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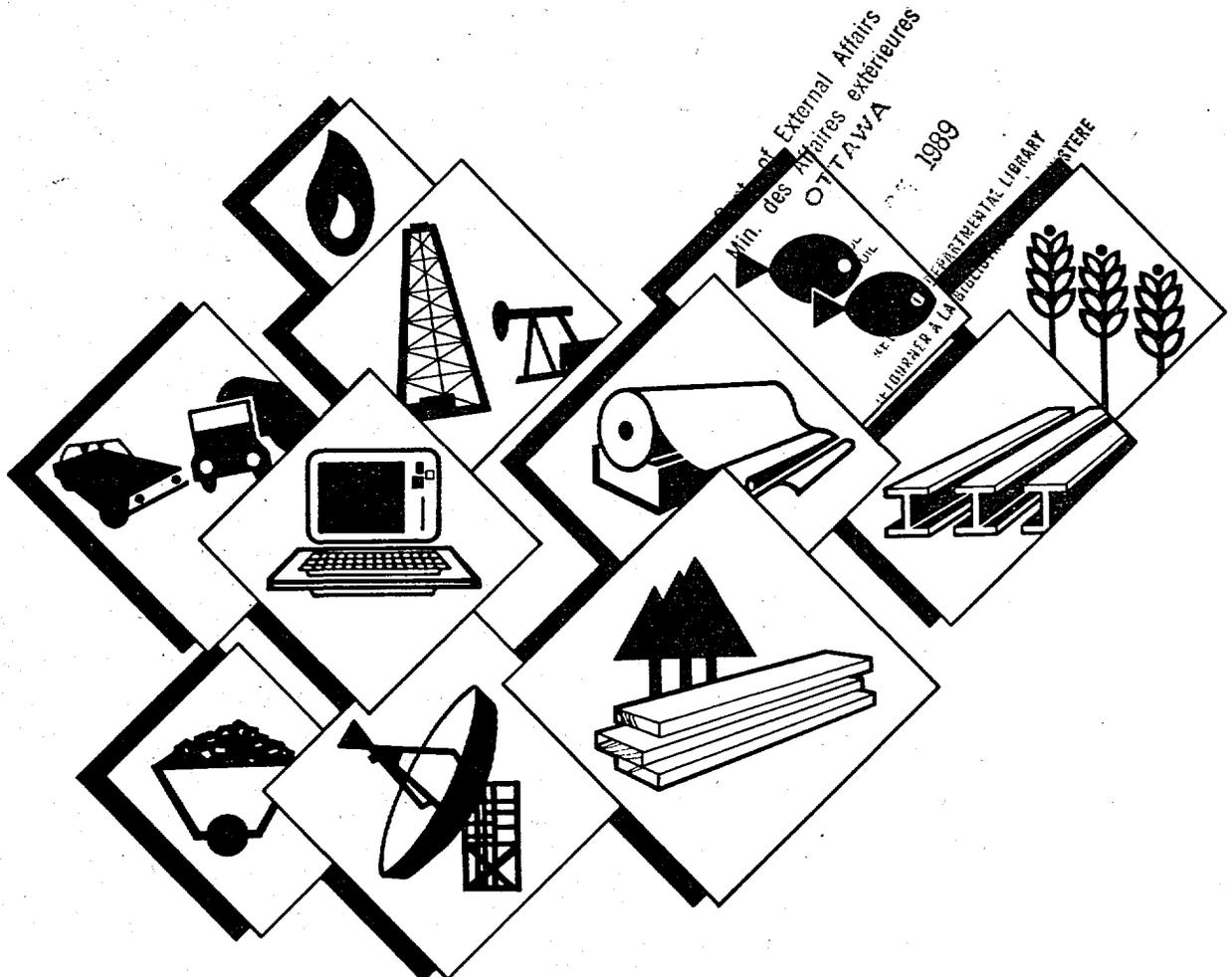
Affaires extérieures
Canada

GEOGRAPHICAL SYNOPSIS

EASTERN EUROPE

NON - CIRCULATING /
CONSULTER SUR PLACE

1989-90 EXPORT AND INVESTMENT PROMOTION OPERATIONAL PLAN



JUNE 1989

**GEOGRAPHIC SYNOPSIS OF
EXPORT PROMOTION PROGRAM PLANS
OF CANADIAN MISSIONS ABROAD
FY 1989/90**

FOREWORD

This report contains a summary of the highlights of the proposed work plans of the export and investment promotion program of Canadian diplomatic missions in Eastern Europe for fiscal year 1989/90 commencing April 1, 1989.

The format of this synopsis is designed to provide Canadians involved in the process of export and investment promotion the means to identify quickly the key components of the trade program of External Affairs missions and access conveniently those features of the plans which are pertinent to their specific interests.

This synopsis is organized alphabetically by mission and is available for each of seven geographic regions. A similar geographic synopsis is also available for the following geographic regions:

- Latin America and Caribbean
- Asia and Pacific
- Western Europe
- United States
- Africa
- Middle East

The synopsis provides a trade and economic overview of each country in the region in which market prospects exist for Canadian exporters, a listing of sectorial priorities for each market, profiles of important or interesting sectors as well as approved promotional projects in support of specific program activities.

The emphasis in the synopsis has been placed on providing factual information in as brief a format as possible with minimal narrative.

The computerized planning system from which this report was produced was developed by the Department of External Affairs to facilitate the assembly of vast amounts of detailed information on world markets from some 100 missions abroad. It is programmed to make this information available to the private sector, the Provinces and other departments of government in a format which would enable specific data on sectors or geographic regions to be accessed conveniently.

In their Conference on the Economy held in Regina in 1985, First Ministers noted the major contribution made by the export sector to Canada's national income expressed concern at the decline of Canada's share of world exports. To meet this challenge, First Ministers endorsed the need to generate widespread support for a new trade strategy for Canada which would embody three principal elements:

- a) to increase Canadian competitiveness;
- b) to maintain and increase access to foreign markets;
and
- c) to achieve more effective international marketing.

It was recognized that these objectives can be met but only if a full and effective partnership of the federal and provincial governments, the private sector and labour can be achieved to ensure a more focussed and consistent approach to international marketing. Appropriate means of assembling and organizing information to suit specific needs is a foundation of the process of consultation from which consensus would be reached. To this end the current computerized planning system was conceived.

In addition to the geographic perspective of this report, information from the data bank is available in a variety of configurations, the most important of which are synopses of 16 sectors and a variety of market reports. Information from these reports can be obtained on request from the geographic or sectoral bureaux of the Department of External Affairs

The purpose of this synopsis is to provide those engaged in the process of promoting exports from Canada the means to obtain condensed market data and information on export opportunities. It does not attempt to cover all aspects of foreign markets and by design avoids minutiae and detail. It is intended to highlight what, in the opinion of Canadian Trade Commissioners abroad, is important in their respective territories and what tactics they envisage would be most appropriate to exploit the market. Where markets or sectors in these synopses stimulate interest on the part of exporters, they are invited to seek out more detailed information and further background direct from the post, the geographic and sectoral bureaux of the Department of External Affairs or the International Trade Centres located within the provincial offices of Industry, Science and Technology Canada (formerly DRIE) throughout Canada.

A last word on statistics. The statistical information contained in this synopsis is to be considered as an attempt on the part of the Trade Commissioners abroad to estimate the order or magnitude of market size, market shares, and possible export potential. Users of this synopsis are cautioned that these figures are in many cases best guesses based on discussions with trade sources. In many markets reliable published statistics are simply not available. However, in an attempt to provide exporters with notional ideas of market size, Trade Commissioners have been asked to do their best to give their considered impressions wherever possible. Therefore it is not intended that the statistical information should be used for purposes other than general guidance.

DEPARTMENT OF EXTERNAL AFFAIRS
Export and Investment Promotion Planning System
1989/90 Geographic Synopsis

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RPTR1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: BELGRADE

Country: ALBANIA

CANADA AND ALBANIA ESTABLISHED DIPLOMATIC RELATIONS IN SEPTEMBER OF 1987 SINCE THEN. CANADIAN BUSINESSMEN AND EMBASSY STAFF HAVE TAKEN THE FIRST FEW TRIPS TO THIS PREVIOUSLY-CLOSED COUNTRY TO EVALUATE BUSINESS OPPORTUNITIES.

ALBANIA IS FIRMLY COMMITTED TO ITS POLICY OF "SELF-RELIANT, MUTUAL BALANCING OF TRADE"; THIS MEANS THAT THE COUNTRY'S STATE TRADING ORGANIZATIONS WILL NOT UNDERTAKE ANY MAJOR IMPORT BEFORE AN EXPORT OF SIMILAR VALUE HAS BEEN IDENTIFIED. THE CORRESPONDING ALBANIAN EXPORT NEED NOT BE DESTINED FOR CANADA: THE MATCH CAN BE MADE WITH DIFFERENT FOREIGN TRADE ORGANIZATIONS IN COMPLETELY DIFFERENT MERCHANDISE, TO CANADA OR A THIRD COUNTRY. THE IMPORTER IS REQUIRED TO PAY CASH, AND THE EXPORTER WILL THEN RECEIVE CASH: THIS IS THEIR INSTITUTIONALIZED WAY OF ENSURING BALANCED TRADE.

ALBANIA HAS REQUIREMENTS FOR EQUIPMENT AND SERVICES TO MODERNIZE THEIR HARD-CURRENCY-EARNING INDUSTRIES, SUCH AS CHROME AND COPPER MINING, FERROCHROME PRODUCTION, PROCESSING OF DOLOMITE, ETC. THE COUNTRY IS ALSO IN NEED OF A WIDE VARIETY OF CONSUMER GOODS. CANADIAN EXPORTS ARE LIMITED ONLY BY OUR COLLECTIVE ABILITY TO LOCATE PURCHASES OF ALBANIA'S MINERALS, HANDCRAFTS, AGRICULTURAL PRODUCE, HAND TOOLS, ETC. THE ONUS WILL CONTINUE TO BE ON THE INTERESTED EXPORTER TO FIND INTERNATIONAL MARKETS FOR ALBANIAN GOODS.

CANADIAN EXPORTS TO ALBANIA HAVE ALWAYS BEEN RATHER MODEST, BUT THEY HAVE, IN FACT, GROWN EXPONENTIALLY OVER THE LAST FEW YEARS (FROM \$112,669 IN 1985 TO \$1.3 MILLION IN 1988). IN THE COMING YEAR, WE WOULD HOPE TO SEE A MORE INSTITUTIONALIZED TRADING ARRANGEMENT NEGOTIATED WITH ALBANIA, WHICH COULD OPEN THE DOORS FOR INCREASED CANADIAN SALES PROSPECTS.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: BELGRADE

Country: BULGARIA

THE BULGARIAN ECONOMY HAS CONTINUED TO GROW AT ABOUT 5% ANNUALLY IN 1986 AND 1987. PLANNED GROWTH FOR 1988 IS AN AMBITIOUS 6.1%. MANY INDUSTRIES REMAIN INEFFICIENT AND OUTDATED (METALLURGY, AGRICULTURE, EVEN TOURISM), BUT THE ECONOMIC 1987 LAWS, WHICH REORGANIZED THE MANAGEMENT STRUCTURE OF ENTERPRISES--GIVING MORE CONTROL OF DECISION-MAKING TO COMPANY MANAGERS--ARE SLOWLY BEGINNING TO SHOW VISIBLE SIGNS OF ECONOMIC IMPROVEMENT. COMPANIES NOW HAVE ACCESS TO PORTIONS OF THEIR OWN EARNINGS OR TO FINANCING FROM NEW "COMMERCIAL" BANKS FOR THEIR INVESTMENT/MODERNIZATION PLANS. THE SOVIET MODEL OF "PERESTROIKA" IS SLOWLY BEING APPLIED, PERHAPS WITH MORE RELUCTANCE THAN IN THE USSR, BUT WITH SOME MODEST REFORMS NONETHELESS. SUBSTANTIAL INVESTMENT HAS BEEN MADE IN THE HIGH TECHNOLOGY SECTORS, ESPECIALLY ELECTRONICS AND SUBCOMPONENTS. (THIS IS ONE OF BULGARIA'S PRINCIPAL AREAS OF SPECIALIZATION WITH THE COMECON.) ABOUT 75-80% OF BULGARIA'S TRADE IS CONDUCTED WITH OTHER SOCIALIST COUNTRIES, PRIMARILY THE USSR. WEST GERMANY MAKES UP ABOUT HALF OF BULGARIA'S TRADE WITH THE WEST. IN 1987 BULGARIA'S TRADE DEFICIT WITH NON-SOCIALIST COUNTRIES AMOUNTED TO ABOUT \$1.6 BILLION; DESPITE THIS DEFICIT, BULGARIA'S DEMAND FOR IMPORTED WESTERN INDUSTRIAL GOODS REMAINS STRONG. THUS, THE COUNTRY'S HARD CURRENCY DEFICIT HAS MUSHROOMED FROM A RELATIVELY MODEST \$2.3 BILLION IN 1987 TO NOW OVER \$6 BILLION BY THE END OF 1987. TO DATE, BULGARIA HAS GENERALLY BEEN CONSIDERED A CREDIT-WORTHY COUNTRY, BUT THIS SITUATION IS GRADUALLY WORSENING AND WILL REQUIRE FUTURE MONITORING. CANADIAN TRADE WITH BULGARIA HAS BEEN RATHER MODEST: IN 1987 WE EXPORTED SOME \$35.8 MILLION AND IMPORTED \$9.6 MILLION. 80% OF CANADA'S EXPORTS TO BULGARIA IN 1987 CONSISTED OF WHEAT AND OTHER FEED GRAINS, DUE TO AN UNFAVOURABLE LOCAL HARVEST IN THAT YEAR. BESIDES GRAIN, CANADIAN EXPORTS HAVE TENDED TO BE RAW MATERIALS AND SEMI-PROCESSED GOODS: IN 1988, 85% OF OUR TOTAL EXPORTS OF \$25.7 MILLION CONSISTED OF ZINC ORES AND CONCENTRATES. IN 1988, THERE WERE NO GRAINS SALES, BUT THERE IS REASON TO BELIEVE THAT THE AUTUMN HARVESTS HAVE BEEN MUCH BELOW THE PREDICTED BUMPER CROP AND THAT THE BULGARIANS MAY ONCE AGAIN GO TO THE INTERNATIONAL MARKET FOR GRAINS IN EARLY 1989. IN THE COMING YEAR, CANADIAN COMPANIES CAN REASONABLY EXPECT SALES OF (A) MEAT PROCESSING EQUIPMENT--ONE DEAL WORTH MORE THAN \$30 MILLION HAS BEEN SIGNED IN LATE 1988, MAKING IT THE LARGEST CANADIAN EXPORT CONTRACT WITH BULGARIA; (B) PULP MILL/PULP PROCESSING EQUIPMENT--ONE COMPANY IS PURSUING A \$200 MILLION TURNKEY PROJECT; (C) RECYCLING EQUIPMENT--BETWEEN \$1 AND \$3 MILLION; (D) OIL AND GAS EQUIPMENT--OVER \$10 MILLION. TO A BULGARIAN FIRM CONTRACTED TO WORK IN THE MIDDLE EAST. IF THESE AND/OR OTHER SMALLER CONTRACTS ARE WON BY CANADIAN COMPANIES IN 1989-90, IT WILL MEAN THAT CANADIAN PROMOTIONAL ACTIVITIES ARE BEGINNING TO PAY OFF, AND THAT CANADA IS BECOMING ACCEPTED AS A SUPPLIER OF HIGHER TECHNOLOGY INDUSTRIAL GOODS AND SERVICES.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: BELGRADE

Country: YUGOSLAVIA

YUGOSLAVIA'S ECONOMIC PERFORMANCE IN 1988 WAS MIXED AT BEST. INDUSTRIAL PRODUCTION WAS DOWN 0.7% OVER 1987. EXPORTS, HOWEVER, ENJOYED A HEALTHY 10% INCREASE WHILE IMPORTS INCREASED BY 3.6%. INFLATION CONTINUED AT A BREAKNECK PACE, AMOUNTING TO 251% FOR 1988. UNEMPLOYMENT WAS ALSO HIGH AT 15%. THE COUNTRY'S FOREIGN DEBT SHOWED NO SIGNS OF IMPROVEMENT, INCREASING TO \$19 BILLION DURING THE YEAR. AS OF JANUARY 1, 1989, ANY YUGOSLAV COMPANY WHICH EARNS HARD CURRENCY HAS THE FREEDOM TO SPEND IT AS IT SEES FIT WITHOUT THE CUSTOMARY APPROVAL FROM THE NATIONAL BANK. THIS OPENS-UP OPPORTUNITIES FOR CANADIAN EXPORTERS WHO WILL NOW FACE MORE YUGOSLAV BUYERS WITH THE CAPABILITY OF PAYING FOR THEIR OWN CAPITAL INVESTMENT PROJECTS. HOWEVER, AS IN THE RECENT PAST, COUNTER-TRADE, JOINT VENTURES, INDUSTRIAL CO-OPERATION AND TECHNOLOGY TRANSFERS WILL STILL BE THE WATCHWORDS THAT WILL ATTRACT YUGOSLAV ATTENTION. SEVERAL CANADIAN FIRMS WHO HAVE EXHIBITED FLEXIBILITY HAVE SUCCEEDED IN THE LAST TWO YEARS IN PENETRATING THE YUGOSLAV MARKET. SOME KEY EXAMPLES ARE IN THE FIELD OF POWER GENERATING EQUIPMENT (\$100M JOINT VENTURE BETWEEN COMBUSTION ENGINEERING AND MTNF), TELECOMMUNICATIONS (\$30M CO-OPERATION AGREEMENT BETWEEN SR TELECOM AND MAKPETROL) AND IN OIL AND GAS EQUIPMENT. ADVANCED DISCUSSIONS ARE CURRENTLY UNDERWAY FOR THE SALE OF FIRE-FIGHTING AIRCRAFT, TELECOMMUNICATION AND SPACE COMMUNICATIONS. OTHER AREAS OF OPPORTUNITY EXIST IN THE CATTLE BREEDING AND GENETIC MATERIAL SECTOR, OIL AND GAS POWER GENERATING EQUIPMENT, TRANSPORTATION, FORESTRY EQUIPMENT, MINING EQUIPMENT, AND COMMODITIES SUCH AS IRON ORE, COKING COAL, ASBESTOS, WOOD PULP, WHEAT AND OIL SEEDS. ONE AREA THAT HAS BEEN OVERLOOKED BY CANADIAN FIRM IN THE ENGINEERING/CONSULTING FIELD IS THIRD COUNTRY PROJECTS. YUGOSLAV TURNKEY SKILLED LABOUR AND ENGINEERING EXPERTISE. THE POST WILL UNDERTAKE A STUDY OF OPPORTUNITIES IN THIS SECTOR IN THE COMING YEAR AND IN INTERIM, ENCOURAGES INTERESTED FIRMS TO CONTACT THE EMBASSY. IN SUMMARY, BUSINESS CONDITIONS WILL CONTINUE TO BE DIFFICULT IN YUGOSLAVIA FOR THE FORESEEABLE FUTURE, BUT THE CONSTRAINTS ARE NOT INSURMOUNTABLE FOR FIRMS WHO ARE WILLING AND ABLE TO BE FLEXIBLE AND TAKE THE LONG VIEW.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: RELGRADE

Country: BULGARIA

The Mission selected the following sectors as priority areas for export promotion activities for the coming fiscal year for the stated reason:

1. FOREST PRODUCTS, EQUIP. SERVICES

CANADIAN PULP AND PAPER TECHNOLOGY IS WELL KNOWN IN OTHER E. EUROPEAN COUNTRIES. WHERE BULGARIAN OFFICIALS HAVE BEEN ABLE TO SEE TURKEY PLANTS IN PERFECT WORKING ORDER. BULGARIA HAS EXTREME SHORTAGE OF ALL QUALITIES OF PAPER PRODUCTS.

2. OTHER SERVICES

BULGARIANS CONTRACT 5-6 MAJOR RECYCLING PROJECTS ANNUALLY. USUALLY WON BY EUROPEANS OR JAPANESE. STRENGTH OF THOSE CURRENCIES VS. U.S. \$ HAS TEMPTED THEM TO LOOK AT NORTH AMERICAN TECHNOLOGY. CANADIAN COMPANY HAS PRESENTED TWO BIDS OF INTEREST TO BULGARIANS FOR EQUIVALENT TECHNOLOGY PLUS COMPETITIVE PRICES.

