

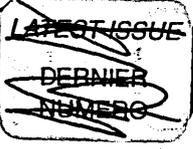
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CANADIAN TRADE REVIEW
(See supplement inside.)



Post-market liberalization

Opportunities in Shenzhen

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In what is just a blink of an eye in Chinese terms, Shenzhen has turned from the somewhat backwards border town of two decades ago into a dynamic modern city. And now all eyes are on a future that promises to be even brighter, as the city builds on its track record of success.

On November 14, a celebration was held to mark the 20th anniversary of the establishment of Shenzhen as a Special Economic Zone (SEZ). Other SEZs followed, including Zhuhai, Xiamen, Shantou, Hainan and Shanghai Pudong. People's Republic of China President Jiang Zhemín used the occasion to encourage Chinese enterprises and government units "to think and go global, to rejuvenate the country through science and technology, and to modernize through sustainable development." The goal is to form an urban core with Guangzhou and Hong Kong and to become a modern international city with strong

Continued on page 2 – Shenzhen

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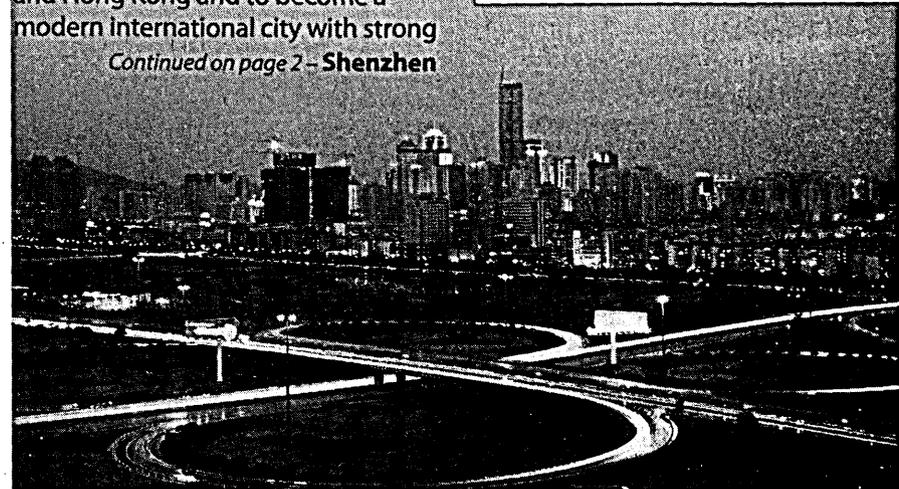
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TEAM CANADA TO VISIT BEIJING, SHANGHAI AND HONG KONG IN FEBRUARY 2001

Prime Minister Jean Chrétien will lead a Team Canada trade mission to Beijing, Shanghai and Hong Kong from February 9-18, 2001.

The Prime Minister will be joined by an official delegation made up of provincial premiers and territorial leaders, and more than 300 business people and young entrepreneurs, heads of educational institutions and municipalities.

For further information on Team Canada 2001, consult the Team Canada Web site at www.tcm-mec.gc.ca



Shenzhen

— Continued from page 1

transportation, environment, and high technology industries.

This new direction opens the door to opportunities for Canadian firms as new projects are undertaken. Already some 80 Canadian companies have a presence in Shenzhen, with more expected after China enters the World Trade Organization (WTO).

Projects in the works

Shenzhen Metro Project Phase I

- 70% of the rolling stock to be sourced in China
- Total length 14.8 km
- Total investment US\$968 million including US\$94 million foreign capital

Shenzhen-Hong Kong Western Corridor

- Major cross-border transportation project between Shenzhen and Hong Kong
- Total length 5,260 m, width 32.5 m, draft allowance for 1,000-tonne vessels
- Investment US\$257 million

Shenzhen Southern China International Container Multi-Modal Centre

- Largest facility in South China for international container traffic
- Capacity of one million TEU (twenty-foot equivalent unit) per year
- Investment US\$109 million

