsequent liaison between potential foreign and Canadian partners.

This approach, which began some seven years ago when DFAIT's Investment and Technology Bureau was part of the former Investment Canada, has been instrumental in assisting small- and medium-size enterprises (SMEs) in finding international

partners. According to Jon Church, Director General of the Investment and Technology Bureau at DFAIT, it has been successfully applied in Europe, the U.S., Mexico and, more recently, in Asia. In Western Europe alone, it has resulted in an average of 30 to 40 deals annually.

For more information, contact Richard LePage, Investment Prospecting and Technology Division, DFAIT, Ottawa, Tel.: (613) 995-8956; Fax: (613) 944-1574.

ONRSA Trade Secrets — Continued from page 2

American Hispanic natural resource markets, especially since Chile is considered an economic and health and safety leader in the region.

Embassy help

Although ONRSA has not benefited so far from various other forms of government help, Connors is quick to acknowledge all the help received from the Canadian Embassy in Santiago.

"Embassy officials were particularly helpful with the arrangements and funding assistance for our presence at the conference in Chile," he says.

Connors is hopeful that once his association's materials and services become better known, other Canadian officials, both at home and abroad, will assist in his marketing efforts.

Future prospects

Huge sums of monies are not generally involved.

In the case of Indonesia, ONRSA has been asked to train mine supervisors for a Canadian mining venture in that country. Tentative plans call for a two-week training session worth some \$20,000, depending on length and numbers, at ONRSA headquarters in North Bay.

Connors is confident that, with Canadian forest and mining concerns all over the world, there will be an excellent opportunity for ONRSA to ensure that health and safety practices become the norm rather than the exception in many countries.

ONRSA already has information exchanges with New Zealand and Australia, and sees some potential in South Africa where mining operations are still very much labour-intensive, although mechanical aspects are slowly

making inroads.

Other recent visitors at ONRSA headquarters include the Ulster Royal Constabulary which has jurisdiction over mining and quarry site blasting in Northern Ireland; the Director of Northern Ireland's Health and Safety Department; Coal Board staff from Australia; a forestry official from New Zealand; and a post-graduate mining student and teaching assistant from the University of Sao Paulo, Brazil.

"Even the U.S.," according to Connors, "occasionally has lower health and safety standards or a lack of training programs and materials in these sectors than in Canada. So we have been delivering some training in Minnesota.

"Our chainsaw training course is being licensed in the U.S.A. and our chainsaw reference textbook *The Cutting Edge* has sold several thousand copies nation-

ally and internationally in the past year alone — \$30,000 or more at \$15 each," Connors proudly adds.

The association

ONRSA is a bipartite (labour and management) organization created in 1994 by combining the Ontario Forest Products, Mines, and Pulp and Paper Makers Accident Prevention and Safety Associations.

As a non-profit organization, its mandate is to provide products and services, including training and consulting, at costs. It is funded indirectly from the Workers' Compensation Board.

For a products and services catalogue or more information on ONRSA, contact:

John J.G. Connors, Executive Director, in North Bay, Ontario. Tel.: (705) 474-7233. Fax: (705) 472-0207.

Exporters to Mexico Benefit from EDC Financing

Canadian exporters of goods and services to Mexico now can benefit from an addition US\$5 million that Export Development Corporation (EDC) has added to its line of credit with Banca Serfin, S.A., Mexico's third-largest commercial bank.

In addition to this credit facility, which brings the aggregate amount of the line of credit to US\$25 million, EDC has agreements and relationships with other private- and state-owned financial institutions in Mexico.

With a network of nearly 600 domestic branches and a strong overseas presence, Ban-

ca Serfin is well placed to support increased trade between Canada and Mexico.

EDC is a self-funding Crown corporation that provides insurance, financing and guarantees that help Canadian exporters compete and succeed in foreign markets.

Financing can be arranged through EDC offices in Vancouver, Calgary, Winnipeg, London, Toronto, Ottawa, Montreal or Halifax.

Companies with annual export sales under \$1 million may call EDC's Emerging Exporter Team at 1-800-850-9626.

*\$200 Million in Business Deals***First Canadian FIPA Signed in the Philippines**

Deals worth over \$200 million were signed by Canadian companies that accompanied International Trade Minister Roy MacLaren on his recent trade mission to the Philippines.

"These new business transactions are a testimony to Canadian business confidence in the Philippines market and the opportunities it presents in such sectors as telecommunications, oil and gas, mining, power generation, and agrifood," said Minister MacLaren.

"The Philippines has made significant strides over a short period of time. Its economic liberalization program, *Philippines 2000*, has revitalized and stabilized the economy by removing barriers to this market and promoting exports and foreign and direct investment."