3. AGRI & FOOD PRODUCTS & SERVICE

TWO CANADIAN COMPANIES HAVE RECENTLY BEEN SUCCESSFUL (MEAT PROCESSING, TOBACCO) IN THIS SECTOR. PAVING WAY FOR ACCEPTANCE OF OTHERS IN MKT. FOOD PROCESSING ACCOUNTS FOR 24.4% BULGARIAN INDUSTRIAL OUTPUT (PLUS SIGNIFICANT EXPORTS). AND IS TARGETED FOR EXPANSION.

4. GRAINS AND OILSEEDS

BULGARIA HAS SUFFERED THREE CONSECUTIVE BAD GRAIN HARVESTS. DUE TO ADVERSE CLIMATIC CONDITIONS. THE BULGARIANS HAD TO GO TO THE INTL MARKET TO MAKE UP SHORTFALLS. CANADIAN SALES OF \$43.7 MILLION (1986) AND \$23.3 MILLION (1987) MAY BE FOLLOWED BY ADDITIONAL EXPORTS IN 1989 ESP. SINCE OUR COMP. ON SPOT MKT. USA, HAD EXTREMELY BAD HARVEST-1988

The most important current Canadian export sectors to this market are (based on actual export sales):

1. GRAINS AND OILSEEDS
2. FOREST PRODUCTS, EQUIP. SERVICES
3. AGRI & FOOD PRODUCTS & SERVICE

4. MINING, METAL, MINERAL PROD & SRV

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: BELGRADE

Country: YUGOSLAVIA

The Mission selected the following sectors as priority areas for export promotion activities for the coming fiscal year for the stated reason:

1. OIL & GAS EQUIPMENT, SERVICES

CANADIAN FIRMS HAVE ALREADY BEEN SUCCESSFUL IN THE FIRST PHASE OF THE FIRST YUGOSLAV PETROLEUM PROJECT FINANCED BY THE WB. THE SECOND PHASE OF THE PROJECT, AS WELL AS ONGOING REQUIREMENTS OF YUGO OIL AND GAS COMPANIES, OFFER SUBSTANTIAL OPPORTUNITIES.

2. TRANSPORT SYS. EQUIP. COMP. SERV.

YUGOSLAVIA HAS A REQUIREMENT FOR 4 CL-215 WATERBOMBERS. DISCUSSIONS ARE WELL ADVANCED AND SERIOUS NEGOTIATIONS WITH CANADAIR SHOULD COMMENCE SHORTLY. IMPROVEMENTS TO RAIL SYSTEMS, INCLUDING SIGNALLING EQUIPMENT & SPARE LOCOMOTIVE PARTS REPRESENT IMPORTANT OPPORTUNITIES FOR CANADA.

3. AGRI & FOOD PRODUCTS & SERVICE

OPPORTUNITIES EXIST IN WHEAT, OILSEEDS, POULTRY AND CATTLE BREEDING STOCK TO UPGRADE DOMESTIC OUTPUT TO MEET INCREASING DEMAND.

4. MINE, METAL, MINERAL PROD & SRV

YUGOSLAVIA IS AN IMPORTER OF COKING COAL, IRON ORE AND ASBESTOS. OPPORTUNITIES FOR COKING COAL ARE INCREASING. COMPETITION IS STRONG IN THE IRON ORE MARKET AND THE ASBESTOS MARKET IS DECREASING. PROJECTS SUCH AS RTB/BOR COPPER SMELTING PROJECT COULD WELL BE AWARDED TO CANADA. (LETTER OF INTENT SENT TO LAVALIN/FENCO IN LATTER CASE).

5. CONSTRUCTION INDUSTRY

YUGOSLAVIA IS ACHIEVING SIGNIFICANT SUCCESS IN THIRD COUNTRY TURNKEY PROJECTS. CANADIAN FIRMS COULD BE SUITABLE SUBCONTRACTORS FOR MANY OF THESE PROJECTS IN COLLABORATION WITH MAJOR YUGOSLAV FIRMS (E.G. INGRA AND RADE KONCARI).

6. FOREST PRODUCTS, EQUIP. SERVICES

FORESTRY ACCOUNTS FOR 4.7% OF YUGOSLAVIA'S GNP AND 9% OF THE VOLUME OF IT EXPORTS. ONGOING REQUIREMENT FOR FORESTRY EQUIPMENT. NEGOTIATIONS ARE IN THEIR FINAL PHASE WITH THE WB FOR A MAJOR FORESTRY IMPROVEMENT PROGRAM.

The most important current Canadian export sectors to this market are (based on actual export sales):

1. MINE, METAL, MINERAL PROD & SRV
2. FOREST PRODUCTS, EQUIP. SERVICES
3. TRANSPORT SYS. EQUIP. COMP. SERV.

4. CONSTRUCTION INDUSTRY
5. INDUSTRIAL MACHIN. PLANTS. SERV.
6. OIL & GAS EQUIPMENT, SERVICES

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM
89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: BULGARIA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: FOOD HANDLING, PROCESSING EQUIP

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	50.00 \$M	60.00 \$M	60.00 \$M	40.00 \$M
Canadian Exports	2.60 \$M	0.50 \$M	20.00 \$M	2.00 \$M
Canadian Share of Market	5.00 %	0.80 %	33.00 %	5.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 15-30 \$M

Major Competing Countries

Market Share

FAST GERMANY	27.00 %
SWEDEN	20.00 %
AUSTRIA	8.00 %
GERMANY WEST	20.00 %
POLAND	15.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. MEAT PROCESSING
2. TOBACCO PROCESSING
3. FOOD STERILIZATION

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PFMD support
- Fairs and Missions support
- Trade Fair activity
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing

Factors for Canadian exports not reaching market potential:

- Market prospects have not been adequately explored

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: BULGARIA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: ASSISTANCE TO RODOPA MEAT INDUSTRY DELEGATION VISITING CDA
Expected Results: NEGOTIATION OF CONTRACT BY KNUD SIMONSEN INDUSTRIES FOR MEAT PROCESSING EQUIPMENT.

Activity: CONTINUATION OF OUR CONTACTS WITH THE FOOD PROCESSING INDUSTRY
Expected Results: BETTER INFORMATION ON THEIR INTERESTS AND PURCHASING POTENTIAL

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: PRESENTATION ON GAMMA IRRADIATION FOR FOOD STERILIZATION
Expected Results: OVERCOME MYTHS OF RADIOACTIVE CONTAMINATION OF FOODSTUFFS

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: BULGARIA

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

IRRADIATION EQUIPMENT

Approximate Value: 2 M\$
Financing Source : EDC - Export Dev Corporation
Contact : S. HRADECKY, SECOND SECRETARY
CDN EMBASSY, BELGRADE TLX11137

MEAT PROCESSING EQUIPMENT

Approximate Value: 30 M\$
Financing Source : EDC - Export Dev Corporation
Contact : S. HRADECKY, SECOND SECRETARY
CDN EMBASSY, BELGRADE TLX11137

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: BULGARIA

Sector : GRAINS AND OILSEEDS

Sub-Sector: CEREAL GRAINS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	300.00 \$M	200.00 \$M	100.00 \$M	100.00 \$M
Canadian Exports	43.00 \$M	30.00 \$M	15.00 \$M	15.00 \$M
Canadian Share of Market	14.00 %	15.00 %	15.00 %	15.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 60-100 \$M

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	50.00 %
EUROPEAN COMMON MARKET C	35.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. WHEAT
2. BARLEY

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- STRINGENT PHYTOSANITARY REQUIREMENT
- USA GRAIN EXPORT SUBSIDY PROGRAM

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: BULGARIA

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: HAVE BULGARIAN EXPERTS CONTINUE TO ATTEND CIGI COURSE-WHEAT
Expected Results: WOULD INCREASE PROFILE OF CON WHEAT AND INTRODUCE CANOLA AS
ALTERNATIVE OILSEED.

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: BULGARIA

Sector : FOREST PRODUCTS,FOOTP.SERVICES

Sub-Sector: EQUIPMENT AND MACHINERY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	20.00 \$M	40.00 \$M	20.00 \$M	60.00 \$M
Canadian Exports	0.00 \$M	0.30 \$M	0.00 \$M	40.00 \$M
Canadian Share of Market	0.00 %	0.70 %	0.00 %	67.00 %

Cumulative 3 year export potential for
 CDN products in this sector/subsector: 100+ \$M

Major Competing Countries Market Share

UNION OF SOVIET SOC REP	80.00 %
AUSTRIA	15.00 %
GERMANY WEST	5.00 %

Current Status of Canadian
 exports in this sector/subsector: No export results to date

Products/services for which there are good market prospects:

1. TURNKEY BLEACHED PULP MILL

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Market prospects have not been adequately explored

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: BULGARIA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: ASSISTANCE TO CDN CO. DURING ROUND OF TECH. NEGOTIATIONS
Expected Results: COMPLETE TECHNICAL DISCUSSIONS PAVING WAY FOR FINANCIAL ARRANGEMENTS.

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

BLEACHED PULP MILL

Approximate Value: 250 M\$
Financing Source : EDC - Export Dev Corporation
Contact : CDN EMBASSY, KNFZA MILOSA. 75
11000 BELGRADE, TEL:11137

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: BULGARIA

Sector : INDUSTRIAL MACHIN. PLANTS. SERV.

Sub-Sector: SERVICES INCLUDING CONSULTING

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	15.00 \$M	20.00 \$M	20.00 \$M	25.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.80 \$M	2.00 \$M
Canadian Share of Market	0.00 %	0.00 %	4.00 %	8.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 3-5 \$M

Major Competing Countries

Market Share

JAPAN	40.00 %
GERMANY WEST	30.00 %
ENGLAND	20.00 %
ITALY	10.00 %

Current Status of Canadian

exports in this sector/subsector: No export results to date

Products/services for which there are good market prospects:

1. METAL SHREDDERS
2. PYROLYSIS OF RUBBER
3. MOBILE SHREDDERS

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Fairs and Missions support
- Competitive pricing

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Market prospects have not been adequately explored

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DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: BULGARIA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: VISIT OF DELEGATION FROM RECYCLED RESOURCES CORP TO CDA
Expected Results: NEGOTIATION OF COMMERCIAL CONTRACTS WITH VALUE UP TO \$4 M.

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: FOLLOW-UP RECYCLES RESOURCES VISITS EXAMINE MKT PROSPECTS
Expected Results: EXPAND MARKET TO INCLUDE OTHER CDN COMPANIES

Activity: SUPPORT PFMD FOR SHRED-TECH TO MAKE VISITS TO TERRITORY
Expected Results: SALES OF ADDITIONAL SHREDDERS AND PERHAPS RUBBER RECYCLING TECHNOLOGY

Activity: TRANSFER TECH-HAZARDOUS WASTE DISPOSAL & ENVIRONMENTAL CONTR
Expected Results: DOWNSTREAM SALES AS BULGARIANS BECOME MORE CONSCIOUS OF ENVIRONMENTAL PROTECTION

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: BULGARIA

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

ALUMINUM SHREDDERS

Approximate Value: 1 MS
Financing Source : OTHER
Contact : S. HRADCKY, SECOND SECRETARY
CDN EMBASSY, BELGRADE TXL11137

MOBILE UNIT FOR CUTTING LARGE
SIZE METAL SCRAP

Approximate Value: 1 MS
Financing Source : OTHER
Contact : S. HRADCKY, SECOND SECRETARY
CDN EMBASSY, BELGRADE TLX11137

PLANT FOR RECYCLING OF RUBBER
TYRES

Approximate Value: 2 MS
Financing Source : OTHER
Contact : S. HRADCKY, SECOND SECRETARY
CDN EMBASSY, BELGRADE TLX11137

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: BULGARIA

Sector : INDUSTRIAL MACHIN. PLANTS, SERV.

Sub-Sector: OTHER EQUIP. MACH NOT ELS SPE

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	5.00 \$M	12.00 \$M	30.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	2.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	7.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 30-60 \$M

Major Competing Countries Market Share

UNION OF SOVIET SOC REP	50.00 %
GERMANY WEST	30.00 %
SWEDEN	20.00 %

Current Status of Canadian
exports in this sector/subsector: No export results to date

Products/services for which there are good market prospects:

1. ENGINEERING FOR STEEL MILL
2. CONTROL TECHNOLOGY
3. STEEL MILL AUTOMATION

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PFMD support
- Strong sectoral capability in Canada
- Competitive Canadian financing

Factors for Canadian exports not reaching market potential:

- Market prospects have not been adequately explored

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: BULGARIA

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

KREMIKOVTSI STEEL MILL
RENOVATION

Approximate Value: 60 M\$
Financing Source : OTHER
Contact : S. HRADCKY, SECOND SECRETARY
CDN EMBASSY, BELGRADE TIX11137

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: REGRADE

Market: YUGOSLAVIA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ANIMAL/POULTRY BREEDING STOCK

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	3.20 \$M	3.50 \$M	4.40 \$M	15.00 \$M
Canadian Exports	0.09 \$M	0.08 \$M	0.13 \$M	2.00 \$M
Canadian Share of Market	2.80 %	2.30 %	3.00 %	13.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 0-1 \$M

Major Competing Countries	Market Share
GERMANY WEST	20.00 %
NETHERLANDS	10.00 %
FRANCE	20.00 %
ITALY	5.00 %
UNITED STATES OF AMERICA	40.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. CATTLE BREEDING STOCK - (EMBRYO AND SEMEN)
2. TURKEY BREEDING STOCK

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Competitive pricing
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: YUGOSLAVIA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: DAIRY MISSION TO CANADA IN NOV. 88.
Expected Results: NEGOTIATIONS ON FUTURE PURCHASES OF LIVE ANIMAL BREEDING STOCK (LIVESTOCK, EMBRYOS AND SEMEN)

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: VISIT THE MAJOR AGRI. COMBINATS & ACQUAINT THEM WITH CDA
Expected Results: PURCHASES OF CATTLE BREEDING STOCK AND GENETIC MATERIAL FROM CANADA

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

Activity: VISIT TO NEXT YEAR'S AGRIBITION BY A SELECTED GROUP OF REPS
Expected Results: BROADEN POSSIBILITIES FOR CAN BREEDING STOCK FROM DAIRY TO BEEF CATTLE AS WELL

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: YUGOSLAVIA

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

DAIRY MODERNIZATION AND	Approximate Value:	0 M\$
UPGRADING PROG. IN MONTENEGRO	Financing Source :	IDA - World Bank
	Contact :	D. CERAMILAC, COMMERCIAL OFFICER, CDN EMBASSY, BELGRADE

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: YUGOSLAVIA

Sector : GRAINS AND OILSEEDS

Sub-Sector: CEREAL GRAINS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	65.00 \$M	86.00 \$M	30.00 \$M	30.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.50 \$M	1.00 \$M
Canadian Share of Market	0.00 %	0.00 %	1.60 %	3.30 %

Cumulative 3 year export potential for
CDM products in this sector/subsector: 15-30 \$M

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	95.00 %
BULGARIA	1.00 %
HUNGARY	1.00 %
AUSTRIA	2.00 %

Current Status of Canadian

exports in this sector/subsector: No export results to date

Products/services for which there are good market prospects:

1. WHEAT (SPOT SALES)

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Restrictive quotas
- Non-competitive pricing
- Lack of promotion and advertising
- Non-competitive financing
- Limited appreciation/understanding of distribution system

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RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: YUGOSLAVIA

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: MAINTAIN CONTACT WITH YUGO WHEAT IMPORTERS, WATCH OPPORTUN.
Expected Results: MORE ACTIVE MARKETING EFFORTS BY THE CWR AND EVENTUAL SALE OF CDN WHEAT.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: YUGOSLAVIA

Sector : GRAINS AND OILSEEDS

Sub-Sector: OILSEEDS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	95.00 \$M	90.00 \$M	100.00 \$M	100.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	1.00 \$M	2.00 \$M
Canadian Share of Market	0.00 %	0.00 %	1.00 %	2.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 15-30 \$M

Major Competing Countries Market Share

UNITED STATES OF AMERICA	93.00 %
ARGENTINA	0.00 %
GERMANY WEST	0.00 %
ITALY	0.00 %
HUNGARY	6.00 %

Current Status of Canadian
exports in this sector/subsector: No export results to date

Products/services for which there are good market prospects:

1. SOYBEAN SEEDS
2. MEAL AND CAKE
3. OIL

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Limited Canadian capabilities
- Market prospects have not been adequately explored

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: YUGOSLAVIA

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: CALLS ON MAJOR YUGO IMPORTERS—MAINTAIN AWARENESS OF CDN SUP.
 Expected Results: EARLY NOTIFICATION OF TENDERS. RESPONSE TO TENDERS BY CDN PRODUCERS

Activity: MISSION OF YUGO CANOLA/OILSEED/SOYBEANS EXPERTS TO CDA
 Expected Results: VISIT OF MARKETING MISSION

Activity: ENCOURAGE VISIT OF CDN MARKETING MISSION TO YUGOSLAVIA
 Expected Results: INITIAL SALE

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

SOYBEAN, SEEDS, MEAL AND CAKE AND OIL	Approximate Value: 0 M\$
	Financing Source : OTHER
	Contact : D. CERAMILAC, COMMERCIAL OFFICER, CDN EMBASSY, BELGRADE

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: YUGOSLAVIA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: REMOTE SENSING INC. SPACE SAT

Cumulative 3 year export potential for
CAN products in this sector/subsector: 100+ \$M

Major Competing Countries

Market Share

FRANCE	0.00 %
UNITED STATES OF AMERICA	0.00 %
GERMANY WEST	0.00 %
UNITED KINGDOM	0.00 %

Current Status of Canadian
exports in this sector/subsector: No export results to date

Products/services for which there are good market prospects:

1. SATELLITE
2. EARTH STATIONS

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

- NEW OPPORTUNITY-COUNTERTRADE, OFF-
- SET. INDUSTRIAL COOP.&TECH.TRANSFER

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: YUGOSLAVIA

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: CONTINUOUS CONTACT WITH AND PROMOTION OF CDN CAPABILITY
Expected Results: SALE OF CDN SATELLITE TECHNOLOGY

Activity: ASSISTANCE TO SPAR IN PREPARATION OF A SEMINAR ON SATELLITE
Expected Results: INVITATION TO TENDER WITH TENDER SPECS BASED ON SPAR TECH.

Activity: YUGO DELEGATION TO CDN SATELLITE USERS CONFERENCE IN OTTAWA
Expected Results: GREATER AWARENESS OF FULL RANGE OF CDN TECHNOLOGY (FSP.
ANCILLARY SERVICES)

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: YUGOSLAVIA

Sector : TRANSPORT SYS.EQUIP.COMP.SERV.