Hua Wei Technology Research and Development Centre

- To include a management office, with labs, showrooms, library, and info-centre
- Investment set at US\$92 million

Zhongxing Telecom Research and Development Centre

- Annual production of 500 base station systems
- Investment set at US\$17 million

Qianwan Gas Turbine Power Plant

- Capacity of 3x350 megawatt gas-steam combined circulating units
- Total investment estimated at US\$7.25 billion, as a domestic and foreign joint venture



Lubao (Green Environmental) Liquefied Natural Gas (LNG) Automobile Technology Network

- Re-engineering of 6,000 gasoline automobiles to reduce emissions and save fuel
- So far, 3,000 automobiles have been re-equipped and six LNG stations are under construction.

Shenzhen Convention and Exhibition Centre

- Tourist complex comprising hotels, office buildings, high-class apartments and convention halls
- Total investment US\$242 million

Total Television Broadcasting Centre

- Analog-to-digital broadcasting facility, topped by a panoramic news studio
- Total investment US\$32 million

Guangdong LNG Receiving Station

- Network of new and refurbished gas turbine power plants supplying Hong Kong
- Total investment for Phase I US\$616 million; US\$254 million for Phase II

For further information, contact Cathy Yao, Commercial Officer, Canadian Consulate General in Guangzhou,

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canadexport

The 400 delegates on the Prime Minister's Team Canada trade mission to Beijing, Shanghai and Hong Kong (February 9-18) can have complete confidence in the business programs being planned for them by the Canadian trade commissioners in each city. For the February 11-13 Beijing program, the Canadian Embassy also has the strong support of the Canada China Business Council (CCBC), a Canadian private sector non-profit member organization whose very purpose is helping Canadian companies to find partners in China.

In the wake of the Asian financial crisis, China's economy overall has maintained strong growth trends, and the market for Canadian technology, products and services remains quite strong. Over the last quarter century, Canada-China bilateral trade has grown rapidly, from \$161 million in 1970, when diplomatic relations were established, to \$11.5 billion in 1999. Bilateral trade with Hong Kong totalled \$2.4 billion in 1999, with another \$5.3 billion in two-way direct investment flows in 1998.

Founded in 1978, the CCBC is widely regarded as being one of the leading bilateral associations representing Canada anywhere in the world. The Council has a mandate to stimulate and support trade in goods and services, investment and technology transfer; to achieve greater economic growth and a closer relationship between Canada and China; to provide practical and focused assistance to business; and to be the voice of the Canadian business community on matters of Canada-China relations, both for the government and the public at large.

Offices in both countries

Offices in Toronto, Vancouver, Beijing and Shanghai, as well as chapters in Ottawa, Montreal, Calgary, and Vancouver, serve the CCBC's 270 members, which include 31 Chinese companies and several Canadian educational institutions.

The CCBC provides market information, business and logistical support and services, and potential project leads to its members. "We provide a great deal of advice and infor-

events. The Team Canada business program will include seminars on different industry sectors, a seminar on financing, and one on the nuts and bolts of doing business in China.

Joining Team Canada mission to China

Canada China Business Council

mation, either one-on-one or through seminars," explains CCBC Executive Director Fred Spoke.

Close ties to both governments

The Council regularly teams up with the Department of Foreign Affairs and International Trade (DFAIT) to organize seminars and business events, host incoming Chinese delegations, plan business missions to China, and produce publications.

The Council is also a strong complement to the Canadian Trade Commissioners in China. Through its offices in Beijing and Shanghai, the Council is well positioned to help Canadian companies find potential partners and provide corporate advocacy for companies meeting market barriers.

The Council has close ties with Chinese officials at all levels of government. "When a Chinese delegation comes to Canada, we are often contacted to put together a business program for them," explains Spoke. "We've had senior Chinese leaders come to our Annual General Meeting since 1994."