During his visit, Mr. MacLaren and Philippine Secretary of Trade and Industry Rizalino Navarro signed a *Foreign Investment Protection Agreement (FIPA)*, the first FIPA Canada has signed

with a country in Asia. It signals Canada's commitment to develop further its trade and economic presence in the region.

The FIPA will promote investment flows between Canada and the Philippines by providing a high level of protection for investments between the two countries. Canada is among the top 15 investors in the Philippines, with Canadian direct investment valued at about \$1 billion.

Paris Aglow with Canadian Colours – *Continued from page 1*

ty products company that bears her name, reported that, in two days, she had achieved her target for the whole campaign.

She decided to launch her latest perfume "neige" (snow) in Paris. "Our window of opportunity for all of Europe will be opened in Paris," says a confident Watier, "and I hope that our sales at Le Printemps will flow like melting snow in spring."

The promotion, which runs to the end of December, will attract not only Parisians but many foreigners who gravitate to Paris during the holiday season. It showcases several hundred products from all parts of Canada. Nearly half of the suppliers selected by Le Printemps are from Quebec.

Products and Activities

Products being promoted are in the following categories: agri-food, sports, children's and adults' fashions, cooking, First Nations art and other articles, books and records, footwear, decorative items, and luxury items (perfumes, etc.).

Canada also has a tourism booth staffed by Air Canada and

Canadian Tourism Commission representatives. They will encourage more people from France — 435,000 came in 1995 — to visit Canada, already the second most popular long-distance destination of French tourists.

During the six-week promotion, there is a series of 23 cultural events, including theatre, films, concerts, storytelling and humour (Michel Courtemanche) and singers (Robert Charlebois, the Kashtin Group and Diane Tell).

As well, Le Printemps restaurants will feature a wide variety of Canadian dishes, including many Aboriginal foods.

Robert Charlebois, with his "mousse de Chambly" (Chambly head), is getting rave reviews from French beer lovers. "This is our first really great venture," he says. "Le Printemps promotion is helping to put us in the spotlight, and from here we'll take on all of Europe."

Future Prospects

This outstanding opportunity for promoting the products and cultural activities of Canada will not

end on December 31. The most successful Canadian products will continue to be sold long after the special Christmas promotion, not only at Le Printemps in Paris, but at its affiliated stores throughout France (Prisunic, FNAC, La Redoute and Conforama).

The Maple Leaf and other emblems of Canada will begin to travel to all parts of France. Many Canadian companies, apart from the 100 or so which took part this time, can now begin to take advantage of the interest in Canada in order to more fully penetrate the French market and establish lasting business relations.

Preliminary Results

By the end of the first week, sales, excluding tourism and restaurant receipts, had surpassed the quarter-million-dollar mark. That's four times greater than the earnings of any other promotion of its kind organized at Le Printemps.

For information on business opportunities in France, contact Marie-Anne Stamp, Western Europe Division, DFAIT, tel.: (613) 996-2362; fax: (613) 995-5772.



BUSINESS OPPORTUNITIES

Before entering into a contractual agreement with a company, readers are advised to verify the bonafides of the companies listed here.

CHINA (People's Republic) — Canadian joint venture partners/exporters are being sought to set up, in the city of Yangzhou, manufacturing facilities that include: CD and LP production lines, low-voltage circuit breaker production line, and machinery for industrial processing. Contact, in Canada: Jimmy Xu, Yangzhou (Canada) Foreign Trade Co., 460 Rielle, Suite 01, Verdun, Quebec H4G 2S7, Tel.: (514) 767-0718; Fax: (514) 767-3448; or, in China: Ms. Zong Wen, Yangzhou Foreign Trade Co., Tel.: 86-514-745-0127; Fax: 86-514-734-5668.

CYPRUS — A Canadian firm with offices in Cyprus can assist enterprises wanting to penetrate markets in the Middle East, the Commonwealth of Independent States and Africa. The firm can provide market analysis, legal advice, assistance in export financing (including offshore Lines of Credit), international taxation planning, assistance in establishing joint ventures, and the advantages of Cyprus as an international banking and business centre for Canadian exporters. Contact James Ross, Managing Director, Pavros & Company Limited, P.O. Box

2525, 11 Ellispondou Street, Dasoupolis, Nicosia, Cyprus, Tel.: 357 2 425238; Fax: 357 2 361891; E-mail: fhannashav@zenon.logos.hol.gr31.

MEXICO — Four supermarket chains seek a variety of consumer goods. They include: canola, or other, cooking oil (packed in 1-litre and 4-litre containers, for private label); cookies (especially Maria-type biscuits); canned peaches, other canned fruits (in 300 gram-400 gram and 850 gram cans, for private label); black beans (packed for retail); condensed milk (for private label); bottled water (for private label, competitively priced); and toilet/tissue paper products. Contact Fernando Rodriguez, Commercial Officer, Canadian Embassy, Mexico City, Tel.: (011-525) 724-7989; Fax: (011-525) 724-7982.