Sub-Sector: AEROSPACE

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	8.00 \$M	8.00 \$M	0.00 \$M	40.00 \$M
Canadian Exports	0.00 \$M	8.00 \$M	0.00 \$M	32.00 \$M
Canadian Share of Market	0.00 %	100.00 %	0.00 %	80.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries	Market Share
FRANCE	30.00 %
UNITED KINGDOM	30.00 %
NETHERLANDS	10.00 %
SPAIN	10.00 %
ITALY	5.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. CL-215
2. DASH 8-300

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are low
- Aggressive marketing
- PFMD support
- Fairs and Missions support
- Trade Fair activity
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: YUGOSLAVIA

Factors for Canadian exports not reaching market potential:

- COMPETITION, LENGTHY & COMPLICATED
- DECISION-MAKING PROCESS

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: CONTINUOUS ACTIVE SUPPORT FOR COA'S TO SELL CL-215 TO FDSP
Expected Results: SALE OF FOUR AIRCRAFT

Activity: SUPPORT OF EFFORTS TO WIN THE SALE OF 2 DASH 8-300 TO ADRIA
Expected Results: ADRIA SHOULD MAKE DECISION IN 1989

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: YUGOSLAVIA

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

FNBP (4 WATER BOMBERS)

Approximate Value: 40 M\$

Financing Source : OTHER

Contact : K. DJORDJEVIC, COMMERCIAL OFFICER, CON EMBASSY, BELGRADE

ADRIA AIRWAYS (2 AIRCRAFT)

Approximate Value: 20 M\$

Financing Source : OTHER

Contact : K. DJORDJEVIC, COMMERCIAL OFFICER, CON EMBASSY, BELGRADE

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: YUGOSLAVIA

Sector : FOREST PRODUCTS.FOUTP.SERVICES

Sub-Sector: PULP AND PAPER PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	159.00 \$M	182.00 \$M	180.00 \$M	160.00 \$M
Canadian Exports	1.00 \$M	3.90 \$M	3.50 \$M	5.00 \$M
Canadian Share of Market	0.63 %	2.10 %	1.90 %	3.10 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 3-5 \$M

Major Competing Countries

Market Share

AUSTRIA	41.00 %
UNION OF SOVIET SOC REP	28.00 %
SWEDEN	8.00 %
POLAND	4.00 %
HUNGARY	3.00 %
CZECHOSLOVAKIA	2.00 %

Current Status of Canadian
exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. WOODPULP
2. PULPWOOD

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are moderate
- Canada is one of few sources of supply
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- LACK OF HARD CURRENCY-COUNTERTRADE
- HIGH COST OF TRANSPORTATION

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: YUGOSLAVIA

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: FOLLOW-UP WITH MAJOR YUGO IMPORTERS/USERS ON REQUIREMENTS
Expected Results: INCREASE CDN MARKET SHARE AND THE NUMBER OF CDN COMPANIES
ACTIVE IN THE MARKET

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: YUGOSLAVIA

Sector : FOREST PRODUCTS, EQUIP. SERVICES

Sub-Sector: EQUIPMENT AND MACHINERY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	4.20 \$M	4.00 \$M	4.50 \$M	36.00 \$M
Canadian Exports	0.40 \$M	1.20 \$M	1.00 \$M	1.50 \$M
Canadian Share of Market	9.50 %	30.00 %	22.20 %	4.20 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 5-15 \$M

Major Competing Countries

Market Share

SWEDEN	30.00 %
CZECHOSLOVAKIA	15.00 %
AUSTRIA	15.00 %
POLAND	10.00 %
ITALY	10.00 %

Current Status of Canadian
exports in this sector/subsector: well established and growing

Products/services for which there are good market prospects:

1. LOG SKIDDERS
2. DEBARKERS
3. CHAIN SAWS
4. HARVESTING EQUIPMENT
5. SAWMILL EQUIPMENT
6. PUMP AND PAPER EQUIPMENT

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are low
- Aggressive marketing
- PFMD support
- Fairs and Missions support
- Trade Fair activity
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Competitive Canadian financing

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: REIGRAF

Market: YUGOSLAVIA

Factors for Canadian exports not reaching market potential:

- LACK OF HARD CURRENCY

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: IRRD LOAN FOR THE BOSNIA & HERCEGOVINA FORESTRY PROJECT
Expected Results: INCREASED AWARENESS OF A RANGE OF CDN FORESTRY CAPABILITY

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: VISITS TO YUGOSLAV PULP & PAPER COMPANIES
Expected Results: INCREASED AWARENESS OF AND SALES OF A BROADER RANGE OF CDN FORESTRY EQUIPMENT

Activity: FORESTRY EQUIPMENT MISSION/SEMINAR
Expected Results: BETTER UNDERSTANDING OF CDN CAPABILITIES

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: YUGOSLAVIA

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

MODERNIZATION & EXPANSION OF FORESTRY MNGMT/EXPLOITATION	Approximate Value: 30 M\$ Financing Source : IRRD - World Bank Contact : K. DJORDJEVIC, COMMERCIAL OFFICER, CDN EMBASSY, BELGRADE
MODERNIZATION & EXPANSION OF WOOD PROCESSING PLANTS	Approximate Value: 0 M\$ Financing Source : OTHER Contact : K. DJORDJEVIC, COMMERCIAL OFFICER, CDN EMBASSY, BELGRADE
REFURBISHING OF PULP AND PAPER INDUSTRY IN BOSNIA	Approximate Value: 0 M\$ Financing Source : OTHER Contact : K. DJORDJEVIC, COMMERCIAL OFFICER, CDN EMBASSY, BELGRADE

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: YUGOSLAVIA

Sector : MTNF, METAL, MINERAL PROD & SRV

Sub-Sector: MINERALS AND MINERAL PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	327.00 \$M	400.00 \$M	350.00 \$M	400.00 \$M
Canadian Exports	23.00 \$M	2.50 \$M	5.00 \$M	12.00 \$M
Canadian Share of Market	7.03 %	0.63 %	1.40 %	3.00 %

Cumulative 3 year export potential for
 CDN products in this sector/subsector: 100+ \$M

Major Competing Countries Market Share

UNION OF SOVIET SOC REP	28.00 %
PERU	36.00 %
BRAZIL	12.00 %
INDIA	23.00 %

Current Status of Canadian
 exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. IRON ORE
2. COOKING COAL
3. ASBESTOS

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are low
- Aggressive marketing
- Competitive pricing
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- LACK OF HARD CURRENCY, COUNTERTRADE
- IS VIRTUALLY A PREREQUISITE.

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: YUGOSLAVIA

For the next fiscal year, the mission will carry out the following

Activity: VISIT 3 MAJOR INTEGRATED STEEL COMPANIES IN YUGOSLAVIA 36A
Expected Results: INCREASED PURCHASES OF CDN COAL AND IRON ORE

Activity: INCREASED CONTACTS WITH ASBESTOS IMPORTERS
Expected Results: MORE AGGRESSIVE MARKETING EFFORTS ON PART OF CDN PRODUCERS
AND INCREASED SALES OF CDN ASBESTOS

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: YUGOSLAVIA

Sector : MINF.METAL.MINERAL PRD & SRV

Sub-Sector: EQUIPMENT AND MACHINERY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	10.00 \$M	6.00 \$M	10.00 \$M
Canadian Exports	0.00 \$M	7.00 \$M	5.00 \$M	8.00 \$M
Canadian Share of Market	0.00 %	70.00 %	85.00 %	80.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 5-15 \$M

Major Competing Countries Market Share

UNITED STATES OF AMERICA	10.00 %
GERMANY WEST	5.00 %

Current Status of Canadian
exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. MINING TRUCKS (DUMPERS)
2. ROAD GRADERS

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are low
- Aggressive marketing
- PFMD support
- Fairs and Missions support
- Trade Fair activity
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing

Factors for Canadian exports not reaching market potential:

- LACK OF HARD CURRENCY

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: REIGRADE

Market: YUGOSLAVIA

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: RE-EVALUATE MARKET POTENTIAL

Expected Results: MAINTAIN MARKET SHARE

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: REI GRADE

Market: YUGOSLAVIA

Sector : OIL & GAS EQUIPMENT SERVICES

Sub-Sector: MACHINERY AND EQUIPMENT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	120.00 \$M	150.00 \$M	100.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	3.00 \$M	4.00 \$M
Canadian Share of Market	0.00 %	0.00 %	2.00 %	4.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 15-30 \$M

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	80.00 %
JAPAN	5.00 %
GERMANY WEST	5.00 %
FRANCE	5.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. LOGGING AND CEMENTING UNITS
2. OIL AND GAS SEPARATORS
3. FRACTURING UNITS
4. DRILLING EQUIPMENT
5. SPARES AND COMPONENTS

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are low
- Aggressive marketing
- PFMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: YUGOSLAVIA

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Market prospects have not been adequately explored
- USA HAS ESTABLISHED MARKET ACCEPT.
- & THIS IS DIFFICULT TO OVERCOME

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: CONTINUOUS CONTACT WITH THE 2 YUGO CUSTOMERS FOR OIL & GAS
Expected Results: \$10 M PER ANNUM IN SALES OF CDN EQUIPMENT AND SERVICES

Activity: MISSION-REFPS FROM INA AND NAFTAGAS TO THE NATL PETROLFUM SHO
Expected Results: HEIGHTENED AWARENESS OF CDN CAPABILITIES

Activity: ENCOURAGE ACTIVE PARTICIPATION OF OIL & GAS EQPT & SERVICES

Activity: GOV'T AS PART OF THE CDN STAND. INCOMING BUYERS TO INTERCAN

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: YUGOSLAVIA

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

GAS TREATMENT PLANT

Approximate Value: 30 MS

Financing Source : IDA - World Bank

Contact : CDN COMMERCIAL CORP. M. MAJFED
TEL: (613) 996-3208

UNSPECIFIED EQUIPMENT

Approximate Value: 20 MS

Financing Source : OTHER

Contact : K. DJORDJEVIC, CDN EMBASSY
BELGRADE, TIX:11137 DDMCA YU

INA & NAFTAGAS ONGOING

Approximate Value: 30 MS

REQUIREMENTS OF OIL & GAS FOOT Financing Source : OTHER

Contact :

Post : BELGRADE

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Post/Contact</u>
89/09/00	ZAGREB INT'L AUTUMN FAIR, ZAGREB, YUGOSLAVIA FAIR, NATIONAL STAND	GENERAL OR UNASSIGNED ISB
89/09/00	PLOVDIV INT'L FAIR, PLOVDIV, BULGARIA FAIR, NATIONAL STAND	GENERAL OR UNASSIGNED ISB

RPT81

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: BUCHAREST

Country: ROMANIA

ROMANIA'S TOP ECONOMIC PRIORITY CONTINUES TO BE REPAYMENT OF THE HARD CURRENCY DEBT, WHICH BY THE END OF 1988 COULD BE AS LOW AS US\$ 2.0 TO 2.5 BILLION (NET) AFTER ONE PAYMENT OF US\$ 1.377 BILLION (US\$ 1.018 BN PRINCIPAL AND US\$ 354 MM INTEREST PLUS ACCELERATED REPAYMENTS. FOR 1989 ROMANIAN AUTHORITIES SHOULD HAVE SOME ROOM TO MANOEUVRE WITH SCHEDULED PAYMENTS OF US\$ 600 MM ON PRINCIPAL AND US\$ 300 MM IN INTEREST, PERMITTING SOME FURTHER ACCELERATION OF REPAYMENT AS WELL AS ACCUMULATION OF FOREIGN RESERVES. ASSUMING A TRADE SURPLUS IN THE RANGE OF US\$ 2 BN IS MAINTAINED, WITH THE POSSIBLE RESULT THAT THE NET DEBT COULD BE REDUCED TO ZERO DURING 1989. THIS SITUATION IS ALSO EXPECTED TO PAVE THE WAY FOR SOME RELAXATION OF THE AUSTERITY PROGRAM IN 1989 AND 1990 BUT ONLY TO IMPORT ADDITIONAL RAW MATERIALS/COMPONENTS FOR EXPORT MANUFACTURE PLUS EQUIPMENT/TECHNOLOGY TO UPGRADE/MODERNIZE MANUFACTURING FACILITIES.

IN THE INTERIM, THE ROMANIAN ECONOMY AND INDUSTRY CONTINUE TO ENCOUNTER MANY CHALLENGES. AGRICULTURE, WHICH HAS TRADITIONALLY BEEN AN IMPORTANT HARD CURRENCY EARNER, HAS BEEN SUFFERING THROUGH SEVERAL YEARS OF POOR GROWING CONDITIONS. WHILE SOME IMPROVEMENT IS HOPED FOR IT IS UNLIKELY TO REGAIN ITS FORMER IMPORTANCE. MANUFACTURING FOR EXPORT AS WELL AS THE DOMESTIC MARKET HAVE BEEN SERIOUSLY AFFECTED BY THE ARBITRARY CONSTRICTION OF IMPORTS TO MAINTAIN TRADE SURPLUSES. LACKING REPAIR PARTS, MAINTENANCE OF MANUFACTURING FACILITIES (WHICH IN MANY CASES ARE BECOMING INCREASINGLY OUTDATED) IS FALLING BEHIND. THIS TOGETHER WITH A LACK OF RAW MATERIALS AND ORGANIZATIONAL PROBLEMS CONTINUES TO RESULT IN PRODUCTION SHORTFALLS AND NON-ACHIEVEMENT OF EXPORT TARGETS. WHILE SOME PROGRESS HAS BEEN ACHIEVED OVER THE PAST YEAR, ENERGY CONTINUES IN A SHORTFALL POSITION WITH A NEGATIVE IMPACT ON ALL OTHER SECTORS OF THE ECONOMY.

ROMANIA'S CURRENT FIVE YEAR PLAN (1986-1990) EMPHASIZES INVESTMENT IN ENERGY, IRRIGATION AND FURTHER PROCESSING OF RAW MATERIALS. APART FROM NUCLEAR ENERGY THE PLAN IS NOT TO INVEST IN NEW FACILITIES, BUT TO MODERNIZE, UPGRADE AND IMPROVE PRODUCTIVITY IN ALL INDUSTRY SECTORS. THESE GOALS ARE NOT BEING MET AND THERE IS ALMOST NO RECOURSE TO FOREIGN TECHNOLOGY/EQUIPMENT, BUT THIS WILL HAVE TO COME IN A MODEST FORM AT LEAST WITH THE LIMITED RELAXATION OF AUSTERITY IN 1989/1990 AND TO A GREATER DEGREE IN THE NEW FIVE YEAR PLAN (1991-1995). GROWING PUBLIC ATTENTION IS BEING DIRECTED TO PRODUCT DESIGN, QUALITY AND PRICING. THE USE OF INCENTIVES AND PENALTIES IN PRODUCTION UNITS FOR EXCEEDING OR FAILING TO MEET OBJECTIVES IS GROWING. HOWEVER THEIR EFFECT IS LARGELY NEGATIVE AS MOST PRODUCTION SHORTFALLS ARE BEYOND THE CONTROL OF THE INDIVIDUAL UNITS.

CANADIAN ECONOMIC ACTIVITY WITH ROMANIA IS CONCENTRATED ON CERNAVODA NUCLEAR PROJECT. FOR ALL INTENTS AND PURPOSES, ORDERS FOR CANADIAN EQUIPMENT/COMPONENTS FOR UNITS 1 AND 2 HAVE BEEN PLACED. AS OF OCTOBER, 1988 ROMANIAN AUTHORITIES HAVE BEGUN TO DELINEATE THEIR REQUIREMENTS FOR UNITS 3, 4, 5. IN ADDITION TO THESE AND RAW MATERIALS (IRON ORE, ASBESTOS, PULP, ETC.) CANADIAN EXPORT OPPORTUNITIES OVER THE LONGER-TERM ARE MORE LIKELY TO FAIL IN PRODUCTS/SERVICES RELATED TO IMPROVING TECHNOLOGY/PRO-

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: BUCHAREST

Country: ROMANIA

DUCTIVITY. JOINT MANUFACTURING AND COOPERATION IN THIRD COUNTRY MARKETS. IN ADDITION TO PRICE. COUNTERTRADE IN ONE FORM OR OTHER WILL BE A KEY FACTOR IN ANY SUCCESSSES IN THE ROMANIAN MARKET.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: BUCHAREST

Country: ROMANIA

The Mission selected the following sectors as priority areas for export promotion activities for the coming fiscal year for the stated reason:

1. POWER & ENERGY EQUIP. & SERV.
THE CONSTRUCTION OF NUCLEAR POWER STATIONS IS A TOP PRIORITY FOR THE ROMANIAN GOVERNMENT DUE TO ITS CRITICAL ENERGY SHORTFALL.
2. MINE, METAL, MINERAL PROD & SRV
ROMANIA IS VERY SHORT OF MANY RAW MATERIALS REQUIRED FOR THE MANUFACTURING AND PROCESSING OF PRODUCTS FOR DOMESTIC AND EXPORT MARKETS. E.G. IRON ORE, COOKING COAL, ASBESTOS, SULPHUR.
3. AGRI & FOOD PRODUCTS & SERVICE
IN AGRICULTURE PRIORITY IS GIVEN TO UPGRADING ANIMAL HUSBANDRY WHICH HAS RESULTED IN A SUCCESS FOR CANADIAN TURKEY POULTS: OPPORTUNITIES EXIST FOR SEMEN, EMBRYO TRANSFERS, ETC. MARKET IS OPENING UP FOR CANADIAN RAW HIDES.
4. OIL & GAS EQUIPMENT, SERVICES
DESPITE THE WORLDWIDE SLOWDOWN IN OIL AND GAS ACTIVITY, ROMANIA IS STILL ACTIVE IN THIRD COUNTRY PROJECTS. THERE COULD BE MODEST OPPORTUNITIES FOR CANADIAN SUPPLIERS OF EQUIPMENT AND SERVICES TO COMPLEMENT ROMANIAN CAPABILITIES (OR VISA-VERSA) IN ROMANIA, THIRD COUNTRIES AND CANADA.
5. CHEM PROD & PETROCHEM. EOP. SERV
ROMANIA IS A SIGNIFICANT IMPORTER AND TRADER OF CHEMICAL AND PETROCHEMICAL PRODUCTS, AND HAS EXPRESSED AN INTEREST IN CONSIDERING SOURCING FROM CANADA.
6. FOREST PRODUCTS, EQUIP. SERVICES
WHILE ROMANIA IS A PRODUCER AND EXPORTER OF WOOD PULP PRODUCTS, THE COUNTRY LACKS SUFFICIENT TIMBER RESOURCES TO MEET REQUIREMENTS, PRESENTING CONTINUING OPPORTUNITIES FOR SALES OF CANADIAN PULP.

The most important current Canadian export sectors to this market are (based on actual export sales):

1. POWER & ENERGY EQUIP. & SERV.
2. MINE, METAL, MINERAL PROD & SRV
3. AGRI & FOOD PRODUCTS & SERVICE

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: RUCHEFEST

Market: ROMANIA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ANIMAL-POULTRY BREEDING STOCK

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	62.00 \$M	70.00 \$M	50.00 \$M	55.00 \$M
Canadian Exports	0.17 \$M	0.00 \$M	0.30 \$M	1.50 \$M
Canadian Share of Market	0.30 %	0.00 %	0.60 %	2.80 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 3-5 \$M

Major Competing Countries Market Share

UNITED STATES OF AMERICA	0.00 %
WEST EUROPE	0.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. RAW HIDES
2. TURKEY BREEDING STOCK
3. SEMEN
4. EMBRYOS

Factors contributing to current successful Canadian exports:

- Import duties are low

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Market prospects have not been adequately explored
- MARKET ALLOCATION
- SEMEN-LACK OF PERSISTENCE: EMBRYOS
- NOT YET IMPD.:HIDE MKT BEGIN. OPEN

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUCHAREST

Market: ROMANIA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: SUPPORT CDN CO. INVOLVED IN THE EXPORT OF TURKEY BREEDING
Expected Results: CREATE A SMALL BUT STEADY MARKET IN ROMANIA.

Activity: CALIS/VTSTTS TO APPROPRIATE ROMANIAN OFFICIALS
Expected Results: TO CREATE A FAVOURABLE IMAGE FOR CDN PRODUCTS/SPEEDING UP PRELIMINARY PAPERWORK

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

Activity: ORGANIZING/HOSTING TECH SEMINARS/WORKSHOPS CDN PROMO EFFORT
Expected Results: ENHANCE CDN PROFILE WITH ROMANIAN SPECIALISTS AND END-USERS AND POSSIBLE FUTURE SALES

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUCHAREST

Market: ROMANIA

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

"TG MURES RESEARCH & PROD"
WITH CDN BOVINE EMBRYOS

Approximate Value: 0 M\$
Financing Source : OTHER
Contact : OCTAVIAN BONEA/JOHN GRANTHAM
(EMBASSY) 651-10690 CANAD R

"JILAVA TANNERY" WITH CDN
RAW HIDES

Approximate Value: 5 M\$
Financing Source : OTHER
Contact : RICK WINTER TAA
613 996-3523

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUCHAREST

Market: ROMANIA

Sector : POWER & ENERGY EQUIP. & SRV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	200.00 \$M	60.00 \$M	60.00 \$M	55.00 \$M
Canadian Exports	90.00 \$M	50.00 \$M	50.00 \$M	45.00 \$M
Canadian Share of Market	45.00 %	83.00 %	83.00 %	80.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 60-100 \$M

Major Competing Countries	Market Share
WEST EUROPE	0.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. CANDU EQUIPMENT
2. TECHNICAL COOPERATION IN MANUFACTURING
3. HEAVY WATER

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Fairs and Missions support
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Bilateral economic trade agreement

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUCHAREST

Market: ROMANIA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: SUPPORT FOR CERNAVODA UNITS 1,2 & LEASE/SALE OF CDN WATER
Expected Results: TRAINING, TECHNICAL SERVICE, ADDITIONAL EQUIPMENT & HEAVY WATER SUPPLY

Activity: DCI EXPORT PROMOTION FOR CERNAVODA UNITS 3,4 AND 5
Expected Results: ADDITIONAL SALES OF NUCLEAR EQUIPMENT/COMPONENTS SERVICES & MFG TECHNOLOGY TRANSFER

Activity: SUPPORT FOR NUCLEAR COUNTERTRADE ACTIVITIES
Expected Results: FOREIGN EXCHANGE ACCUMULATION TO SUPPORT CDN EQUIPMENT & SERVICES SALES TO ROMANIA

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: BUCHAREST INTERNATIONAL FAIR OCT. 1989
Expected Results: CONTINUING SUPPLY OF EQUIPMENT AND SERVICES

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

Activity: SUPPORT FOR CANDU 600 MARK II MARKETING BEYOND CERNAVODA
Expected Results: UPDATING FOR NEW UNITS.