Strong support for Beijing program

Its close connections with both DFAIT and China made the CCBC a natural choice to assist with the business program on the Beijing leg of the Team Canada mission.

The Council is helping the Canadian Embassy to arrange speakers, set up seminars, and ensure that the appropriate Chinese officials attend

A feature of the Team Canada visit to Beijing is the gala banquet, co-hosted by the CCBC and the Prime Minister, in the Great Hall of the People. Between 2000 and 2500 people, including senior leaders from both governments and Canadian and Chinese company representatives, are expected to attend the dinner.

Many CCBC members will be among the mission delegates, and the Council will be represented by its Chairman, André Desmarais, its President, Earl Drake, and other senior managers.

On the Team Canada mission, the importance the Council places on collaboration of every kind will go a long way toward facilitating opportunities for partnership and investment for Canadian companies.

For more information, contact Kai Xing, Director of Membership and Business Services, tel.: (416) 954-3800, fax: (416) 954-3806, e-mail: ccbc@ccbc.com Web site: www.ccbc.com

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Business Chamber/Associations") *

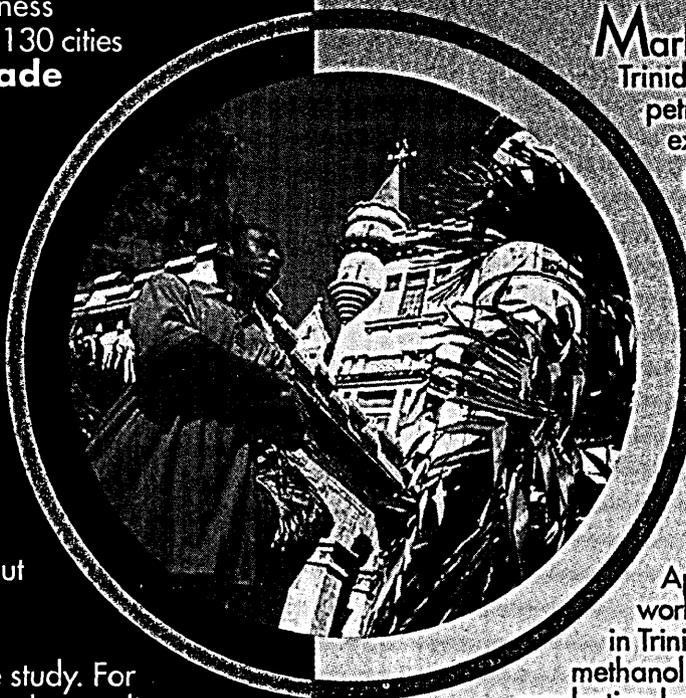


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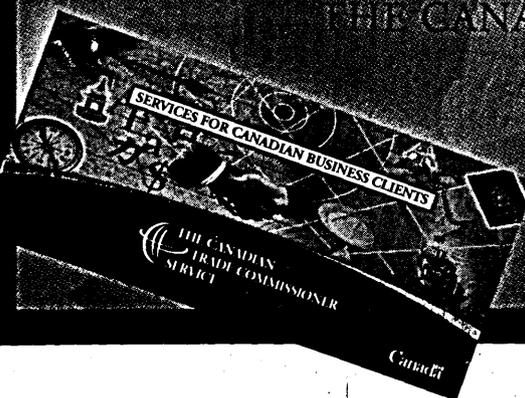
— The Petro

Market Overview
Trinidad and Tobago's petrochemical sector is experiencing rapid growth, offering a range of opportunities for Canadian companies. Fuelling this growth is the commissioning of several new plants, primarily for methanol and ammonia, and the construction of additional plants for iron reduction and iron carbides.

Approximately 10% of the world's methanol is produced in Trinidad and Tobago. New methanol plants have pushed production levels from 3.2 million tonnes per year in 1998 to 3.4 million tonnes per year in 1999. In August 1998, the country commissioned two new ammonia plants, which increased output from 2.2 million tonnes per year in 1998 to 3.6 million tonnes in 1999.