Contractors Invited to Prequalify for India Highway Project

The Government of India Ministry of Transport is extending an invitation for prequalification of contractors for its National Highway-5 Improvement Project which consists of four-laneing and strengthening the existing carriageway. The project is being financed under loan assistance from the Overseas Economic Co-operation Fund, Japan.

A complete set of prequalification documents, costing approximately US\$60 (non-refundable Demand Draft/Certified Cheque/Cashier's Cheque, payable to Pay and Accounts Officer, Ministry of Surface Transport, New Delhi) may be obtained from: Chief Engineer (PIC), Ministry of Surface Transport (Roads Wing), Parivahan Bhawan, 1, Sansad Marg, New Delhi 110 001, India, Fax: (91-11) 371-

0236; Tel.: (91-11)371-0358; Telex: 316-1157-1159 VAHN IN.

This application must clearly mention: *Request for Prequalification Document for the National Highway-5 Improvement Project under the loan assistance of Overseas Economic Co-operation Fund.*

The completed documents must be received at the above address before **1700 hours January 19, 1996** and be clearly marked: *Application for Prequalification of Contractors for the National Highway-5 Improvement Project under the loan assistance of Overseas Economic Co-operation Fund.*

Applicants will be advised of the results and only firms and joint ventures prequalified under this procedure will be invited to tender.

Helsinki Tender on Track

Invitations to tender on **12 new train cars** — budget maximum approximately Cdn\$80 million — for use on the extension of Helsinki's metro system are to be issued in January 1996. Contact City of Helsinki Transit Commission, 2. linja 7, 00530 Helsinki, Finland, Tel.: (011-358-0) 4721; Fax: (011-358-0) 472-2415. Attn: Mr. Aarne Halonen, Project Director, or Misters Matti Vesanen or Risto Pakkanen, Tel.: (011-358-0) 472-3731.

TRADE FAIRS AROUND THE WORLD

Canadians Can Make Clean Sweep at Show in Germany

Cologne, Germany — Canadian companies interested in exploring the European environmental market will find it worth their while to attend **Entsorga, the International Trade Fair for Recycling and Waste Disposal**, being held here March 19-23, 1996.

Participation in this event offers excellent business opportunities for direct sales, establishing foreign agents/distributors, or forming joint ventures with established business partners.

Prime space has been reserved for a Canadian Pavilion and the Department of Foreign Affairs and International Trade and the Canadian Embassy in Bonn will participate with an Information Booth, at which companies can display product literature.

The environmental technology market in Western Europe has been forecast to increase from about \$200 billion in 1993 to

almost \$390 billion by the year 2005. The German market has the largest share in this growth, increasing from \$62.5 billion to over \$110 billion in the same period.

Export opportunities for Canadian firms are in equipment and instruments for thermal waste treatment — incineration plants, pyrolysis, waste gas purification, slag and dust treatment; for other waste treatments, e.g. for dumping and composting — sorting belts, sifting machines, wind sifters, magnetic separators, filter presses, centrifuges, filter plates, filter cloths, mixing facilities, grinding facilities, briquetting and palletizing devices, detoxification facilities, and cracking units.

Other interesting fields with high export opportunities include laboratory, measurement and control techniques as well as data processing works and equipment.

For details on participating in

the Canadian Pavilion at **Entsorga**, contact Edel Wichmann, Canadian Representative, Cologne International Trade Shows, Canadian German Chamber of Industry and Commerce Inc., 480 University Avenue, Suite 1410, Toronto, M5G 1V2, Tel.: (416) 598-3343; Fax: (416) 598-1840.

For details on Information Booth participation, contact Jutta Zillgen-Schäfer, Technology Development Officer, Canadian Embassy, P.O.Box 120 240, D-53044 Bonn, Tel.: (011-49-228) 968-3365; Fax: (011-49-228) 968-3901.

Geosciences Exhibit Slated for Bahrain

Bahrain, Middle East — It doesn't take place until next year, but 30 per cent of the space allocated for Canadian participants to the **2nd Middle East Geosciences Exhibition and Conference (GEO 96)** already is committed!

Canadian exhibitors to the show, being held April 15-17, 1996, will benefit from an audience largely comprised of industry decision makers and Gulf professionals from what is one of the world's most active regions for oil and gas exploration.

Special provisions have been made for Canadian companies

planning to exhibit. These include: a combined group stand; preferential arrangements for travel and accommodation; a freight consolidation of exhibit material to the site; and on-site management and coordination.