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUCHAREST

Market: ROMANIA

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

CFRNAVODA UNITS 3.4.5

Approximate Value: 100 M\$

Financing Source : OTHER

Contact :

VAL COSTEA/JOHN GRANTHAM

EMBASSY TLX:651-10690 CANAD R

ADDITIONAL UNITS BEYOND

CFRNAVODA

Approximate Value: 0 M\$

Financing Source : OTHER

Contact :

DAVID COLLINS (RBT)

613-996-6429

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: RUCHAREST

Market: ROMANIA

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: PULP AND PAPER PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	38.00 \$M	42.00 \$M	30.00 \$M	30.00 \$M
Canadian Exports	2.60 \$M	2.40 \$M	0.00 \$M	3.00 \$M
Canadian Share of Market	6.80 %	5.70 %	0.00 %	10.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 3-5 \$M

Major Competing Countries

Market Share

UNION OF SOVIET SOC REP	0.00 %
SWEDEN	0.00 %
FINLAND	0.00 %

Current Status of Canadian
exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. PULP (ESPECIALLY CORD)

Factors contributing to current successful Canadian exports:

- Import duties are low
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Bilateral economic trade agreement

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Limited appreciation/understanding of distribution system
- MARKET ALLOCATION
- LACK OF INTEREST BY CDN EXPORTERS/
- SUPPLY TRADITION

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUCHAREST

Market: ROMANIA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: SUPPORT AS APPROPRIATE FOR CDN SUPPLIERS OF PULP
 Expected Results: SPOT SALES

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

Activity: VISIT OF SOME POTENTIAL END-USERS—SUITABILITY OF CDN PRODUCT
 Expected Results: INCREASE THE CDN SHARE OF THE ROMANIAN MARKET FOR PULP

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

SUPPLY OF CORN PULP TO
 "PLONESTI" PAPER FACTORY

Approximate Value: 4 M\$
 Financing Source : DOM - Domestically funded
 Contact : OCTAVIAN BONEA/JOHN GRANTHAM
 EMBASSY TLX:651-10690 CANAD R

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUCHAREST

Market: ROMANIA

Sector : MINF. METAL MINERAL PROD & SRV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	5800.00 \$M	5500.00 \$M	4200.00 \$M	4800.00 \$M
Canadian Exports	0.04 \$M	4.70 \$M	2.00 \$M	4.80 \$M
Canadian Share of Market	0.00 %	0.10 %	0.05 %	0.10 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 5-15 \$M

Major Competing Countries

Market Share

UNION OF SOVIET SOC REP	0.00 %
AUSTRALIA	0.00 %
LATIN AMERICA	0.00 %
INDIA	0.00 %
PEOPLE'S REP OF CHINA	0.00 %
UNITED STATES OF AMERICA	0.00 %

Current Status of Canadian
exports in this sector/subsector: Market share declining

Products/services for which there are good market prospects:

1. IRON ORE
2. COOKING COAL
3. SULPHUR
4. ASBESTOS FIBRE

Factors contributing to current successful Canadian exports:

- Import duties are low
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Bilateral economic trade agreement
- COUNTERTRADE

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RUCARFST

Market: ROMANIA

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Restrictive standards
- Non-competitive pricing
- Limited appreciation/understanding of distribution system
- DELIVERED PRICE IS MAJOR FACTOR

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: SUPPORT FOR CDN CO. INVOLVED IN SELLING OF IRON ORE, SULPHUR
Expected Results: TO INCREASE CDN SHARE IN SUPPLYING THE ROMANIAN MARKET

Activity: SUPPORT PROSPECTIVE CDN SUPPLIERS OF COKING COAL
Expected Results: INCREASED INTEREST OF ROMS & CONS IN SUPPLY OF CDN COKING COAL

Activity: SEMINARS/WORKSHOPS TO SUPPORT CDN PROMOTIONAL EFFORTS
Expected Results: ENHANCED CDN PROFILE WITH POTENTIAL END-USERS & FURTHER TRIAL ORDERS

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

Activity: CALL/VISITS TO APPROPRIATE ROMANIAN OFFICIALS
Expected Results: TO MAINTAIN FAVOURABLE IMAGE FOR THE CANADIAN PRODUCTS.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RUCHEFST

Market: ROMANIA

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

SUPPLY "GALATZI" IRON & STEEL COMPLEX WITH CON IRON ORE
Approximate Value: 27 M\$
Financing Source : OTHER
Contact : OCTAVIAN RONFA/JOHN GRANTHAM
EMBASSY TLX:651-10690 CANAD R

SUPPLY "RTMNICU SARAT" WITH LONG FIBRE ASBESTOS FROM CDA
Approximate Value: 1 M\$
Financing Source : OTHER
Contact : DAVID COLLINS (RBT)
(63) 996-6429

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUCHAREST

Market: ROMANIA

Sector : OIL & GAS EQUIPMENT SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	13.00 \$M	11.00 \$M	9.00 \$M	8.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	0.50 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	6.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 5-15 \$M

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	50.00 %
EUROPEAN COMMON MARKET C	30.00 %
JAPAN	30.00 %
COMECON	20.00 %

Current Status of Canadian

exports in this sector/subsector: No export results to date

Products/services for which there are good market prospects:

1. CARBON DIOXIDE EXTRACTION FROM NATURAL GAS
2. SULPHUR RECOVERY FROM SOUR GAS
3. ENHANCED OIL RECOVERY THROUGH INJECTION METHODS

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- POTENTIAL NON-CONVERTIBLE CURRENCY
- PAYMENT DIFFICULTIES

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUCHAREST

Market: ROMANIA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: FOLLOW-UP ON MARKET OPPORTUNITIES GENERATED BY NPS 88
Expected Results: IMPROVED COMMUNICATION BETWEEN LEADING CDN SUPPLIERS & ROM
END-USERS

Activity: FOLLOW-UP DR. SCHMID'S VISIT OCT 88 TO ROMANIA
Expected Results: GENERATE CANADA-ROMANIA COOPERATION IN THIRD COUNTRY PROJECT

Activity: FOLLOW-UP NEWLY SIGNED ANSTRA MOU WITH ROMPETROL
Expected Results: OPEN UP NEW POSSIBILITIES FOR MARKETING CDN EXPERIENCE IN
ENHANCED OIL RECOVERY

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: RUCHEFST

Market: ROMANIA

Sector : CHEM PROD & PETROCHEM.FOP.SERV

Sub-Sector: CHEM & PETROCHEM PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	500.00 \$M	450.00 \$M	420.00 \$M	450.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.50 \$M	5.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.10 %	1.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 5-15 \$M

Major Competing Countries	Market Share
GERMANY WEST	0.00 %
ITALY	0.00 %
UNITED STATES OF AMERICA	0.00 %
COMECOM	0.00 %

Current Status of Canadian
exports in this sector/subsector: No export results to date

Products/services for which there are good market prospects:

1. PLASTICS PARTICULARLY POLYETHYLENE

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- LACK OF INTEREST BY CDN EXPORTERS/
- SUPPLY TRADITION

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RUCHEFEST

Market: ROMANIA

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

Activity: DEVELOP/MAINTAIN CLOSE RELATIONSHIP WITH FTD TERRA
Expected Results: EARLY ADVICE RE ROM IMPORT REQUIREMENTS

Activity: WORKING WITH YSTC/ITC'S & CDN SUPPLIERS OF CHEMICAL/PETROCH.
Expected Results: TO INCREASE THE CDN SHARE IN THE ROMANIAN MARKET FOR CHEMICALS/PETROCHEMICAL PRODUCTS

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

ROMANIA & THIRD COUNTRY MARKET Approximate Value: 100 Ms
(PARTICULARLY COMECON) Financing Source : DOM - Domestically funded
Contact : OCTAVIAN RONFA/JOHN GRANTHAM
EMBASSY 651-10690 CANAD R

Post : BUCHAREST

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Post/Contact</u>
89/10/14	BUCHAREST INT'L FAIR, BUCHAREST ROMANIA FAIR, NATIONAL STAND	GENERAL OR UNASSIGNED ISB S. WATERFALL/D. ADAMS

RPTR1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: BUDAPEST

Country: HUNGARY

1988/89 CONTINUED TO BE AN ACTIVE YEAR FOR THE TTD PROGRAMME RESULTING IN THE MISSION'S RESOURCES AT TIMES BEING STRETCHED TO THE LIMIT. THE HIGH LEVEL OF COMMERCIAL ACTIVITY HAS BEEN THE RESULT OF INCREASED CANADIAN AWARENESS OF THE POTENTIAL OFFERED BY THE HUNGARIAN MARKET FOR DIRECT EXPORTS AS WELL AS LICENSING AND JOINT VENTURE OPPORTUNITIES.

THE ECONOMIC REFORMS THAT WERE INITIATED DURING THE 1987/88 PERIOD CONTINUED DURING 1988/89 WITH NEW TAXATION MEASURES AND NEW CORPORATIONS LAW WHICH WAS PASSED BY PARLIAMENT IN OCTOBER 1988. THESE MEASURES WERE DESIGNED TO ALLOW THE GROWTH OF THE PRIVATE SECTOR AND TO PERMIT THE FREE MOVEMENT OF CAPITAL IN AND OUT OF THE COUNTRY. SUBSIDIES ARE BEING REDUCED SIGNIFICANTLY IN SOME CASES AND IN MOST AREAS ELIMINATED ALTOGETHER WITH THE VIEW OF INTRODUCING WORLD PRICES INTO THE ECONOMY IN ORDER TO MAKE IT MORE MARKET ORIENTED.

ALTHOUGH THE RESTRUCTURING OF THE HUNGARIAN ECONOMY MAY TAKE AT LEAST FIVE YEARS TO COMPLETE, OPPORTUNITIES CONTINUE TO EXIST FOR CANADIAN FIRMS FOR TRADITIONAL EXPORTS IN SUCH AREAS AS TELECOMMUNICATIONS, AGRICULTURE, AGRO-INDUSTRY, NUCLEAR ENERGY, TRANSPORTATION AND INFORMATION TECHNOLOGY. WE ALSO SEE SOME POTENTIAL IN THE METALLURGICAL INDUSTRY FOR CANADIAN FIRMS.

IN SOME SECTORS, WHERE TRADITIONAL EXPORT BUSINESS IS NOT LIKELY TO BE POSSIBLE DUE TO A SHORTAGE OF CONVERTIBLE CURRENCY, BUSINESS OPPORTUNITIES CAN STILL BE REALIZED IF CANADIAN FIRMS ARE WILLING TO TRANSFER THEIR TECHNOLOGY EITHER VIA LICENSING AGREEMENTS OR THROUGH INVESTMENTS IN JOINT VENTURES IN HUNGARY.

AT PRESENT, FOUR CANADIAN FIRMS HAVE ESTABLISHED A PRESENCE IN HUNGARY, AND SEVERAL OTHERS ARE ABOUT TO ESTABLISH JOINT VENTURES THAT WOULD SERVE NOT ONLY THE HUNGARIAN BUT ALSO THE EAST AND WEST EUROPEAN MARKETS. THE POST IS ONLY TOO AWARE OF THE FACT THAT CANADIAN INDUSTRY IS FACING AN UPHILL BATTLE AGAINST THE SOLIDLY ENTRENCHED GERMAN AND AUSTRIAN COMPETITION. WE WILL LEND OUR STRONG SUPPORT TO CANADIAN FIRMS AND PROVIDE THEM WITH ASSISTANCES AND ADVICE IN THEIR EFFORTS TO OVERCOME THESE AND OTHER OBSTACLES TO DOING BUSINESS IN HUNGARY.

RPT82

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: BUDAPEST

Country: HUNGARY

The Mission selected the following sectors as priority areas for export promotion activities for the coming fiscal year for the stated reason:

1. POWER & ENERGY EQUIP. & SERV.

HUNGARY HAS TO FIND CHEAPER FORMS OF ENERGY PRODUCTION, AND ENERGY IMPORTS SHOULD BE REDUCED WHERE POSSIBLE. CANADA HAS A GOOD CHANCE TO SUPPLY WASTE HEAT ENERGY EQUIPMENT, NUCLEAR REACTORS FOR DISTRICT HEATING ENERGY MANAGEMENT SYSTEMS.

2. AGRI & FOOD PRODUCTS & SERVICE

CANADIAN COMPANIES ARE CONTINUING TO BE ACTIVE IN MEETING HUNGARIAN REQUIREMENTS FOR HIGH QUALITY PLANT AND ANIMAL BREEDING STOCKS AND GENETIC MATERIAL; OPPORTUNITIES ALSO EXIST FOR FOOD PROCESSING PACKAGING AND LABELLING EQUIPMENT.

3. OIL & GAS EQUIPMENT, SERVICES

ENHANCED OIL AND GAS RECOVERY CONTINUE TO BE A PRIORITY FOR HUNGARY. CANADIAN COMPANIES SHOULD BUILD ON THEIR INITIAL SUCCESSSES IN ORDER TO WIN MORE BUSINESS.

4. ADVANCED TECH. PROD. & SERV

HUNGARY NEEDS TO IMPROVE SIGNIFICANTLY THE LEVEL OF BOTH EQUIPMENT AND SERVICES IN THE COMMUNICATION AND INFORMATICS SECTORS. CANADIAN COMPANIES ARE BEGINNING TO POSITION THEMSELVES IN ORDER TO TAKE ADVANTAGE OF HUNGARY'S MODERNIZATION PROGRAM.

The most important current Canadian export sectors to this market are (based on actual export sales):

1. OIL & GAS EQUIPMENT, SERVICES
2. AGRI & FOOD PRODUCTS & SERVICE
3. POWER & ENERGY EQUIP. & SERV.

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUDAPEST

Market: HUNGARY

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1130.00 \$M	1080.00 \$M	923.00 \$M	713.00 \$M
Canadian Exports	3.40 \$M	3.20 \$M	2.30 \$M	1.50 \$M
Canadian Share of Market	0.30 %	0.30 %	0.20 %	0.20 %

Cumulative 3 year export potential for
CAN products in this sector/subsector: 5-15 \$M

Major Competing Countries	Market Share
GERMANY WEST	25.00 %
NETHERLANDS	20.00 %
ISRAEL	10.00 %
UNITED KINGDOM	5.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. BREEDING STOCK (ANIMAL)
2. BREEDING STOCK (PLANT)
3. MANAGEMENT SERVICES
4. MACHINERY
5. GROWTH CHAMBERS

Factors contributing to current successful Canadian exports:

- Import duties are low
- Aggressive marketing
- PFMD support
- Fairs and Missions support
- Provincial export promotion
- Competitive pricing
- Strong sectoral capability in Canada

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUDAPEST

Market: HUNGARY

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	210.00 \$M	180.00 \$M	162.00 \$M	127.00 \$M
Canadian Exports	0.20 \$M	0.09 \$M	0.01 \$M	0.30 \$M
Canadian Share of Market	0.10 %	0.05 %	0.01 %	0.20 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 1-3 \$M

Major Competing Countries	Market Share
FINLAND	20.00 %
SWEDEN	10.00 %
DENMARK	25.00 %
AUSTRIA	10.00 %

Current Status of Canadian
exports in this sector/subsector: Market share declining

Products/services for which there are good market prospects:

1. MANUFACTURING EQUIPMENT
2. COMPUTER SOFTWARE
3. TELECOMMUNICATIONS EQUIPMENT

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are low
- Aggressive marketing
- PFMD support
- Fairs and Missions support
- Provincial export promotion
- Competitive pricing
- Strong sectoral capability in Canada

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUDAPEST

Market: HUNGARY

Factors for Canadian exports not reaching market potential:

- Unsuitable product
- Market prospects have not been adequately explored
- LACK OF INTEREST BY CDN FIRMS
- -UNSUITABLE MKTG TECHNIQUES.

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: ALL CDN TELECOM FIRMS MUST SPEND TIME & MONEY REQ'D THIS MKT
Expected Results: SMALL BUT EXPANDING SALES

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

Activity: ASSIST N. TELECOM EFFORTS TO SELL DIGITAL SWITCHING EQUIP.
Expected Results: POTENTIAL MAJOR SALES

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUDAPEST

Market: HUNGARY

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

SECOND TELECOMMUNICATIONS
PROJECTS

Approximate Value: 26 M\$
Financing Source : IBRD - World Bank
Contact : ELEKTROIMPEX, HUNG FOR TRADE CO
FOR TELECOM GOODS. MRS M LUGOSI

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUDAPEST

Market: HUNGARY

Sector : POWER & ENERGY EQUIP. & SRV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	70.00 \$M	60.00 \$M	44.00 \$M	87.60 \$M
Canadian Exports	1.40 \$M	0.60 \$M	0.25 \$M	1.40 \$M
Canadian Share of Market	2.00 %	1.00 %	0.60 %	1.70 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 30-60 \$M

Major Competing Countries

Market Share

UNION OF SOVIET SOC REP	30.00 %
CZECHOSLOVAKIA	20.00 %
GERMANY WEST	20.00 %
AUSTRIA	10.00 %
ITALY	10.00 %
WEST GERMANY	10.00 %

Products/services for which there are good market prospects:

1. WASTE HEAT (GEO THERMAL) FLUC. GENERATION EQUIPMENT
2. NUCLEAR INDUSTRY EQUIPMENT & SERVICES
3. POWER SYSTEM MANAGEMENT SERVICES
4. AECL "SLOW POKE" REACTOR

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are low
- Aggressive marketing
- PFMD support
- Fairs and Missions support
- Competitive pricing
- Strong sectoral capability in Canada
- Bilateral economic trade agreement
- Competitive Canadian financing

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- Market prospects have not been adequately explored

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUDAPEST

Market: HUNGARY

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: REACT LTD(CALG) IS STILL TO RUN 2 PILOT PROJ PLANNED ORIG.
 Expected Results: FULLY EXPECT PROJECTS WILL LEAD TO MAJOR SALES.

Activity: MAJOR MARKETING INITIATIVES BY ONTARIO HYDRO
 Expected Results: POTENTIAL SALES OF NUCLEAR SIMULATORS AND POSSIBLE JV WITH MVMT TO PROVIDE MANAGEMENT SYSTEMS.