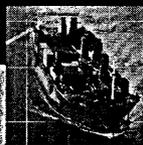
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Petrochemicals Market



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Trinidad and Tobago is also the only exporter of iron carbides in the world.

Production is located at the Nucor plant, which has an output of 1,000 tonnes per day, worth \$112 million.

Opportunities

The Government of Trinidad and Tobago is continuing to boost foreign investment in the petrochemical sector.

Opportunities exist for Canadian companies to invest in the construction of new plants for downstream natural gas-based or fuelled industries, including the construction of additional ammonia plants, ethylene plants, and a polypropylene plant. In addition, the country has plans to construct facilities that produce urea, fertilizers and other industrial chemicals.

State-owned companies such as the Caribbean Methanol Company Limited are interested in potential joint-venture partnerships with Canadian companies that can offer expertise in the following areas:



- production of formaldehyde or formaldehyde-related products
- production of windshield washer fluid or related products that use methanol
- production of solvents or paints
- equipment supply and services.

There is an overall demand for equity financing and venture-capital financing companies, and companies that are related to petrochemical production or that provide services to the petrochemical industry, including equipment suppliers and equipment servicing companies.

Market Access

While Canadian presence in Trinidad and

Tobago is currently limited, the opportunities in this market match Canadian capabilities. Canada has strong trade ties to the region through CARIBCAN, a program that promotes Commonwealth Caribbean Trade. Additionally, the Canadian-Caribbean Business Cooperation office encourages long-term business

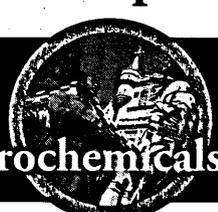
relationships in the region. Opportunities exist for joint ventures, technology transfer, investment, franchising, training and other forms of cooperation.

See potential?

To learn more about these market opportunities, the competitive environment, and market entry strategies, please read the full report, *The Petrochemicals Market in Trinidad and Tobago*. The report, prepared by the Market Research Centre of the Trade Commissioner Service, is available on-line at www.infoexport.gc.ca

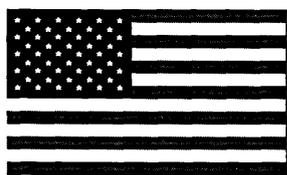
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The Petrochemicals Market

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The U.S. Connection

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"Telecom Tuesday" in Washington, D.C.

Telecom Tuesday, held on Tuesday, November 28, was the first in a new series of briefings hosted by the Canadian Embassy in Washington, D.C. on global trends in the information and communications technology (ICT) industry. The event, aimed at raising Canada's profile among leading telecommunications entrepreneurs, venture capitalists (VC) and the media, was a success, with over 300 attending. Featured was a discussion led by a dynamic panel of industry leaders on the business, practical, and technical issues faced by Internet firms that are developing and implementing wireless strategies. Many of the firms represented either have locations in Canada or are doing business with Canadian ICT firms.

Telecom Tuesday is an offshoot of First Tuesday, a European networking forum founded in 1998, which helps entrepreneurs gain access to the capital, resources, technology, expertise, and services they need to be successful. Hosting Telecom Tuesday is part of the Canadian Embassy's strategy to promote Canada as a world leader in a regional ICT market worth an estimated US\$200 billion a year.

A panel discussion presented a variety of "hot" issues, including improving equipment reliability, prolonging battery life for personal

digital assistants (PDAs), the lack of technical standards, adapting business processes to emerging technologies, and the impact of cheaper technology on the wireless Internet market. To view a Webcast version of the panel

discussion, visit www.firsttuesday.com or www.sonnenschein.com

The inaugural Telecom Tuesday was so successful that the Embassy hopes to include similar events in its 2001 program. For further information, contact Gerard Brathwaite-Sturgeon, Second Secretary (Commercial), tel.: (202) 682-1740, fax: (202) 682-7619, e-mail: gerard.brathwaite-sturgeon@dfait-maeci.gc.ca *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "The U.S. Connection.")