As demand for space is strong, those companies wishing to exhibit should *apply immediately* to the show organizer's Canadian representative for a registration package, travel and accommodation details.

Contact UNILINK, 50 Weybright Court, Unit 41, Agincourt, Ontario M1S 5A8, Tel.: (416) 291-6359; Fax: (416) 291-0025.

Malaysia Hosts Defence Services Show

Kuala Lumpur, Malaysia — The **5th Defence Services Asia Exhibition and Conference (DSA'96)** being held here April 23-26, 1996, offers global manufacturers and service providers direct access to top-level defence and government security decision makers, buyers, defence scientists and procurement officers from throughout Southeast Asia.

Defence spending in the total Asia Pacific region is estimated at US\$90 billion a year, with an average growth rate of 3 per cent.

Contact Lori-Anne Larkin, UNILINK, 50 Weybright Court, Unit 41, Agincourt, Ontario M1S 5A8, Tel.: (416) 291-6359; Telex: 06-968027; Fax: (416) 291-0025.

TRADE FAIRS AROUND THE WORLD

Singapore Food, Beverage Show Ticket to Southeast Asia Market

Singapore — An April 16-19 event in which a number of Canadian companies customarily participate, **Food&HotelAsia96**, is an ideal venue at which to target a market estimated to be worth US\$60 billion by the year 2010.

This year, with the support of an Information Centre provided by the Canadian High Commission Singapore, Canadian companies again will exhibit as a group, coordinated by UNILINK, the show organizer's representative.

That the market is an important and growing one is borne out by statistics that indicate: the food and beverage industry in East and Southeast Asia is expected to triple by the year 2003, a compound yearly growth of 17 per cent; the markets in China, Thai-

land, the Philippines and Malaysia will experience growth of between 8 per cent and 25 per cent; and even the mature markets of Singapore and Hong Kong expect a growth of 2 per cent to 4 per cent.

Food&HotelAsia96 (The 10th Asian International Exhibition of Food & Drink, Hotel, Restaurant & Catering Equipment, Supplies and Services) affords participants the opportunity to meet 32,644 potential customers — the number of visitors that attended the last exhibition in 1994.

The exhibits run the gamut: *in food and drinks*, from seafood, meat and dairy products to health food, herbs, wines, spirits and beers; *in food and restaurant equipment*, from catering, bar and food services equipment to indus-

trial refrigeration equipment, ice and ice cream-making machines, and food processing and packaging equipment; and, *in hotel supplies and services*, from house-keeping products, lighting, furniture and furnishings to cleaning and maintenance services, bathroom supplies and consultancy and management services.

Being held concurrently with **Food&HotelAsia96** are the **Food&HotelAsia96 International Conference, Salon Culinare and PropakAsia96**.

For further information, contact the show organizer's Canadian representative, UNILINK, 50 Weybright Court, Unit 41, Agincourt, Ontario M1S 5A8, Tel.: (416) 291-6359; Telex: 06-968027; Fax: (416) 291-0025.

PUBLICATIONS

Power in Bangladesh

Bangladesh Power Sector Opportunities, profiles the power market, current and future projects, project funding, government policies, and prospects for Canadian companies. Included also are contact lists of government agencies, trade organizations, local agents and manufacturers. Copies are available from Canadian High Commission, Dha-

ka; Fax: (011-88-02) 883043.

Seafood Sourcing Guide

A new Canadian sourcing guide lists 495 fish, shellfish and seafood exporters, and 17 fisheries-related associations and allows importers of Canadian fish and seafood products to contact suppliers directly. An index identifies species/product forms. Produced by the Agri-Food, Fisheries and

Resources Division of DFAIT, the guide also is available on bilingual diskette (3.5-inch format), in both DOS and Windows, allowing users to search the database using key words. Quoting appropriate code numbers, copies of the guide (code 135TA) or the diskette (code 135TB) are available through DFAIT's InfoCentre, tel.: 1-800-267-8376 (Ottawa area 944-4000); Fax: (613) 996-9709.

INFOCENTRE

DFAIT's InfoCentre provides counselling, publications and referral services to Canadian exporters. Trade related information can be obtained by contacting the InfoCentre at 1-800-267-8376 (Ottawa region: 944-4000) or by fax at (613) 996-9709; by calling the InfoCentre FaxLink (from a fax machine) at (613) 944-4500; by calling the InfoCentre Bulletin Board at 1-800-628-1581 via a computer modem; and by visiting the InfoCentre Internet World Wide Web site at <http://www.dfait-maeci.gc.ca> using the Gopher menu.

Return requested
if undeliverable:
CANADEXPORT (BCT)
125 Sussex Drive
Ottawa, Ont.
K1A 0G2 7932



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