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

POWER PROJECT

Approximate Value: 62 M\$
 Financing Source : IBRD - World Bank
 Contact : P. BNUCLEY (613) 996-6359 HANS-
 H.J. HIMMELSBACH 22-4588 CDA H

INDUSTRY ENERGY CONSERVATION

Approximate Value: 74 M\$
 Financing Source : IBRD - World Bank
 Contact : P. BNUCLEY (613) 996-6359 HANS-
 H.J. HIMMELSBACH 22-4588 CDA H

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUDAPEST

Market: HUNGARY

Sector : OIL & GAS-EQUIPMENT-SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	56.00 \$M	53.00 \$M	48.50 \$M	37.80 \$M
Canadian Exports	0.90 \$M	0.80 \$M	0.60 \$M	0.60 \$M
Canadian Share of Market	1.70 %	1.50 %	1.20 %	1.60 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 5-15 \$M

Major Competing Countries Market Share

UNITED STATES OF AMERICA	50.00 %
JAPAN	15.00 %
GERMANY WEST	20.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. OIL EXTRACTION EQUIPMENT

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are low
- Aggressive marketing
- PFMD support
- Fairs and Missions support
- Provincial export promotion
- Competitive pricing
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- LACK OF INTEREST BY CDN FIRMS
- UNSUITABLE MKTG TECHNIQUES.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUDAPEST

Market: HUNGARY

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: ONGOING INVEST BY EDN FIRMS IN THIS SECT TOWARDS MORE CLOSER
Expected Results: EXPECT TO SEE STEADY INCREASE IN CDN SALES IN THIS SECTOR

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

Activity: WE WILL CONT ENCOURAGING CDN COS TO CONSIDER THE BENEFITS
Expected Results: IT IS HOPED THAT THE ESTABLISHMENT OF MORE PERMANENT MKTG CONNECTIONS HERE WILL ENABLE CDN MERS TO COMPETE MORE EFFECT

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

PETROLEUM PROJECT

Approximate Value: 300 M\$

Financing Source : IBRD - World Bank

OTHER

Contact :

P. BNUCLEY (613) 996-6359 HANS-

H.J. HIMMELSBACH 22-4588 CDA H

Post : BUDAPEST

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Post/Contact</u>
89/05/17	BUDAPEST INT'L SPRING FAIR, BUDAPEST, HUNGARY FAIR, NATIONAL STAND	INDUSTRIAL MACHIN, PLANTS, SERV WATERFALL/MCCALLUM

RPTRI

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: MOSCOW

Country: UNION OF SOVIET SOC REP

AS THE SOVIET GOVERNMENT CONTINUES TO TRY TO RESTRUCTURE ITS ECONOMY, THE METHODS OF TRANSACTING BUSINESS ARRANGEMENTS HAVE UNDERGONE SUBSTANTIAL CHANGES. WITH THE ESTABLISHMENT OF REPUBLIC-LEVEL FOREIGN TRADING ORGANIZATIONS, JOINT VENTURES, CO-OPERATIVE ENTERPRISES AND THE RESHUFFLING OF RESPONSIBILITIES WITHIN THE MINISTRY OF FOREIGN ECONOMIC RELATIONS, SOVIET FOREIGN TRADE HAS BECOME INCREASINGLY COMPLICATED. DECENTRALIZATION OF THE APPARATUS HAS CREATED SIGNIFICANT NEW INTER-INDICATORS, SUCH AS THE FOREIGN TRADE ASSOCIATION OF THE RUSSIAN FEDERATED REPUBLIC, ROSVNESHTORG, AND THE VARIOUS - AND NUMEROUS - MINISTRIES WHICH MAY NOW DEAL DIRECTLY WITH WESTERN BUSINESS ORGANIZATIONS. AFTER THE FIRST FLOOD OF WESTERN BUSINESS PROPOSALS FOR JOINT VENTURES SUBSIDED, THE REALIZATION HAS COME TO BOTH THE SOVIETS AND WESTERN PARTNERS THAT UNDER THE EXISTING RULES IT IS EXTREMELY DIFFICULT TO GET A JOINT VENTURE UP AND RUNNING IN THE USSR. SOVIET FOREIGN TRADE HAS CONTINUED TO LANGUISH AS LOW WORLD ENERGY PRICES CONTINUE TO DEPRESS SOVIET HARD CURRENCY EARNINGS. YET INCREASED WILLINGNESS TO OPEN DOORS TO WESTERN MANAGEMENT METHODS AND IDEAS HAVE CREATED AN EXCITING NEW BUSINESS CLIMATE AND NEW OPPORTUNITIES, WHICH ARE ATTRACTING INCREASINGLY LARGE NUMBERS OF CANADIAN -- AND OTHER FOREIGN-INDUSTRIALISTS. REFLECTING GOVERNMENT OF CANADA POLICY IN ASSISTING GREATER USSR EXPORTS TO CANADA, DUE TO THE RELATIVELY LARGE IMBALANCE IN CANADA/USSR TRADE, THE POST HAS BEEN AN ACTIVE PARTICIPANT IN SEMINARS IN CANADA AND IN ASSISTING VISITING CANADIAN BUSINESSES WITH SOURCING OF PRODUCTS AND TECHNOLOGIES FROM THE USSR. A HIGH PRIORITY HAS BEEN PLACED ON MARKET PROMOTION AS WELL AS MONITORING OF CONTRACT FULFILLMENT OF CANADIAN BUSINESS IN THE AGRICULTURAL PRODUCTS AND SERVICES SECTOR. IN THE OIL AND GAS SECTOR, THE POST CONTINUED TO ASSIST WITH MARKET PROMOTION, INCLUDING THE ESTABLISHMENT OF ACCREDITED CANADIAN BUSINESSES IN THE USSR, AND WITH JOINT VENTURES. IN OTHER AREAS SUCH AS HOTEL, RESTAURANT, OFFICE EQUIPMENT, ELECTRONICS AND FORESTRY THE POST HAS ASSISTED CANADIAN ORGANIZATIONS IN ALL ASPECTS OF ESTABLISHING BUSINESS TIES WITH THE USSR. THE RANGE OF PRODUCTS FOR WHICH THE POST'S MARKET ASSISTANCE IS REQUESTED CONTINUES TO WIDEN AS MORE AND MORE CANADIAN BUSINESSES ARE VISITING THE USSR -- FINDING THAT THE BASIC FACILITIES AND SERVICE SECTORS ARE NOT YET ESTABLISHED TO SUPPORT THIS INFUX OF BUSINESS VISITORS. THIS CREATES A MUCH HEAVIER BURDEN ON POST RESOURCES. THE POST'S OBJECTIVE IN GENERAL BUSINESS RELATIONS IS TO KEEP CANADIAN GOVERNMENT AND BUSINESS LEADERS AWARE OF THE CHANGES AND TO PROVIDE BUSINESS CONSULTATIONS FOR PROSPECTIVE CANADIAN EXPORTERS TO THIS MARKET. IN THE AGRICULTURE AND FOOD SECTOR (PRODUCT, EQUIPMENT AND TECHNOLOGY), THE POST WILL (A) CONTINUE PROMOTING EXPORT SALES OF LIVESTOCK AND GENETIC MATERIALS, AS WELL AS ASSIST IN SUCH INTERGOVERNMENTAL DIMENSIONS AS THE MIXED AGRICULTURAL COMMISSION; (B) ASSIST IN THE DEVELOPMENT OF THE MEDIUM TO LONG TERM PROGRAMME FOR THE INTRODUCTION OF CANOLA SEED AND TECHNOLOGY; (C) ASSIST CANADIAN BUSINESS IN ESTABLISHING NEW BUSINESS VENTURES (I.E. JVS, ETC.) WITH

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RPTA1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: MOSCOW

Country: UNION OF SOVIET SOC REP

SOVIET ORGANIZATIONS IN AREAS SUCH AS AGRICULTURAL MACHINERY, EQUIPMENT, AND TECHNOLOGY. IN THE GRAINS SECTOR, THE POST WILL GIVE FULL SUPPORT TO THE CANADIAN WHEAT BOARD AND THE CANADIAN GRAINS COMMISSION IN ENSURING CANADA'S REPUTATION IN THE USSR AS A SUPPLIER OF HIGH-QUALITY GRAIN (LTA) FOR GRAINS. IN THE OIL AND GAS EQUIPMENT AND SERVICES SECTOR THE POST WILL (A) PROMOTE EXPORT SALES AND CO-OPERATIVE CONTRACTS FOR OIL AND GAS EQUIPMENT FOR THE TENGHUTZ AND ASTRAKHAN AREAS, INCLUDING SULFUR HANDLING AND PRILLING PLANTS; (B) ASSIST WITH CONTRACTS FOR YAMAL 70-TON TRACKED VEHICLE FOR CANADIAN FOREMOST, REGARDING ORGANIZATION OF POTENTIAL JOINT VENTURE/CO-PRODUCTION FACILITY; (C) ASSIST CANADIAN COMPANIES SUCH AS DRECO AND LAVALIN IN SELLING THEIR EQUIPMENT IN THE USSR; (D) ASSIST CANADIAN TRADING COMPANIES IN SOURCING GOODS FROM THE USSR AND MAKING SALES OF CANADIAN INDUSTRIAL COMMODITIES TO THIS COUNTRY. THE POST WILL CONTINUE ITS SUPPORT OF CANADIAN GOVERNMENT EFFORTS AT ESTABLISHING FURTHER BUSINESS RELATIONS WITH THE USSR THROUGH PARTICIPATING IN THE ANNUAL MIXED ECONOMIC COMMISSION.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: MOSCOW

Country: UNION OF SOVIET SOC REP

The Mission selected the following sectors as priority areas for export promotion activities for the coming fiscal year for the stated reason:

1. GRAINS AND OILSEEDS
THE SOVIET UNION IS CANADA'S LARGEST MARKET FOR GRAINS. CLIMATIC CONDITIONS AS WELL AS POOR DISTRIBUTION AND HANDLING CREATE SHORTFALLS IN DOMESTIC PRODUCTION.
2. AGRI & FOOD PRODUCTS & SERVICE
AGRICULTURAL REFORM IS AT TOP OF POLITICAL AGENDA. HIGH QUALITY IMPORTS WILL BE REQUIRED FOR THE FORESEABLE FUTURE AS REORGANIZATION IS NOT EXPECTED TO SHOW SIGNIFICANT RESULTS IMMEDIATELY.
3. OIL & GAS EQUIPMENT SERVICES
WITH OIL AND GAS EXPORTS STILL ACCOUNTING FOR A LARGE PORTION OF HARD CURRENCY EARNINGS (APPROXIMATELY 75%) THE USSR CONTINUES TO REQUIRE EXTENSIVE DEVELOPMENT OF ITS HYDROCARBON RESOURCES IN ARCTIC CONDITIONS. BITUMEN AND OFF-SHORE.
4. FISHERIES, SEA PRODUCTS & SERV.
FISH PRODUCTS PURCHASE QUANTAS HAVE BEEN AGREED TO BY THE SOVIETS IN EXCHANGE FOR FISHING RIGHTS OFF THE CANADIAN COAST.
5. ADVANCED TECH. PROD. & SERV
AT PRESENT THE TELECOMMUNICATIONS SYSTEM IN THE USSR IS OUT OF DATE AND IN NEED OF IMPROVEMENT. THIS NEED HAS BEEN IDENTIFIED AND THE BUREAUCRACY IS BEGINNING TO FOCUS ON RESOURCES ON THIS SECTOR.

The most important current Canadian export sectors to this market are (based on actual export sales):

- | | |
|-----------------------------------|------------------------------------|
| 1. GRAINS AND OILSEEDS | 4. MINE, METAL, MINERAL PROD & SRV |
| 2. AGRI & FOOD PRODUCTS & SERVICE | 5. FISHERIES, SEA PRODUCTS & SERV. |
| 3. OIL & GAS EQUIPMENT SERVICES | |

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	18000.00 \$M	16000.00 \$M	16000.00 \$M	18000.00 \$M
Canadian Exports	900.00 \$M	800.00 \$M	700.00 \$M	950.00 \$M
Canadian Share of Market	5.00 %	5.00 %	4.40 %	5.30 %

Cumulative 3 year export potential for
 CDN products in this sector/subsector: 5-15 \$M

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	20.00 %
GERMANY WEST	30.00 %
UNITED KINGDOM	20.00 %
DENMARK	15.00 %
AUSTRALIA	10.00 %

Current Status of Canadian
 exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. LIVE CATTLE
2. BOVINE EMBRYOS
3. BOVINE SEMEN
4. DRYLAND AG EQMT
5. FOOD PROCESSING EQMT
6. HYBRID SEED
7. FODDER PROCESSING EQMT

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM
 Mission: MOSCOW Market: UNION OF SOVIET SOC REP

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are low
- Aggressive marketing
- PFMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Bilateral economic trade agreement

Factors for Canadian exports not reaching market potential:

- Market prospects have not been adequately explored

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

- Activity: EMBRYO TRANSFER CONTR & IMPLMNT OF J.V. AGREEM FOR CDN FIRMS
 Expected Results: \$2 MILLION
- Activity: RESOLUTION OF VETERINARY OBSTACLES TO SALES OF YOUNG HEIFERS
 Expected Results: \$2 MILLION
- Activity: HORSE MEAT JOINT VENTURE NEGOTIATIONS WITH ALBERTA FIRM
 Expected Results: \$1 MILLION

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

- Activity: ASSIST PROV OF AB IN IMPLM J.V. AGREEM W/GNSAGROPROM
 Expected Results: \$2 MILLION
- Activity: 4TH SESSION OF THE MIXED AGRIC COMM IN MOSCOW & ALMA ATA
 Expected Results: LONG TERM BUSINESS
- Activity: INTRO QUE AGRO-IND FIRMS TO SOV MKT. AS FOLLOW-UP TO MIN VIS.
 Expected Results: LONG TERM BUSINESS

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

SOVIET HOUSING PROGRAM	Approximate Value:	50 M\$
	Financing Source :	EDC - Export Dev Corporation DOM - Domestically funded
	Contact :	ANDRE BENNETT
FOOD PROCESSING & STORAGE TECH	Approximate Value:	15 M\$
	Financing Source :	EDC - Export Dev Corporation DOM - Domestically funded
	Contact :	ANDRE BENNETT
DRYLAND FARMING & MACHINERY LICENSING	Approximate Value:	3 M\$
	Financing Source :	EDC - Export Dev Corporation DOM - Domestically funded
	Contact :	ANDRE BENNETT
BAKERY AND REFRIGERATION EQPT.	Approximate Value:	2 M\$
	Financing Source :	EDC - Export Dev Corporation DOM - Domestically funded
	Contact :	ANDRE BENNETT

RPTCL TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

Sector : FISHERIES, SEA PRODUCTS & SRV.

Sub-Sector: PROCESSED FISH & SHELLFISH

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	150.00 \$M	150.00 \$M	150.00 \$M	160.00 \$M
Canadian Exports	12.00 \$M	12.00 \$M	12.00 \$M	8.80 \$M
Canadian Share of Market	8.00 %	8.00 %	8.00 %	5.50 %

Cumulative 3 year export potential for
 CDN products in this sector/subsector: 5-15 \$M

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	25.00 %
ICELAND	30.00 %
UNITED KINGDOM	15.00 %

Current Status of Canadian
 exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. HERRING
2. FROZEN COD BLOCKS
3. FROZEN MACKEREL
4. DRESSED SEA FISH
5. CANNED HERRING
6. CAPELIN
7. PACIFIC SALMON

Factors contributing to current successful Canadian exports:

- Import duties are low
- Aggressive marketing
- PFMD support
- Strong sectoral capability in Canada
- Bilateral economic trade agreement

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Non-competitive pricing
- Unsuitable product
- Limited Canadian capabilities
- Market prospects have not been adequately explored

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: NEW FISH PURCHASE COMMITMENT
Expected Results: \$12 MILLION
INTEL GATHERING FOR CON FISH IND & SUPP ON BILAT FISH RELAT.

Activity: LONG TERM RESULTS

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

Activity: ATTEMPT TO DIVERSIFY TRADE INTO FISH PROCESS & RELATED EQUIP
Expected Results: \$1 MILLION

RPTCL TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

REPAIR OF SOVIET ATLANTIC
FISHING FLEET

Approximate Value: 5 M\$
Financing Source : DOM - Domestically funded
Contact : DTST ST-JOHNS. RBT

REPAIR OF SOVIET PACIFIC
FISHING FLEET

Approximate Value: 5 M\$
Financing Source : DOM - Domestically funded
Contact : DTST VANCOUVER. RBT

FISH PROCESSING EQUIPMENT

Approximate Value: 1 M\$
Financing Source : EDC - Export Dev Corporation
DOM - Domestically funded
Contact : ANDRE BENNETT

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

Sector : GRAINS AND OILSEEDS

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	8000.00 \$M	8000.00 \$M	9000.00 \$M	12000.00 \$M
Canadian Exports	1000.00 \$M	1000.00 \$M	950.00 \$M	1500.00 \$M
Canadian Share of Market	12.50 %	12.50 %	10.50 %	12.50 %

Cumulative 3 year export potential for
CAN products in this sector/subsector: 100+ \$M

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	40.00 %
ARGENTINA	10.00 %
FRANCE	15.00 %
AUSTRALIA	10.00 %
SPAIN	1.00 %

Current Status of Canadian
exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. WHEAT & WHEAT FLOUR
2. DURUM WHEAT
3. CORN
4. FLAXSEED
5. CANOLA SEED
6. HIGH YIELD GRAIN SEED
7. HIGH YIELD FORAGE
8. CORN SEED
9. CANOLA MEAL

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are low
- Aggressive marketing
- Provincial export promotion
- Canada is one of few sources of supply
- Strong sectoral capability in Canada.
- Bilateral economic trade agreement

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RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: IMPLEMENTING 1986-1990 LONG TERM GRAINS AGREEMENT
Expected Results: \$10 BILLION OVER 5 YEARS

Activity: ALBERTA WHEAT POOL/RSESR SEED EXCHANGE TESTS
Expected Results: \$2 MILLION

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

Activity: ALBERTA/RSESR CANOLA/DURUM WHEAT PROJECT
Expected Results: \$2 MILLION

Activity: 3 SEED PROTOCOL AGREEMENT FOR KING GRAIN, OSFCO & ALB WHEAT POOL
Expected Results: \$1 MILLION

Activity: SMALL BAKERIES USING CDN FROZEN DOUGH TECHNOLOGY
Expected Results: \$2 MILLION

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	9000.00 \$M	8400.00 \$M	8000.00 \$M	7000.00 \$M
Canadian Exports	10.00 \$M	8.00 \$M	5.00 \$M	0.00 \$M
Canadian Share of Market	0.10 %	0.09 %	0.06 %	0.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 30-60 \$M

Major Competing Countries

Market Share

EUROPEAN COMMON MARKET C	0.00 %
COMECOM	0.00 %
FINLAND	0.00 %
JAPAN	0.00 %
SWEDEN	0.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. PRXS
2. CABLE
3. DATA COMMUNICATION EQUIPMENT

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Fairs and Missions support
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Market prospects have not been adequately explored

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: MARKET STUDY ON THIS AREA WILL BE MADE.
Expected Results: LONG TERM BUSINESS

Activity: TRY TO INTEREST MAJOR CDN TELECOM CO TO COMPETE IN THIS MKT
Expected Results: LONG TERM BUSINESS

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

Activity: WORKING DIRECTLY W/SMALLER CDN COS TO ESTABLISH DIRECT LINKS
Expected Results: \$10 MILLION

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

Sector : OIL & GAS EQUIPMENT SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1100.00 \$M	950.00 \$M	900.00 \$M	1200.00 \$M
Canadian Exports	80.00 \$M	40.00 \$M	20.00 \$M	19.00 \$M
Canadian Share of Market	7.20 %	4.20 %	2.20 %	1.50 %

Cumulative 3 year export potential for
CAN products in this sector/subsector: 100+ \$M

Major Competing Countries	Market Share
GERMANY WEST	0.00 %
ITALY	0.00 %
FRANCE	0.00 %
ROMANIA	0.00 %
UNITED KINGDOM	0.00 %
UNITED STATES OF AMERICA	0.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. WORKOVER RIGS
2. TRACKED VEHICLES
3. GAS & SULPHUR SYSTEMS
4. OTHER DRILLFIELD EQUIPMENT
5. FRACTURING EQUIPMENT
6. OIL FIELD SAFETY EQUIPMENT

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are low
- Aggressive marketing
- PFMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- Competitive pricing
- Strong sectoral capability in Canada

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: CONT'D SUPPORT FOR CDN COS STARTING JOINT VENTURES IN USSR.
Expected Results: WITH THE SIGNING OF THE JVS TO DATE, POTENTIAL BUSINESS IS IN THE 100 MILLION RANGE

Activity: ASSISTING GEN CONTR'S & ENG FIRMS IN FULFILLING COUNTERTRADE
Expected Results: THESE COUNTERTRADE ARRANGEMENTS HAVE PERMITTED CANADIAN FIRMS TO WIN \$60 MILLION IN BUSINESS

Activity: ASSISTING LARGE CDN OIL/GAS FIRMS IN ESTABL CONTACTS W/MIN
Expected Results: OFF-SHORE ENHANCED OIL RECOVERY AND OTHER AREAS EQUAL 50 MILLION

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

Activity: PROVIDING ASSIST TO CDN FIRMS IN CONTRACTING SULPHUR PLANTS
Expected Results: \$10 MILLION SALES

Activity: COOP W/THE PROV OF ALB IN OIL/GAS MISSIONS TO THE USSR
Expected Results: LONG TERM BUSINESS

Activity: ASSIST COS SUCH AS GULF COA, PETROCOA, & OTHERS TO ESTABL CONT
Expected Results: LONG TERM BUSINESS

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

PROJ HAVE BEEN REDUCED IN SIZE Approximate Value: 0 M\$
& SCOPE: VARIOUS MKT POSSTB. Financing Source :
Contact : CDN EMBASSY, MOSCOW-RFID HENRY
TLX: 413401 DMCAN