Canadian "technopreneurs" attend Nortel "NL2" in Silicon Valley

A unique mix of technopreneurs — Canadian start-up successes, Silicon Valley veterans, and leading venture capitalists (VC) — learned how to take a start-up business in the New Economy to the next level of success at Nortel's Next Level 2 Conference (NL2). The event, held in San Jose, California, December 6-8, was organized by the Canadian Consulate Trade Office (San Francisco/Silicon Valley) in partnership with *Profit Magazine* and the Leaf Initiative, a non-profit organization with the mandate to champion Canadian success in the New Economy.

Nortel Networks was the title sponsor; other sponsors included Ernst & Young, Coradiant, National PR, Hewlett-Packard (Canada), Tractionworks, and Fenwick & West.

NL2 featured more than 40 speakers and panelists, with sessions encom-

passing everything from identifying a market opportunity, assembling a top-notch executive team, and honing a business model, to outsourcing, securing VC funding, and exit strategies.

Brent Holliday of Greenstone Ventures, who had also attended NL1, commented, "This should be a required event for Canadian high-tech entrepreneurs who want to succeed. With the outstanding lineup of speakers, NL2 was invaluable."

For further information on NL2, visit www.nextlevelconference.com or contact Jeane Weaver, Business Development Officer, Canadian Consulate Trade Office (San Francisco/Silicon Valley), tel.: (408) 289-1157 ext. 23, fax: (408) 289-1168, e-mail: jweaver@cdntrade.com Web site: www.cdntrade.com *

Check the Business Section of the Canada-U.S. Relations Home Page at www.dfait-maeci.gc.ca/geo/usa/business-e.asp ... for valuable information on doing business in and with the United States.

When Geoffrey Bennett came on board Pelorus Navigation Systems Inc. of Calgary as Vice-President and Chief Financial Officer in 1999, he was given an immediate challenge: find working capital to allow the airport navigation equipment company to deliver on a

In 1995, with prototype satellite landing system (SLS) technology in hand, the company teamed up with Honeywell Corporation to produce the Honeywell/Pelorus SLS-2000, a system that uses global positioning system (GPS) technology. Under the 10-year agreement, Honeywell and

Precision landing with CCC assistance

Calgary navigation company delivers

lucrative contract with U.S. partner and customer Honeywell Corporation. Through the National Bank of Canada, Pelorus was introduced to the Canadian Commercial Corporation (CCC), which stretched the parameters of its Progress Payment Program (PPP) to let the company's cutting-edge technology land at its destination.

Pelorus has been in the business of designing, manufacturing and marketing ground-based navigation equipment to facilitate safe airport landings since 1983. The 30-employee company has installations in 700 airports worldwide.

Pelorus partner to develop the technology and provide internal components; Pelorus then manufactures and tests each system.

Using GPS satellites, the system can chart a course for an approaching plane that is not affected by the weather. The system also costs a lot less than its predecessor, making it affordable even for smaller airports.

By summer of 1999, while working on the SLS-3000, a second-generation system, the company found itself short of cash. "We had lots of business, but limited financing," explains Bennett.

But when the National Bank of Canada introduced Pelorus to CCC all that changed, although not immediately. Pelorus, with its Honeywell contract, was not the usual candidate for the PPP: the product was still at the prototype stage; there was no link to the buyer; and payment was held until the customer's acceptance at destination.

"There were a lot of hurdles," explains CCC Project Manager Emmanuel Florakas. "But given the strength of the Honeywell/Pelorus partnership — the fact that the customer was also the partner with a vested interest — and Pelorus' strong management team, we were able to overcome those hurdles."

With the bank accepting buyer credit risk through a discount facility for receivables, the PPP line of credit

SHAPING TRADE SOLUTIONS FOR OUR EXPORTERS



Canadian Commercial Corporation

The Canadian Commercial Corporation (CCC) is an export sales agency of the Government of Canada providing special access to the U.S. defence and aerospace markets and specializing in sales to foreign governments.

Canadian exporters can gain greater access to government and other markets, as well as a competitive advantage, through CCC's contracting expertise and unique government-backed guarantee of contract performance.

CCC can facilitate export sales that often result in the waiving of performance bonds, advanced payment arrangements and generally better project terms.

When requested, CCC acts as prime contractor for government-to-government transactions and provides access to preshipment export financing from commercial sources.

For more information, contact CCC, tel.: (613) 996-0034, toll-free in Canada: (800) 748-8191, fax: (613) 947-3903, e-mail: info@ccc.ca Web site: www.ccc.ca

was in place by December 1999, and paid down by early February 2000 with the final delivery.

"I would absolutely use CCC's services again," says an enthusiastic Bennett. "I thought I would be dealing with a government agency boxed in by rules, but instead I found a group of people passionate about providing customer service. They worked as hard as we did to make this happen."

To date, the Honeywell/Pelorus systems are installed in Frankfurt, Memphis and Chicago-O'Hare, the busiest airport in the world. With other systems slated for Seattle and Chicago-Midway, and FAA public approval anticipated for 2001-02, the world can look forward to safer, more efficient air travel.

For more information, contact Geoffrey Bennett, VP and CFO, Pelorus Navigation Systems Inc., tel.: (403) 730-5555, fax: (403) 730-5511, e-mail: gbennett@pelorus.com Web site: www.pelorus.com

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Export Sales and Contracting")

DOING BUSINESS WITH THE U.S. FEDERAL GOVERNMENT?

Find out more from the Canadian Embassy in Washington, D.C. (www.canadianembassy.org) under "Business Opportunities: U.S. Government Procurement."

Log onto opportunities via the General Services Administration (www.gsa.gov), which facilitates purchases by the U.S. government — the world's largest consumer — and the Electronic Posting System site (www.eps.gov).

When you're ready to pursue these opportunities, the Canadian Commercial Corporation (www.ccc.ca) can assist you with the interpretation of the U.S. procurement system or ensure that as a Canadian company, you are eligible to participate.

When you introduce a product made from the purest, most intriguing source of water on the planet, attracting international interest is not a problem. But as Canadian Iceberg Vodka Corporation discovered, finding reliable distributors is another story; however, the company has found another valuable resource in Team Canada Inc. Company President Gary Pollack is pleased to share his tips.

Newfoundland-based Canadian Iceberg Vodka Corporation has been commercially harvesting icebergs in "Iceberg Alley," off the island's north-east coast, since May 1995. The icebergs, chunks that have broken away from the main glacial body near Greenland, are picked up in massive nets by the company's harvesting ships and placed in the ships' holds.

The iceberg water — so pure that contaminants are undetectable in parts per quadrillion — is shipped to the Newfoundland Liquor Corporation (NLC), which blends it with triple-distilled neutral grain spirits produced from Ontario sweet corn. The result is Canadian Iceberg Vodka, an international award-winning spirit that is the brainchild of Gary Pollack.

"During the Gulf War, someone jokingly suggested that with all the icebergs we have, we could harvest them and send the water to Saudi Arabia," Pollack explains. "At first I laughed, then I realized the idea wasn't ridiculous at all." Unable to obtain financing to produce iceberg water, Pollack contacted the NLC, which was willing to bottle iceberg vodka.

Distributors come knocking

After introducing the spirit at the annual First Ministers' conference in St. John's in 1995, the company landed a U.S. distributor and a Canadian agent. However, the distributor turned out to be a distribution centre and charged Iceberg Vodka an expensive fee to back out of the agreement.

Pollack has salient advice for other exporters: "Ask for copies of their financial statements. Ask for references from other companies they're repre-

sented. Don't get stuck with someone who's all talk and no action."