Post : MOSCOW

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Post/Contact</u>
89/06/00	MISSION FROM EASTERN EUROPE TO INTERCAN '89 MISSION IN, TO FAIR	PETROCHEM & CHEM PROD,EQP,SERV
89/06/05	PETROLEUM EQUIP/SERV MISSION TO ALTA FROM E. EUROPE MISSION IN, TO INDUSTRY	OIL & GAS EQUIPMENT,SERVICES WATERFALL/ADAMS
89/07/19	PLOODOVSHCHMASH '89 U.S.S.R. FAIR, NATIONAL STAND	INDUSTRIAL MACHIN,PLANTS,SERV
89/09/13	LESOREVMASH'89 - FORESTRY SHOW MOSCOW, USSR FAIR, NATIONAL STAND	FOREST PRODUCTS,EQUIP,SERVICES
89/09/27	ZHIVOTNOVDSTVO '89 U.S.S.R. FAIR, NATIONAL STAND	AGRI & FOOD PRODUCTS & SERVICE
89/10/19	MELIORATSIYA '89 U.S.S.R. FAIR, NATIONAL STAND	GENERAL OR UNASSIGNED ISB

RPT81 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: PRAGUE

Country: CZECHOSLOVAKIA

CANADIAN EXPORTS TO CZECHOSLOVAKIA DECREASED IN 1988 TO 11.2 MILLION DOLLARS FROM 14.1 MILLION IN 1987. MADE UP OF CRUDE MATERIALS SUCH AS CATTLE HIDES AND ASBESTOS. WHILE FULLY MANUFACTURED END PRODUCTS CONTINUE TO SHOW LITTLE GROWTH. CZECHOSLOVAKIA PRACTISES A CAUTIOUS AND CONSERVATIVE APPROACH TO ECONOMIC RESTRUCTURING. OR "PRESTAVBA". THE GRADUAL PHASING-IN OF THE STATE ENTERPRISE LAW COMBINED WITH A SUBSTANTIAL REDUCTION IN THE SIZE OF THE CENTRAL MINISTRIES WILL MAKE THE MANAGEMENT OF ENTERPRISES MORE AUTONOMOUS AND RESPONSIBLE FOR THE ECONOMIC SUCCESS OF THEIR OPERATIONS. DECISION MAKING AUTHORITY ON COMMERCIAL NEGOTIATIONS WITH FOREIGN SUPPLIERS WILL CONTINUE TO BE DEVOLVED FROM THE CENTRAL MINISTRIES AND TRUST LEVELS OF MANAGEMENT DOWN TO THE STATE ENTERPRISE. THESE CHANGES WILL ORBIATE A GREATER CONCENTRATION ON THE ENTERPRISE LEVEL IN ORDER TO IDENTIFY COMMERCIAL OPPORTUNITIES AND SUPPORT THE ACTIVITIES OF CANADIAN EXPORTERS. CZECHOSLOVAKIA'S EXTREMELY CONSERVATIVE HARD CURRENCY BORROWING POLICY HAS CONTRIBUTED GREATLY TO OBSCURESCENCE AND LOW PRODUCTIVITY IN CZECHOSLOVAK INDUSTRY. THE DECENTRALIZATION OF FOREIGN TRADE DECISION MAKING AS PART OF THE OVERALL PROGRAM OF RESTRUCTURING. ENVISAGES THE POSSIBILITY FOR CZECHOSLOVAK EXPORTING FIRMS TO RETAIN SOME OF THEIR HARD CURRENCY EARNINGS AND USE THESE FOR IMPORTS FROM THE WEST. THIS WILL CERTAINLY STRENGTHEN THE HAND OF THOSE FIRMS CURRENTLY CAPABLE OF EXPORTING THE TYPE AND QUALITY OF PRODUCT DEMANDED IN THE WESTERN MARKET PLACE BUT WILL DO LITTLE TO HELP THE CZECHOSLOVAK ENTERPRISES THAT ARE NOT IN A POSITION TO EXPORT DUE TO NATIONAL POLICY OR TO THE FACT THAT THEIR PRODUCTS ARE OF A QUALITY CONSIDERED UNACCEPTABLE IN THE WEST. THE NEW LAW ON JOINT VENTURES IS EXPECTED TO BE PASSED BY THE NATIONAL ASSEMBLY IN LATE 1988. THE CZECHOSLOVAK GOVERNMENT HAS ATTACHED A GREAT DEAL OF IMPORTANCE TO THIS LEGISLATION AND OBVIOUSLY HOPES THAT A MORE OPEN-DOOR POLICY WILL ATTRACT BOTH CAPITAL AND ADVANCED TECHNOLOGY TO CZECHOSLOVAK INDUSTRY. A FURTHER ASPECT OF CZECHOSLOVAKIA'S ATTEMPT TO REVITALIZE THE ECONOMY WILL BE A COMPLETE REFORM OF WHOLESALE PRICES SCHEDULED TO TAKE EFFECT FROM JANUARY 1, 1989. THE CURRENT PRICING STRUCTURE BEARS VIRTUALLY NO RELATIONSHIP TO REAL ECONOMIC VALUES AND NEEDS TO BE DRASTICALLY OVERHAULED. PRICE REFORM COMBINED WITH THE SCHEDULED SIMPLIFICATION OF CZECHOSLOVAKIA'S COMPLEX FOREIGN EXCHANGE RATES SYSTEM WILL ALSO CONTRIBUTE TO A BASIS FOR THE EVENTUAL CONVERTIBILITY OF THE CZECH CROWN. LOOKING AT CANADA'S PROSPECTS FOR MARKET DEVELOPMENT IN CZECHOSLOVAKIA. WE EXPECT TO BUILD ON OUR TECHNOLOGICAL SUPERIORITY AND RECENT SUCCESS IN THE SAWMILLING EQUIPMENT AREA TO OBTAIN FURTHER CONTRACTS AS CZECHOSLOVAKIA MODERNIZES AND REEQUIPMENTS SEVERAL OUTDATED SAWMILLS. THE PULP AND PAPER SECTOR CONTINUES TO BE AN AREA OF FOCUS AS WELL. AS A NUMBER OF OLDER MILLS ARE COMING UP FOR REEQUIPMENTS. AGRICULTURE WILL CONTINUE TO BE A MODEST BUT PROMISING SECTOR. PREDOMINANTLY IN THE AREA OF LIVESTOCK BREEDING WHERE SEVERAL CANADIAN COMPANIES HAVE ESTABLISHED THEIR CREDENTIALS AND CONTINUE TO BE ACTIVE. THERE IS A TREMENDOUS NEED FOR ENVIRONMENTAL PROTECTION EQUIPMENT AND SERVICES IN CZECHOSLOVAKIA. THE CURRENT FIVE-YEAR

RPT81

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: PRAGUE

Country: CZECHOSLOVAKIA

PLAN DEVOTES A TOTAL OF 17.5 BILLION KCS TO ENVIRONMENTAL PROJECTS AND IT IS EXPECTED THAT THE NEXT FIVE-YEAR PLAN STARTING IN 1991 WILL UP THIS FIGURE BY A SIGNIFICANT AMOUNT. THE THIRD MEETING OF THE CANADA-CZECHOSLOVAKIA MIXED ECONOMIC COMMISSION WILL TAKE PLACE IN CANADA IN THE FALL. TRADE COMMITTEE, WHILE NOT NECESSARILY FIXED ON AN ANNUAL BASIS, COULD ALSO TAKE PLACE IN CANADA IN THE SUMMER OF 1989. BOTH OF THESE ACTIVITIES SHOULD BE REGARDED AS POTENTIALLY VERY USEFUL PROVIDED WE CAN BROADEN THE REPRESENTATION ON BOTH SIDES IN ORDER TO PRODUCE MORE MEANINGFUL DISCUSSION OF COMMERCIAL PROJECTS. WE INTEND TO PARTICIPATE IN THE 1989 BRNO INTERNATIONAL ENGINEERING FAIR. UNDOUBTEDLY THE COMMERCIAL HIGHLIGHT OF THE YEAR. OUR IMPACT IN BRNO WOULD BE SIGNIFICANTLY ENHANCED BY THE PARTICIPATION OF MORE CANADIAN COMPANIES AT OUR STAND.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: PRAGUE

Country: CZECHOSLOVAKIA

The Mission selected the following sectors as priority areas for export promotion activities for the coming fiscal year for the stated reasons:

1. FOREST PRODUCTS, EQUIP. SERVICES

CSSR HAS SUBSTANTIAL FOREST RESOURCES. 2. MUCH OF EXISTING SAWMILLING & PULP AND PAPER EQUIPMENT IS DUE FOR MODERNIZATION AND REPLACEMENT. 3. CANADA HAS ESTABLISHED IMAGE OF HAVING LEADING TECHNOLOGIES IN FORESTRY EQUIPMENT AREAS.

2. OIL & GAS EQUIPMENT, SERVICES

STRONG INTEREST IN CSSR IN AFCL SLOWPOKE DISTRICT HEATING SYSTEM AND NUCLEAR POWER ENGINEERING SERVICES. 2. COMMITMENT BY CSSR GOVT. TO INCREASE NUCLEAR POWER TO REDUCE POLLUTION FROM COAL-FIRED THERMAL STATIONS. 3. CSSR COMMITMENT TO IMPROVED POLLUTION CONTROL.

3. AGRI & FOOD PRODUCTS & SERVICE

CSSR PLAYS KEY ROLE IN CONSTRUCTION AND MANAGEMENT OF TRANSIT GAS PIPELINE SYSTEM FROM USSR TO W. EUROPE. 2. CONVERSION FROM COAL TO NATURAL GAS. 3. RECOGNITION OF NEED FOR AUTOMATED CONTROL SYSTEM IN OIL AND NATURAL GAS SECTOR.

4. MINE, METAL, MINERAL PROD & SRV

STRONG CON. REPUTATION FOR SUPERIOR LIVESTOCK GENETIC MATERIALS AND BREEDING STOCK. 2. CSSR CONVERTING TO SPECIALIZED CATTLE OPERATIONS FROM TRADITIONAL DUAL-PURPOSE BREEDS. 3. INTEREST IN JOINT-VENTURE BREEDING PROGRAMS (EMBRYO TRANSFER/SWINE BREEDING).

The most important current Canadian export sectors to this market are (based on actual export sales):

1. AGRI & FOOD PRODUCTS & SERVICE
2. MINE, METAL, MINERAL PROD & SRV
3. ADVANCED TECH. PROD. & SERV

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PRAGUE

Market: CZECHOSLOVAKIA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ANIMAL POULTRY BREEDING STOCK

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	170.00 \$M	210.00 \$M	220.00 \$M	220.00 \$M
Canadian Exports	0.06 \$M	0.05 \$M	0.90 \$M	0.20 \$M
Canadian Share of Market	0.04 %	0.03 %	0.50 %	0.10 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 1-3 \$M

Major Competing Countries

Market Share

GERMANY WEST	53.00 %
AUSTRIA	22.00 %
HUNGARY	15.00 %
NETHERLANDS	5.00 %

Current Status of Canadian

exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. BOVINE EMBRYOS
2. BOVINE SEMEN
3. BREEDING CATTLE
4. BREEDING PIGS

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PFMD support
- Provincial export promotion
- Competitive pricing
- Strong sectoral capability in Canada
- Bilateral economic trade agreement
- Willingness of exporters to invest/joint venture in territory

Factors for Canadian exports not reaching market potential:

- Market prospects have not been adequately explored
- Performance of local agent or representative

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: SIGNING OF EMBRYO-TRANSFER JOINT VENTURE (WESTERN BREEDERS)
Expected Results: WESTERN BREEDERS INT. SHOULD GAIN MKT. SHARE VIA JOINT VENTURE

Activity: NEGOTIATION OF PIG BREEDING JOINT VENTURE (AR SWINE BREED ASS)
Expected Results: BREEDING OF CDN PTGS IN CSSR WITH THIRD COUNTRY SALES OPPORTUNITIES

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

Activity: 2ND MEETING OF CDA-CSSR JOINT AGRICULTURAL COMMITTEE (1989)
Expected Results: FURTHER IMPROVEMENT IN TRADE AND TECHNICAL RELATIONS IN AGRICULTURE

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PRAGUE

Market: CZECHOSLOVAKIA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: AGRICULTURE MACH. EQUIP. TOOLS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	410.00 \$M	490.00 \$M	490.00 \$M	500.00 \$M
Canadian Exports	0.37 \$M	0.01 \$M	0.70 \$M	0.50 \$M
Canadian Share of Market	0.10 %	0.00 %	0.17 %	0.12 %

Major Competing Countries

Market Share

FAST GERMANY	46.00 %
POLAND	15.00 %
HUNGARY	14.00 %
UNION OF SOVIET SOC REP	10.00 %
GERMANY WEST	3.00 %
AUSTRIA	2.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. TOBACCO HARVESTING EQUIPMENT
2. SEEDING AND TILLAGE EQUIPMENT

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- PFMD support
- Fairs and Missions support
- Provincial export promotion
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Bilateral economic trade agreement

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Performance of local agent or representative

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: CONT. OF DISCUSSION JOINT PROD. OF AGRIC. EQUIP OR SMALL TRACTORS
Expected Results: IDENTIFICATION OF PARTNERS AND PROD. AS SUBJECTS OF AGREEMENT

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

Activity: 2ND MEETING OF CDA-CSSR JOINT AGRICULTURAL WORKING GROUP.
Expected Results: FURTHER DEVELOPMENT OF COMMERCIAL AND TECHN. RELATIONS AS BASIS OF TRADE

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PRAGUE

Market: CZECHOSLOVAKIA

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: EQUIPMENT AND MACHINERY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	77.50 \$M	79.00 \$M	80.00 \$M	90.00 \$M
Canadian Exports	0.04 \$M	0.07 \$M	0.10 \$M	5.00 \$M
Canadian Share of Market	0.05 %	0.09 %	0.13 %	5.50 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 30-60 \$M

Major Competing Countries

Market Share

GERMANY WEST	44.70 %
AUSTRIA	31.10 %
SWITZERLAND	6.70 %
FINLAND	5.10 %
ITALY	4.20 %
SWEDEN	2.80 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. SAWMILL MACHINERY
2. PULP AND PAPER MACHINERY
3. CHEMICAL RECOVERY BOILERS
4. POLLUTION CONTROL & WASTE MANAGEMENT EQUIPMENT
5. PULPMILL EVAPORATORS
6. AUTOMATION AND PROCESS CONTROL EQUIPMENT
7. FOREST HARVESTING EQUIPMENT
8. FURNITURE MAKING MACHINERY

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PFMD support
- Fairs and Missions support
- Provincial export promotion
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Bilateral economic trade agreement
- Willingness of exporters to invest/joint venture in territory

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Non-competitive financing
- Performance of local agent or representative

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

- Activity: PRESENT & SUPPORT OF OFFERS FM KICKUMS CANCAR INC. FOR FUTURE
 Expected Results: KCCI WITH OUR SUPPORT HAS EXCELLENT PROSPECTS BASED ON PRICE AND TECHNOL.
- Activity: IDENT. OF CDN JOINT VENTURE PARTNER FOR BURKOVEC PULP & PAPER
 Expected Results: DEPENDS ON WILLINGNESS OF CDN. J.V. PARTNER TO INVEST IN CSSR
- Activity: IDENT. OF OPP FOR PULP & PAPER MTLI COMP RFL'D TO CSSR UPDAT.
 Expected Results: POTENTIAL SALES OF CHEM RECOVERY ROTLERS, EVAPORATOR COMPL-EXES, ETC.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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

Activity: PUBLICATION OF ARTICLES & TECH. PHOTOS IN MAGAZINE
Expected Results: WIDER INFORMATION ABOUT CDN. COS.

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

BUKOVEC PULP AND PAPER MILL	Approximate Value: 200 M\$ Financing Source : DDM - Domestically funded EDC - Export Dev Corporation B.C. - Ruver Credits required Contact : MISSION
LUKAVICE BOARD MILL	Approximate Value: 100 M\$ Financing Source : DDM - Domestically funded EDC - Export Dev Corporation B.C. - Ruver Credits required Contact : MISSION
PREFABRICATED HOUSES	Approximate Value: 50 M\$ Financing Source : DDM - Domestically funded EDC - Export Dev Corporation B.C. - Ruver Credits required Contact : MISSION

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PRAGUE

Market: CZECHOSLOVAKIA

Sector : FOREST PRODUCTS, EQUIP. SERVICES

Sub-Sector: CONSULTING & OTHER SERVICES

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	159.70 \$M	174.80 \$M	175.00 \$M	180.00 \$M
Canadian Exports	0.04 \$M	0.07 \$M	0.10 \$M	5.00 \$M
Canadian Share of Market	0.02 %	0.04 %	0.05 %	2.70 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 15-30 \$M

Major Competing Countries

Market Share

GERMANY WEST	24.30 %
AUSTRIA	22.30 %
FINLAND	17.60 %
SWEDEN	8.90 %
NORWAY	4.60 %
ITALY	4.10 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. PULP AND PAPER MILL DESIGN/ENGINEERING
2. SAWMILL DESIGN/ENGINEERING
3. FOREST ENVIRONMENTAL PROTECTION CONSULTING
4. SILVICULTURE (POLLUTION RESISTANT SPECIES)
5. JOINT VENTURES IN WOOD PROCESSING FACILITIES
6. JOINT VENTURE IN PRE-FAB HOUSES
7. FURNITURE MAKING MACHINERY
8. DISSOLVING PULP
9. NEWSPRINT

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PFMD support
- Fairs and Missions support
- Provincial export promotion
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Bilateral economic trade agreement
- Competitive Canadian financing

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Non-competitive financing
- Performance of local agent or representative

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

- Activity: IDENT OF CDN COS INTERESTED IN BUKOVEC PULP & PAPER MILL
Expected Results: POSSIBLE ROLE FOR CONSULTANT AS PART OF CANADIAN CONSORTIUM
- Activity: CONT. OF LIAISON W/STATE COMM. FOR SCI-TECH DEV. RE POLLUTION
Expected Results: POSSIBLE R & D CONTRACT
- Activity: IDENT. CAN COS W/EXPERTISE IN FOREST MANAGEMENT, SILVICULTURE
Expected Results: POTENTIAL CONSULT. OPPORTUNITIES IN HIGH-POLLUTION FOREST AREAS
- Activity: FIND PARTNER FOR JOINT VENTURE IN PRE-FAB HOUSES
Expected Results: CONCLUSION OF A JOINT VENTURE

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: INC MISS OF STATE COMM FOR SCI-TECH DEV ON ENVIRONMENTAL PRO
 Expected Results: KEY CSSR OFFICIALS TO BECOME AWARE OF CANADIAN CAPABILITY

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

BUKOVEC PULP AND PAPER MILL	Approximate Value: 200 M\$
	Financing Source : DOM - Domestically funded EDC - Export Dev Corporation B.C. - Buyer Credits required
	Contact : MISSION
LUKAVICE BOARD MILL	Approximate Value: 100 M\$
	Financing Source : DOM - Domestically funded EDC - Export Dev Corporation B.C. - Buyer Credits required
	Contact : MISSION
PREFABRICATED HOUSES	Approximate Value: 50 M\$
	Financing Source : DOM - Domestically funded EDC - Export Dev Corporation B.C. - Buyer Credits required
	Contact : MISSION

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PRAGUE

Market: CZECHOSLOVAKIA

Sector : OIL & GAS EQUIPMENT SERVICES

Sub-Sector: MACHINERY AND EQUIPMENT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	500.00 \$M	420.00 \$M	420.00 \$M	430.00 \$M
Canadian Exports	0.10 \$M	0.30 \$M	0.50 \$M	1.00 \$M
Canadian Share of Market	0.02 %	0.09 %	0.14 %	0.22 %

Major Competing Countries

Market Share

GERMANY WEST	52.80 %
AUSTRIA	11.30 %
FRANCE	8.40 %
ITALY	7.00 %
SWITZERLAND	4.40 %
UNITED KINGDOM	3.50 %

Current Status of Canadian

exports in this sector/subsector: No export results to date

Products/services for which there are good market prospects:

1. USED OIL RE-REFINING CAPITAL EQUIPMENT
2. GAS PIPELINE CONTROL & DATA ACQUISITION SYSTEMS
3. GAS PIPELINE INSPECTION EQUIPMENT
4. PIPELINE WELDING EQUIPMENT
5. NATURAL GAS DETECTION & MEASUREMENT INSTRUMENT.
6. DESULPHURIZATION EQUIPMENT/TECHNOLOGY
7. GAS TURBINES
8. DRILLING EQUIPMENT
9. GAS-OIL WELL (EXTRACTION OPT)
10. GAS FIRED BOILERS
11. PLASTIC PIPE SYSTEMS

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Competitive pricing

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RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: OIL RE-REFINING PROJECT IN KORAMO KOLIN
Expected Results: CONTRACT MIGHT BE CONCLUDED IN 1989

Activity: PIPELINE INSPECTION SERVICES AND EQUIPMENT
Expected Results: CONTRACT NEGOTIATIONS ARE UNDER WAY

Activity: TRANSIT GAS PIPELINE AUTOMATION
Expected Results: CONTRACT NEGOTIATION WILL BE HELD SOON

Activity: PROMOTION OF NEW COMPANIES IN THIS TERRITORY
Expected Results: ANOTHER ALBERTA TRADE MISSION WILL VISIT 11/88.

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: INCOMING MISSION TO EDMONTON OIL SHOW 1989
Expected Results: FINALIZATION OF SOME DISCUSSION STARTED AT PREVIOUS SHOWS

Activity: ANOTHER ALBERTA MISSION TO CSSR IN 1989
Expected Results: INTRODUCTION OF NEW COMPANIES

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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

Activity: SEMINAR ON CDN TECHNOLOGIES APPLICABLE IN CZECHOSLOVAKIA (89)
Expected Results: INTRODUCTION OF CANADIAN CAPABILITIES TO WIDER RANGE OF CSSR EXPERTS

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

MODERNIZATION OF LOCAL GAS
DISTRIBUTION SYSTEM

Approximate Value: 20 M\$
Financing Source : EDC - Export Dev Corporation
DMM - Domestically funded
Contact : MISSION IN PRAGUE

89/06/12

RP-A10

PEMD - Government Initiated Activities

1989

103A)

Post : PRAGUE

Start Date

Event Name, Location & Type

Sector/Post/Contact

89/09/13 BRNO ENGINEERING FAIR, BRNO,
CZECHOSLOVAKIA
FAIR, NATIONAL STAND

GENERAL OR UNASSIGNED ISB
S.WATERFALL/D.ADAMS

RPTR1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: WARSAW

Country: POLAND

THE POLISH ECONOMY CONTINUES TO PRESENT A PICTURE OF MODERATE GROWTH AND RELATIVE STABILITY. AGAINST A BACKGROUND OF PERSISTENT UNDERLYING PROBLEMS. 1987 NATIONAL INCOME GREW BY 7 PERCENT, FAILING TO REACH A TARGET RATE OF 3.0%. FAILURE TO REACH THE TARGET WAS THE RESULT OF A NET FALL IN AGRICULTURAL OUTPUT CAUSED BY BAD WEATHER WHICH AFFECTED THE FRUIT AND POTATO CROP. ASIDE FROM AGRICULTURE, NATIONAL INCOME GREW BY MORE THAN 3.0 PERCENT. PERFORMANCE IN THE FIRST SIX MONTHS OF 1988 HAS BEEN ASSISTED BY A REASONABLE GRAIN HARVEST OF 25.3 MILLION TONS. ALTHOUGH 3 PERCENT LOWER THAN THE 1987 CROP, THE QUALITY WAS HIGHER AND OTHER AGRICULTURAL CROPS WERE GENERALLY IMPROVED OVER THE PREVIOUS YEAR. EXPORTS TO WESTERN COUNTRIES HAVE SHOWN A STRONG INCREASE AND ARE EXPECTED TO BE 25 PERCENT HIGHER IN 1988 THAN DURING 1987. THE GOVERNMENT IS TRYING TO REINVIGORATE THE ECONOMIC REFORM ORIGINALLY INTRODUCED IN 1987. A NEW GOVERNMENT WAS APPOINTED IN EARLY OCTOBER AND HAS PROMISED TO TACKLE REFORM WITH RENewed VIGOUR. POLAND IS ACTIVELY SEEKING TO ATTRACT FOREIGN INVESTMENT. A MORE LIBERAL JOINT VENTURE LAW REPLACING A 1986 VERSION IS PROMISED BEFORE THE END OF THE YEAR.

POLAND'S HARD CURRENCY TRADE SURPLUS IS INSUFFICIENT TO SERVICE POLAND'S \$ U.S. 39 BILLION HARD CURRENCY DEBT (AS OF OCTOBER 1988). COMMERCIAL BANKS HAVE CONCLUDED NEW RESCHEDULING AGREEMENTS WITH POLAND AND OFFICIAL CREDITORS ARE IN THE PROCESS OF BILATERAL DISCUSSIONS ON INTEREST RATES. POLAND'S DEBT SERVICING BURDEN PLACES A SEVERE CONSTRAINT ON POLAND'S ABILITY TO INCREASE HARD CURRENCY IMPORTS. CANADA IS POLAND'S FOURTH LARGEST CREDITOR, HOLDING CREDITS OF OVER \$ 2 BILLION. POLAND IS OFF-COVER FOR EDC FINANCING AND EXPORT INSURANCE. CANADIAN EXPORTS TO POLAND DECLINED IN 1987, BUT EARLY 1988 FIGURES SHOW AN UPWARD TREND AND THERE ARE PROSPECTS FOR FURTHER SALES. EUROPEAN AND JAPANESE FIRMS ARE ACTIVE ON THE MARKET AND USA FIRMS ARE BECOMING MORE AGGRESSIVE WITH THE LIFTING OF THE LAST REMAINING SANCTIONS IN FEBRUARY 1987. BUSINESS IS STILL CONTINUING ON A CASH BASIS (ESTIMATED TO BE THE \$ U.S. 4-5 BILLION/YEAR RANGE) IN CERTAIN PRIORITY SECTORS ENJOYING HARD CURRENCY CENTRAL ALLOCATIONS OR FROM BANK DEPOSITS OF HARD CURRENCY EARNED FROM EXPORTS (ROD ACCOUNTS) USED BY ENTERPRISES FOR THE DIRECT PURCHASE OF WESTERN GOODS. BEST PROSPECTS ARE IN THE AREAS OF ESSENTIAL RAW AND SOME PROCESSED MATERIALS, NEEDED SPARE PARTS AND EQUIPMENT, HEALTH AND MEDICAL PRODUCTS, FORESTRY, PULP AND PAPER EQUIPMENT, CONSTRUCTION AS WELL AS AGRICULTURAL, FOOD PROCESSING AND PACKAGING EQUIPMENT. OTHER PROSPECTS EXIST FOR SALES TO THE COUNTRY'S TWO HARD-CURRENCY CHAIN STORES WHICH ENJOY A COMBINED TURNOVER OF HALF A BILLION DOLLARS ANNUALLY. DISCUSSIONS ARE TAKING PLACE WITH THE IMF ON A STAND-BY AGREEMENT. A NUMBER OF INDUSTRIAL PROJECTS THE PULP AND PAPER, FOOD AND AGRICULTURAL, AND COAL AND NATURAL GAS SECTORS ARE UNDER DISCUSSION WITH THE WORLD BANK.

RPTR1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: WARSAW

Country: EAST GERMANY

THE GDR'S OFFICIAL INCREASE OF 3.5 PERCENT IN PRODUCED NATIONAL INCOME IN 1987 (WHICH WAS LOWER IN REAL TERMS) REPRESENTED ITS WEAKEST GROWTH FOR FIVE YEARS. WITH A GROWTH OF 3.7% IN 1987, INDUSTRIAL PRODUCTION ALSO FELL SHORT OF TARGET. AGRICULTURAL PERFORMANCE, HOWEVER, WAS ENCOURAGING. GRAIN OUTPUT TOTALING 11.5 MILLION TONS ALMOST MATCHED THE PREVIOUS YEAR'S RECORD HARVEST. FIGURES FOR THE FIRST SIX MONTHS OF 1988 SHOW NO MAJOR UPSURGE IN INDUSTRIAL PERFORMANCE AND A MODEST RESULT IN AGRICULTURE - A HARVEST OF ONLY 10 MILLION TONS. IT IS NOW DOUBTFUL THAT EVEN IF PRODUCTION GAINS MOMENTUM IN 1988, AS PROJECTED, THE FIVE YEAR PLAN (1986-1990) CAN STILL BE FULFILLED. IT IS BECOMING CLEAR THAT ITS TARGETS, FROM THE FIRST, UNREALISTIC. IN ACCORDANCE WITH THE PLAN, EMPHASIS IS BEING PLACED ON "KEY" INDUSTRIES IN THE ELECTRICAL AND ENGINEERING SECTOR - ON "ROBOTS" (ADVANCED MACHINE TOOLS) AND CAM/CAD SYSTEMS. THE PLAN STRESSES "MODERNIZATION", "RATIONALIZATION" AND "INTENSIFICATION" OF EXISTING PLANTS RATHER THAN "EXTENSIVE" NEW PROJECTS. THE AUTHORITIES IN THE GDR SHOW LITTLE INCLINATION TO IMPLEMENT SOVIET-STYLE ECONOMIC REFORMS, POINTING INSTEAD TO THE COUNTRY'S COMPARATIVE ECONOMIC STRENGTH WITHIN COMECON. HOWEVER, THE GDR HAS INTRODUCED A NUMBER OF MODIFICATIONS TO THE ECONOMIC SYSTEM, THE INTENTION BEING TO INCREASE THE EFFICIENCY OF ECONOMIC PLANNING. A NUMBER OF INDUSTRIAL GROUPS ARE NOW TO BE SELF-FINANCING AND EXPERIMENTS ARE BEING CONDUCTED IN THE FREE USE OF A PROPORTION OF HARD CURRENCY EARNINGS TO FINANCE IMPORTS; THERE ARE, HOWEVER, NO SIGNS OF THE INTRODUCTION OF LARGE-SCALE PRICE REFORMS, OF GREATER COMPETITION BETWEEN ENTERPRISES, OF THE REMOVAL OF STATE SUBSIDIES OR OF A POLICY PERMITTING THE ESTABLISHMENT OF JOINT VENTURES IN THE GDR. DURING THE LAST CANADA/GDR MIXED COMMISSION HELD IN BERLIN IN OCTOBER 1987 THE GDR CITED PROSPECTS FOR CANADIAN EXPORTERS WHICH PRODUCE EQUIPMENT FOR SLAUGHTER HOUSES, COOL STORAGE PLANTS, THE PACKAGING INDUSTRY, THE PULP AND PAPER INDUSTRY, AND ENERGY-SAVING AND POLLUTION CONTROL EQUIPMENT FOR LIGNITE POWER PLANTS. THE GDR FOREIGN TRADE BANK MAINTAINS A LINE OF CREDIT WITH THE EDC OF \$25 MILLION. CANADIAN FIRMS SHOULD ALSO BENEFIT FROM THE FAVOURABLE CLIMATE CREATED BY CANADA'S REGULAR PARTICIPATION IN THE SPRING LEIPZIG FAIR, BY OUR LONG TERM TRADE AGREEMENT; THE OPENING OF A GDR EMBASSY IN CANADA, AND THE FACT THAT THE GDR HAS LARGELY MADE UP ITS DEFICIT IN OUR BILATERAL TRADE.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: WARSAW

Country: POLAND

The Mission selected the following sectors as priority areas for export promotion activities for the coming fiscal year for the stated reason:

1. OIL & GAS EQUIPMENT SERVICES

1. DEPARTMENTAL MISSION IN MAY 1988 UNCOVERED INTEREST IN CANADIAN CAPABILITIES FOR NATURAL GAS EQUIPMENT. THIS WAS CONFIRMED DURING SUBSEQUENT INCOMING MISSION.
2. IBRD PROJECT TO INCREASE RECOVERY OF NATURAL GAS IS MOVING TOWARDS IMPLEMENTATION IN 1989.

2. FOREST PRODUCTS EQUIP. SERVICES

1. POLAND HAS MAJOR REQUIREMENTS TO MODERNIZE AND EXPAND EXISTING PULP AND PAPER MILLS.
2. THESE COULD BE OF INTEREST TO COMPANIES FAMILIAR WITH THIS MARKET IN LATE SEVENTIES/EARLY EIGHTIES. PARTICULARLY IF THEY ARE PREPARED TO ACCEPT INNOVATIVE PAYMENT ARRANGEMENTS.

3. AGRI & FOOD PRODUCTS & SERVICE

1. EXPORT ORIENTED FOOD SECTOR PROJECTS PRESENT OPPORTUNITIES FOR CANADIAN SLAUGHTERING, PROCESSING, LABELLING AND PACKAGING EQUIPMENT.
2. OVER THE MEDIUM TERM SOME PROJECTS MAY BE ACCEPTED BY IBRD FOR FINANCING.

4. ADVANCED TECH. PROD. & SERV

The most important current Canadian export sectors to this market are (based on actual export sales):

1. CHEM PROD & PETROCHEM. EQP. SERV
2. MIN. METAL. MINERAL PROD & SERV
3. FISHERIES. SEA PRODUCTS & SERV.
4. TRANSPORT SYS. EQUIP. COMP. SERV.

RPT82

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: WARSAW

Country: GERMANY WFST

The Mission selected the following sectors as priority areas for export promotion activities for the coming fiscal year for the stated reason:

1. FOREST PRODUCTS.EQUIP.SERVICES
NEEDED MODERNIZATION PULP AND PAPER SECTOR PRESENTS OPPORTUNITIES FOR CANADIAN SUPPLIERS. CANADIAN CONSULTING FIRMS ARE PURSUING TWO MAJOR PROJECTS. EDC HAS EXPRESSED WILLINGNESS TO PROVIDE FINANCING.
2. MINF.METAL.MINERAL PROD & SRV
GOODYEAR CANADA IS PURSUING EFFORTS TO BECOME MAJOR SUPPLIER OF CONVEYOR BELTING TO GDR.
3. AGRI & FOOD PRODUCTS & SERVICE
CURRENT FIVE YEAR PLAN EMPHASIZED FOOD PROCESSING SECTOR PRESENTING OPPORTUNITIES FOR CANADIAN SLAUGHTERING PROCESSING, LABELLING AND PACKAGING EQUIPMENT. EDC HAS AVAILABLE \$25 MILLION LINE OF CREDIT THROUGH GDR FOREIGN TRADE BANK.
4. EDUCATION.MEDICAL.HEALTH PROD
CURRENT FIVE YEAR PLAN INCLUDES PROVISION FOR IMPROVING MEDICAL CARE AND HOSPITAL MODERNIZATION. THIS PRESENTS OPPORTUNITIES FOR CANADIAN FIRMS WITH PROVEN INTERNATIONAL EXPERIENCE AND WITH SERVICE FACILITIES IN EUROPE. EDC HAS AVAILABLE \$25 MILLION LINE OF CREDIT THROUGH GDR FOREIGN TRADE BANK.

The most important current Canadian export sectors to this market are (based on actual export sales):

1. GRAINS AND OILSEEDS
2. FOREST PRODUCTS.EQUIP.SERVICES
3. MINF.METAL.MINERAL PROD & SRV
4. CHEM PROD & PETROCHEM.FOP.SERV

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM
89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: POLAND

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ANIMAL-POULTRY BREEDING STOCK

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	0.01 \$M	0.04 \$M	0.20 \$M
Canadian Exports	0.00 \$M	0.01 \$M	0.04 \$M	0.20 \$M
Canadian Share of Market	0.00 %	100.00 %	100.00 %	100.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 0-1 \$M

Major Competing Countries	Market Share
POLAND	80.00 %
UNITED STATES OF AMERICA	0.00 %
UNITED KINGDOM	0.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. TURKEY BREEDING STOCK

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PFMD support
- Trade Fair activity
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- HYBRID TURKEYS WILLING-
- ESS TO PARTICIPATE IN
- COUNTER-TRADE

Factors for Canadian exports not reaching market potential:

- POLAND HAS BEEN DEV NAT'L TURKEY
- BREED. HYBRID THROUGH ITS ACTIV.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: POLAND

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: COOP AGREEM. BETWEEN GUELPH UNIV & OLSZTYN AGRIC ACADEMY
Expected Results: OVERCOME POLISH GOVERNMENT RESISTANCE TO IMPORTS FROM ABROAD IN THIS SECTOR

Activity: PARTICIPATION OF HYBRID IN LOCAL AGRICULTURAL FAIR
Expected Results: CONTRACT WITH PRIVATE SECTOR BREEDER

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: HYBRID TURKEYS PARTICIPATION IN CDN GOV'T STAND AT POZNAW
Expected Results: DEMONSTRATE CDN SUPPORT FOR HYBRID. INCREASE LOCAL AWARENESS OF COMPANY AND ITS PRODUCTS

For the next fiscal year, the mission is planning to undertake the following new export support initiatives in this sector/sub-sector:

Activity: WORK WITH CD TO DEVELOP QUOT. FOR TURKEY SLAUGHTERING PLANTS
Expected Results: SALE OF CANADIAN SLAUGHTERING EQUIPMENT AND ADDITIONAL BREEDING STOCK

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: POLAND

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: FOOD HANDLING, PROCESSING EQUIP

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1.00 \$M	1.50 \$M	2.00 \$M	12.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	1.50 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	8.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 1-3 \$M

Major Competing Countries	Market Share
SWEDEN	100.00 %
NETHERLANDS	0.00 %
FINLAND	0.00 %

Current Status of Canadian
exports in this sector/subsector: No export results to date

Products/services for which there are good market prospects:

1. CATTLE AND HOG SLAUGHTERING LINES
2. CANNED HAM PRODUCTION LINES
3. BEEF DEBONING UNITS
4. MISCELLANEOUS SLAUGHTERHOUSE EQUIPMENT
5. BARY FOOD PROCESSING LINES
6. FRUIT & VEGETABLE COLD STORES AND EQUIPMENT
7. DAIRY PRODUCTS PROCESSING & PRODUCING LINES

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

- Limited Canadian capabilities
- Market prospects have not been adequately explored
- IRRD FIN IS NOT YET IMPLM. LACK OF
- FDC FIN & EXPORT INS. HAS NOT POT FX

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: POLAND

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: ASSIST KNUD SIMONSEN IND. IN ITS EFFORTS ON POLISH MARKET
Expected Results: TO ENCOURAGE COMPANY TO BID ON POLISH REQUIREMENTS

Activity: VISIT TO FOOD PROC PLANTS & PERS CONT WITH MACH IMPORT DEC.
Expected Results: TO OBTAIN SPECIFICATIONS OF PROJECTS AND PARTICULAR EQUIPMENT REQUIREMENTS

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

Activity: IDENTIFY END USERS & DEC MAKERS IN SECT OF INT. TO CDN FIRMS
Expected Results: TO ENCOURAGE CANADIAN COMPANIES TO BID ON PROJECTS

Activity: OBTAIN SPECIFICATIONS OF EQUIP SOUGHT BY POLISH PRODUCERS
Expected Results: TO OBTAIN ONE CONTRACT FOR CANADIAN INDUSTRY

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: POLAND

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

MODERN OF 9 POLISH SLAUGHTER- RING HOUSES & CANNED MEAT PROC	Approximate Value: 12 M\$ Financing Source : IBRD - World Bank DOM - Domestically funded Contact : F. PARZYCH, CDN EMB, WARSAW. TLX: 813424 CAA PL
BABY FOOD PROD LINES "LACTOV- IT" & MEAT BASED BABY FOOD	Approximate Value: 4 M\$ Financing Source : IBRD - World Bank DOM - Domestically funded Contact : F. PARZYCH, CDN EMB, WARSAW. TLX: 813424 CAA PL
COLD STORES & EQUIP FOR 15 FRUIT & VEGET. PROCESSING PLANT	Approximate Value: 15 M\$ Financing Source : IBRD - World Bank DOM - Domestically funded Contact : F. PARZYCH, CDN EMB, WARSAW. TLX: 813424 CAA PL
POLYVINYL ACETATE FOOD COATING LINE	Approximate Value: 2 M\$ Financing Source : Contact : F. PARZYCH, CDN EMB, WARSAW. TLX: 813424 CAA PL

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: POLAND

Sector : FISHERIES, SEA PRODUCTS & SERV.