He also recommends tapping into government resources. The company has used Export Development Corporation (EDC) services and, in October 1999,

The tip of the iceberg

Vodka exports flow

received Program for Export Market Development (PEMD) funding, which allowed Pollack to attend ANUGA, the world's biggest food and beverage show, in Cologne, Germany.

Face-to-face brings results

Meeting with potential distributors is not the sole reason to attend trade shows. "The other big advantage is that you get to meet the trade commissioners," notes Pollack, "which makes it easier when you're sending e-mails." The company keeps in frequent contact with posts in the United Kingdom, France, Germany, the Middle East, and Scandinavia, receiving market information, lists of distributors, as well as advice on shows Pollack should attend. Leads from commercial officers have also led to recent agreements with distributors in Iceland, Israel and Switzerland.

Communication is key

Pollack also stresses the importance of including translators in company booths at foreign shows. "If you're going into foreign markets, you need to have someone who speaks the language. It's very important to be able to communicate in the language of the place you're going."

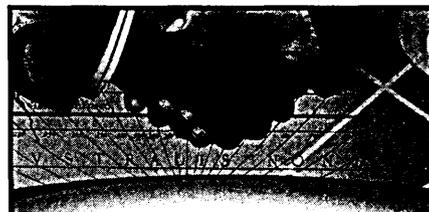
Iceberg Vodka, with six full-time employees and 25-30 seasonal harvesters and bottlers, exports to Japan and Ukraine. In addition to its current push into Europe, the company anticipates sales from participation in the February 2001 Team Canada trade mission to Beijing, Shanghai and Hong Kong.

The company is branching out in product as well as market. Canada's Original Iceberg Water, 90% of which is destined for exports through the company's current distributors, is expected to be on the market by 2001.

Pollack has good reason to be confident in his unique vodka. Nevertheless, he stresses: "The only way a company like ours can grow is through exports and through the support of the Canadian export development programs."

For further information, contact Gary Pollack, President, Canadian Iceberg Vodka Corporation, tel.: (416) 443-6200, fax: (416) 385-3132, e-mail: president@icebergvodka.net Web site: www.icebergvodka.net *

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Canadian Trade Review

A Quarterly Review of Canada's Trade Performance Third Quarter 2000

This trade and investment quarterly reports on Canada's economic growth in the third quarter of 2000, and highlights our trade and investment performance in key sectors and markets.



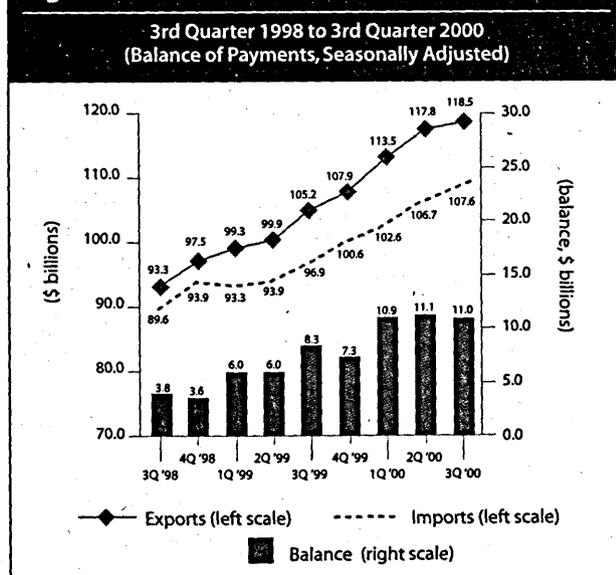
Canada's Economic Performance Strengthened, Despite Restrained Growth in International Trade

During the third quarter of 2000, despite restrained growth in international trade, Canada's real gross domestic product (GDP) rose by 4.8% at an annual rate, which was somewhat higher than growth in the second quarter and twice the 2.4% real GDP increase in the United States. Robust consumer demand combined with business investment in plants and equipment were the principal driving factors behind this quarter's strong economic performance. On a quarter-over-quarter basis, consumer spending advanced by 1.3% (quarterly rate), while business investment rose by 3.8%, owing mostly to the 30.9% increase in investment in telecommunications equipment. Internationally, exports of goods and services edged down by 0.1% in real terms, and contributed negatively to the change in Canada's real GDP for this quarter, for the first time in three and a half years.