Sub-Sector: FISH & SHELLFISH & OTHER PROD

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	9.30 \$M	10.00 \$M	11.10 \$M	10.70 \$M
Canadian Exports	1.50 \$M	1.50 \$M	1.90 \$M	1.50 \$M
Canadian Share of Market	16.00 %	15.00 %	17.00 %	14.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 1-3 \$M

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	54.00 %
UNITED KINGDOM	9.00 %
NETHERLANDS	5.00 %

Current Status of Canadian
exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. FROZEN HERRING
2. WHOLE HERRING
3. HAKE

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- FISH SALES ARE SUBJECT OF
- BILATERAL NEGOTIATIONS IN
- CONTEXT OF NAFO

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: POLAND

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: LTATSF REGULARLY WITH POLAND FISHERIES OFF. ON ALLOC. FISHING
Expected Results: MAXIMIZE CDN FISH EXPORTS & OTHER BENEFITS TO CDN ECONOMY.
MAINTAIN POLISH SUPPORT FOR CDN POSITION IN NAFO.

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

Activity: POST MAY BE REQ TO ASSIST IN DIPLOM. INIT. REG. NAFO & PROVIDE
Expected Results: INCREASED EXPORTS OF CDN FISH. MAINTAIN EXCELLENT BILATERAL
FISHERIES RELATIONS. MAINTAIN POLISH SUPPORT FOR CDN POSIT.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: POLAND

Sector : ADVANCED TECH. PRD. & SERV

Sub-Sector: REMOTE SENSING INC. SPACE SAT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	2.00 \$M	2.00 \$M	2.00 \$M	2.00 \$M
Canadian Exports	0.04 \$M	0.00 \$M	0.05 \$M	0.10 \$M
Canadian Share of Market	2.00 %	0.00 %	2.50 %	5.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 1-3 \$M

Major Competing Countries	Market Share
GERMANY WEST	0.00 %
UNITED STATES OF AMERICA	0.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. DATA CONTROL SYST & EQUIP FOR METEOROLOGY
2. DATA CONTROL SYST & EQUIP FOR ENV POLLUTION FIGHT.

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

- Market prospects have not been adequately explored
- POLAND IS OFF-OVER FOR FDC FINAN-
- CING AND EXPORT INSURANCE

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: POLAND

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: CONT. POLISH INST OF METFOR. & INST. INV. IN POLL. FIGHTING REG.
Expected Results: DELIVERY OF EQUIPMENT BY BARRINGER RESEARCH INC.

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

Activity: PROM. OF NEW TYPES OF EQUIP MADE BY BARRINGER RESEARCH INC.
Expected Results: INCREASE CANADIAN INTEREST IN THE POLISH MARKET

Activity: IDENT. SPEC. TYPE OF EQUIP INTENDED FOR USE IN NEW POLL. FIGHT.
Expected Results: OBTAIN ONE CONTRACT FOR CANADIAN COMPANY

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: POLAND

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

ENVIRONMENTAL POLLUTION PRO-
GRAMS

Approximate Value:

0 MS

Financing Source :

DDM - Domestically funded
UNDP - UN Development Program

Contact

: F. PARZYCH, CDN EMB, WARSAW.
TIX: 813424 CAA PL

RPTCL TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: POLAND

Sector : ADVANCED TECH. PROD. & SERV.

Sub-Sector: OTHER ELECTRONICS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	150.00 \$M	150.00 \$M	150.00 \$M	150.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	0.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.00 %

Cumulative 3 year export potential for
CAN products in this sector/subsector: 1-3 \$M

Major Competing Countries Market Share

JAPAN	60.00 %
GERMANY WEST	30.00 %
UNITED STATES OF AMERICA	10.00 %

Current Status of Canadian
exports in this sector/subsector: No export results to date

Products/services for which there are good market prospects:

1. ISI CIRCUITS
2. VHF SEMICONDUCTORS
3. OTHER NES ELECTRONIC SUBCOMPONENTS

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

- Market prospects have not been adequately explored
- LACK OF EDC FINE & EXPORT INSUR. HAS
- DEFERRED POTENTIAL EXPORTERS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: POLAND

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: PRESENT OF CDN CO CAPAB. TO LOCAL PROD'RS OF ELECTRONIC EQUIP
Expected Results: TO INITIATE CANADIAN INTEREST IN POLISH MARKET OPPORTUNITIES

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

Activity: CONTACTING PROD'RS OF ELECTR. EQUIP TO GET SPECIF OF THEIR IM
Expected Results: TO ELICIT OFFERS BY CANADIAN PRODUCERS & ESTABLISH ONE
CANADIAN FIRM ON MARKET

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

CURRENT IMPORT OF VME'S & LSI' Approximate Value: 0 M\$
S & OTHER ELECTR. SUBCOMPONENTS Financing Source : DOM - Domestically funded
Contact : F. PARZYCH, CDN EMB, WARSAW.
TLX: 813424 CAA PL

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: POLAND

Sector : FOREST PRODUCTS.EQUIP.SERVICES

Sub-Sector: EQUIPMENT AND MACHINERY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	10.00 \$M	10.00 \$M	10.00 \$M	15.00 \$M
Canadian Exports	0.30 \$M	0.10 \$M	0.10 \$M	0.30 \$M
Canadian Share of Market	3.00 %	1.00 %	1.00 %	2.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 1-3 \$M

Major Competing Countries	Market Share
FINLAND	40.00 %
AUSTRIA	10.00 %
SWEDEN	5.00 %
GERMANY WEST	5.00 %

Current Status of Canadian
exports in this sector/subsector: No export results to date

Products/services for which there are good market prospects:

1. PULP/PAPER PLANT WOODYARD MACHINES
2. FURNITURE PLANT MACHINERY
3. FORESTRY MANAGEMENT MACHINES

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

- POLAND IS OFF-COVER FOR EDC FINAN-
- CING AND EXPORT INSURANCE

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: POLAND

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: MKT SURV OF PULP/PAPER PROD'RS, FURN. PROD'RS & FOREST MGT OFF
 Expected Results: TO OBTAIN PROFILE OF POLISH REQUIREMENTS

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

Activity: OBTAIN SPECIFICATIONS OF PROJECTS AND EQUIPMENT
 Expected Results: TO INTRODUCE ONE NEW CANADIAN SUPPLIER ON MARKET

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

MODERNIZATION OF 3 PULP AND PAPER PLANTS	Approximate Value: 9 MS Financing Source : IBRD - World Bank DNM - Domestically funded Contact : F. PARZYCH, CDN EMB WARSAW. TLX: 813424 CAA PL
MODERNIZATION OF FURNITURE PLANTS	Approximate Value: 8 MS Financing Source : DNM - Domestically funded Contact : F. PARZYCH, CDN EMB WARSAW. TLX: 813424 CAA PI
IMPROVEMENT OF FOREST MANAGEMENT AND EQUIPMENT SALES	Approximate Value: 2 MS Financing Source : DNM - Domestically funded Contact : F. PARZYCH, CDN EMB WARSAW. TLX: 813424 CAA PL

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: POLAND

Sector : OIL & GAS EQUIPMENT SERVICES

Sub-Sector: MACHINERY AND EQUIPMENT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	0.00 \$M	10.00 \$M	20.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	2.00 \$M	5.00 \$M
Canadian Share of Market	0.00 %	0.00 %	20.00 %	25.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 3-5 \$M

Major Competing Countries	Market Share
UNION OF SOVIET SOC REP	50.00 %
ROMANIA	45.00 %
UNITED STATES OF AMERICA	5.00 %

Current Status of Canadian
exports in this sector/subsector: No export results to date

Products/services for which there are good market prospects:

1. GAS WELL STIMULATION EQUIPMENT
2. NATURAL GAS SWEETENING EQUIPMENT
3. GAS WELL WORKOVER RIGS

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

- Market prospects have not been adequately explored
- IRRD PROJECT HAS NOT BEEN IMPLEMENTED
- TFO

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: POLAND

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: ASSIST CDN COMPANY TO SIGN COOP AGREEMENT WITH POLISH OIL/GAS
Expected Results: POSITION COMPANY FOR EXPORT SALES AND PARTICIPATION IN IBRD
FIRST ENERGY PROJECT

Activity: FOLLOW-UP TO DEPARTMENTAL NATURAL GAS MISSION
Expected Results: ENCOURAGE PARTICIPANTS TO QUOTE ON POLISH REQUIREMENTS

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

Activity: OBTAIN SPEC ON VAR GAS EQUIP SOUGHT BY POLISH OIL & GAS CO
Expected Results: BRING TWO ADDITIONAL CANADIAN SUPPLIERS INTO POLISH MARKET

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: POLAND

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

NATURAL GAS STIMULATION EQUIPMENT REQUIREMENTS	Approximate Value:	10 M\$
	Financing Source :	IBRD - World Bank DDM - Domestically funded
	Contact :	F. PARZYCH, CDN EMB, WARSAW. TLX: 813424 CAA PL

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: EAST GERMANY

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ANIMAL-POULTRY BREEDING STOCK

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.05 \$M	0.10 \$M	0.30 \$M	0.50 \$M
Canadian Exports	0.05 \$M	0.10 \$M	0.30 \$M	0.50 \$M
Canadian Share of Market	100.00 %	100.00 %	100.00 %	100.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 0-1 \$M

Major Competing Countries	Market Share
FAST GERMANY	60.00 %
UNITED STATES OF AMERICA	0.00 %
UNITED KINGDOM	0.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. TURKEY BREEDING STOCK

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PFMD support
- Fairs and Missions support
- Competitive pricing
- Strong sectoral capability in Canada
- Bilateral economic trade agreement
- COMPANY WILLING TO COME
- TO COUNTERTRADE ARRANGEMENTS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: EAST GERMANY

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: EMB SHOULD CONT TO LIAISE W/MIN OF AGRIC & FND USFR
Expected Results: TO EMPHASIZE CANADIAN GOVERNMENT SUPPORT FOR THIS EXPORT.

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: HYBRID TURKEY PART IN CON SPONS PAV IN SRPING LFIPZIG FAIR
Expected Results: HIGHLIGHT CANADIAN INTEREST AND CAPABILITIES TO BROADEN GDR AUDIENCE AND DECISION MAKERS

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: EAST GERMANY

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: FOOD HANDLING, PROCESSING EQUIP

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.50 \$M	0.50 \$M	0.80 \$M	1.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	0.20 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	20.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 0-1 \$M

Major Competing Countries Market Share

GERMANY WEST	50.00 %
DENMARK	40.00 %
AUSTRIA	10.00 %

Current Status of Canadian
exports in this sector/subsector: No export results to date

Products/services for which there are good market prospects:

1. SLAUGHTERING EQUIPMENT
2. PACKAGING EQUIPMENT

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Unsuitable product
- Limited Canadian capabilities
- Market prospects have not been adequately explored

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: EAST GERMANY

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: CALIS ON FOREIGN TRADE ENTERPRISES
Expected Results: OBTAIN PROFILE OF GDR REQUIREMENTS

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

Activity: OBTAIN CANADIAN OFFERS
Expected Results: OBTAIN ONE CONTRACT IN THIS SECTOR

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

MODERNIZATION OF SLAUGHTER
HOUSES

Approximate Value: 1 M\$
Financing Source : DDM - Domestically funded
EDC - Export Dev Corporation
Contact : EWA MFCZYNSKA, CANADIAN EMBAS-
SY WARSAW TLX. 813424 CAA PL

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: EAST GERMANY

Sector : FISHERIES, SEA PRODUCTS & SERV.

Sub-Sector: FISH & SHELLFISH & OTHER PROD

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	3.50 \$M	3.00 \$M	2.50 \$M	2.50 \$M
Canadian Exports	1.30 \$M	0.90 \$M	0.60 \$M	0.50 \$M
Canadian Share of Market	37.00 %	30.00 %	24.00 %	25.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 0-1 \$M

Major Competing Countries

Market Share

UNION OF SOVIET SOC REP	50.00 %
POLAND	10.00 %

Current Status of Canadian

exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. FISH, SALTED AND DRIED

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- PURCHASES OF FISH ARE MA-
- DE IN CONTEXT OF NAFO AND
- BILATERAL AGREEMENT

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: EAST GERMANY

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: LIAISE REG W/GDR FISHERIES OFF ON ALLOC.FISHING PLANS.PURCH.
Expected Results: OBTAIN GDR SUPPORT FOR FANOTT NAFO CONCERNS. MAINTAIN CDN FISH EXPORTS & OTHER COMPENSATING MEASURES SUCH AS CREW EXCH

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

Activity: POST MAY BE REQ'D TO ASSIST IN DIPLOMATIC INIT.REGARD.NAFO
Expected Results: OBTAIN GDR SUPPORT FOR FANCO NAFO CONCERNS.MAINTAIN CDN FISH EXPORTS & OTHER COMPENSATING MEASURES SUCH AS CREW EXCHANGES

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: EAST GERMANY

Sector : GRAINS AND OILSEEDS

Sub-Sector: CEREAL GRAINS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	130.00 \$M	130.00 \$M	51.10 \$M	35.00 \$M
Canadian Exports	94.40 \$M	104.40 \$M	41.40 \$M	30.00 \$M
Canadian Share of Market	70.00 %	80.00 %	80.00 %	80.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 30-60 \$M

Major Competing Countries Market Share

UNITED STATES OF AMERICA	15.00 %
AUSTRALIA	10.00 %
FRANCE	5.00 %

Current Status of Canadian
exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. WHEAT
2. BARLEY

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Trade Fair activity
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Bilateral economic trade agreement
- GDR IS ATTEMPTING TO ACH-
- IFVE SELF-SUFF AS FAST AS
- POSSIBLE IN SECTOR

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: EAST GERMANY

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: REGULAR REPORTING OF WEATHER AND CROP CONDITIONS
Expected Results: ALERT CWB TO POSSIBLE GDR REQUIREMENTS

Activity: MAINTAIN CONTACT WITH GDR DECISION MAKERS
Expected Results: ALERT CWB TO GDR CONCERN AND NEEDS

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: SUPPORT CWB ACTIVITIES DURING LEIPZIG FAIR
Expected Results: TO MAINTAIN CWB AS PREFERRED SUPPLIER

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

Activity: FLAG CONTINUING CWB INT DURING NEXT GDR/CDA MIXED COMMISSION
Expected Results: CONTINUE TO DEMONSTRATE CANADIAN INTEREST IN THIS SECTOR

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: EAST GERMANY

Sector : FOREST PRODUCTS, EQUIP. SERVICES

Sub-Sector: PULP AND PAPER PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	2.50 \$M	2.50 \$M	3.00 \$M	3.50 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	0.50 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	14.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 1-3 \$M

Major Competing Countries	Market Share
FINLAND	60.00 %
UNION OF SOVIET SOC REP	30.00 %

Current Status of Canadian
exports in this sector/subsector: No export results to date

Products/services for which there are good market prospects:

1. KRAFT PAPER
2. BLEACHED PULP

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: EAST GERMANY

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: MARKET SURVEY OF GDR REQUIREMENTS
Expected Results: ALERT CANADIAN INDUSTRY TO GDR REQUIREMENTS

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

Activity: IDENTIFY COMPANIES INTERESTED IN GDR MARKET
Expected Results: ESTABLISH ONE CDN FIRM AS LONG TERM SUPPLIER

Activity: WORK WITH ALBERTA & QUERBEC GOVTS TO IDENT INTERESTED FIRMS
Expected Results: ESTABLISH ONE CDN FIRM AS LONG TERM SUPPLIER

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: EAST GERMANY

Sector : FOREST PRODUCTS.EQUIP.SERVICES

Sub-Sector: EQUIPMENT AND MACHINERY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	0.00 \$M	0.00 \$M	150.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	90.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	60.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 30-60 \$M

Major Competing Countries

Market Share

SWEDEN	35.00 %
FINLAND	30.00 %
FRANCE	10.00 %

Products/services for which there are good market prospects:

1. PULP & PAPER EQUIP.MACHINERY AND TECHNOLOGY

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- INVESTMENT DECISIONS HAVE
- NOT BEEN MADE

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: EAST GERMANY

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

- Activity: CONTINUE CALLS ON KEY DECISION MAKERS
Expected Results: ALERTING CANADIAN COMPANIES ON INVESTMENT DECISION STATUS
- Activity: SEMINAR ON KLOCKNER STADLER HURTER CAPABILITIES
Expected Results: OPENING KSH CONTACTS WITH KEY OFFICIALS AT ALL LEVELS RE SCHWEDT PROJECT
- Activity: VISIT BY TECHNICAL TEAM TO H.A. SIMONS
Expected Results: SENSITIZE KEY WITTENBERGER DECISION MAKERS TO H.A. SIMONS CAPABILITIES

For the next fiscal year, the mission will carry out the following approved fairs and missions:

- Activity: REGULAR ATTENDANCE BY KSH AND H.A. SIMONS AT LEIPZIG FAIR
Expected Results: NECESSARY TO DEMONSTRATE CONTINUING INTEREST

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

- Activity: FLAGGING CANADIAN INTERESTS DURING NEXT GDR/CANADA MEC
Expected Results: TO EXERT PRESSURE ON GDR

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: EAST GERMANY

Sector : MINE, METAL, MINERAL PROD & SRV

Sub-Sector: EQUIPMENT AND MACHINERY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	3.00 \$M	3.00 \$M	2.50 \$M	3.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.40 \$M	1.00 \$M
Canadian Share of Market	0.00 %	0.00 %	16.00 %	30.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 1-3 \$M

Major Competing Countries	Market Share
GERMANY WEST	90.00 %
AUSTRIA	10.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. CONVEYOR BELTING

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Competitive pricing
- Bilateral economic trade agreement

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: EAST GERMANY

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: MARKETING SEMINAR SPONSORED BY COMPANY IN BERLIN
Expected Results: BROADEN AND DEEPEN CONTACTS WITH TECHNICAL PERSONNEL

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: GOODYEAR PARTICIPATION IN CDN STAND AT SPRING LEIPZIG FAIR
Expected Results: CONTINUE TO DEMONSTRATE INTEREST AND MAINTAIN CONTACTS WITH END USERS

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

Activity: ASSIST GOODYEAR ON COOP W/SKET CONC REQ FOR WIRE MAKING MACH
Expected Results: CONTACT BETWEEN SKET AND GOODYEAR

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: EAST GERMANY

Sector : EDUCATION, MEDICAL, HEALTH PROD

Sub-Sector: HOSP. & MEDICAL EQUIP, INSTRUM.

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	4.00 \$M	5.00 \$M	5.00 \$M	6.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	0.50 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	8.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 0-1 \$M

Major Competing Countries

Market Share

GERMANY WEST	50.00 %
AUSTRIA	30.00 %
UNITED STATES OF AMERICA	10.00 %

Current Status of Canadian

exports in this sector/subsector: No export results to date

Products/services for which there are good market prospects:

1. ADVANCED DIAGNOSTIC EQUIPMENT
2. ADVANCED LABORATORY EQUIPMENT

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

- GDR MKT REQ UP-FRONT MKTG EXP. GDR
- REM. TO BE CONV. THAT CDA CAN SUPPLY

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: EAST GERMANY

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: CALLS ON GDR AGENCY FIRMS & FOREIGN TRADE ENTERPRISES
Expected Results: DEVELOP PROFILE OF GDR REQUIREMENTS

Activity: ALERT CANADIAN FIRMS TO GDR REQUIREMENTS
Expected Results: FAMILIARIZE GDR CONTACTS WITH CANADIAN CAPABILITIES

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: ASSIST COMPANIES DURING LEIPZIG FAIR
Expected Results: INTRODUCE CANADIAN FIRMS TO GDR DECISION MAKERS

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

Activity: WORK W/ALBERTA & QUEBEC GOVTS TO IDENTIFY INTERESTED FIRMS
Expected Results: INTRODUCE TWO CANADIAN COMPANIES ON GDR MARKET

29/05/89

DEPARTMENT OF EXTERNAL AFFAIRS

142

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: EAST GERMANY

Projects or portions of major projects within this sector/sub-sector still in the planning stage which provide opportunities for Canadian suppliers:

HOSPITAL MODERNIZATION

Approximate Value:

1 M\$

Financing Source : DOM - Domestically funded
EDC - Export Dev Corporation

Contact

: EWA MFCZYNSKA, CDN EMBASSY
WARSAW TLX. 813424 CAA PL

Post : WARSAW

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Post/Contact</u>
89/06/11	POZNAN INT'L FAIR, POZNAN, POLAND FAIR, NATIONAL STAND	GENERAL OR UNASSIGNED ISB S. WATERFALL/D. ADAMS
90/03/12	LEIPZIG SPRING FAIR, LEIPZIG FAIR, NATIONAL STAND	GENERAL OR UNASSIGNED ISB