Table 1: Canada's Economic and Trade Indicators

	Percent Change at Annual Rates 3Q '00 over 2Q '00
Real GDP	4.8%
Employment (quarterly increase, level)	66,300
Consumer Price Index (October, year-over-year)	
All Items	2.8%
Core (excludes food and energy)	1.5%
Exchange Rate in US\$ (September, closing)	0.6651
Exports of Goods and Services (current dollars)	2.6%
Imports of Goods and Services (current dollars)	3.4%

Figure 1: Canada's Trade in Goods and Services



Source: Statistics Canada

Trade and Investment Highlights

The quarterly growth of Canada's total trade emanated solely from the merchandise account, where a significant share of the gains in merchandise exports occurred in resource-based products. However, due to the faster growth of imports, the goods surplus narrowed on a quarterly basis to \$12.6 billion. Trade in services was weak, as exports and imports declined slightly. With respect to foreign direct investment (FDI) into Canada, acquisition activities played an important role once again, while investments in U.S. stocks accounted for much of this quarter's Canadian portfolio investments abroad.

Gain in Canada's Merchandise Export Driven by Resources

Merchandise exports were valued at \$104.6 billion, up by 0.8% from the previous quarter. While energy exports were the principal source of the increase, exports of other resource-based products such as industrial goods, and agricultural and fishing products, also advanced in this quarter. The gains in exports of resource products and consumer goods offset the decline in other major products.

Higher energy prices continued to elevate the value of our exports. To some extent, however, export performance in the third quarter was adversely affected by temporary factors such as a plant shut-down due to fire, a period of change-over of models of motor vehicles, a platform-maintenance

Continued on page 2 — Highlights

Continued on page 2 — Economic Performance

Prepared by the Trade and Economic Analysis Division (EET)



Department of Foreign Affairs and International Trade

Ministère des Affaires étrangères et du Commerce international

Canada

Highlights — Continued from page 1

shutdown in Eastern Canada, and poor weather conditions that affected activity in crude petroleum exploration.

For this quarter, Canada's merchandise imports reached \$92.1 billion, up by 1.2% from the last quarter. This increase was due to gains in imports of machinery and equipment products, energy products, consumer goods, and agricultural

and fishing products. Strong business investment and higher consumer spending helped to achieve this performance.

By destination, Canada's exports to the United States reached \$90.2 billion. Compared to the second quarter, our

exports to the United States

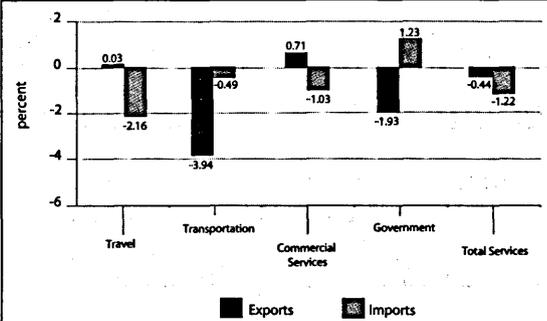
rose by 1%, with increases also noted for the European Union. Canada's exports to Japan, however, dropped by 7.6%. As for imports, there were broadly-based increases from major trading partners other than Japan. Two-way trade in goods and services with the United States averaged \$1.72 billion per day in this quarter.

Downward Drift in Transportation Services Trade

Canada's exports of services of \$13.9 billion were down by 0.4% over the second quarter due to the drop in transportation services exports. Third-quarter imports fell by 1.2% to \$15.5 billion as all major service categories weakened. As a result, Canada's services deficit narrowed by \$131 million to \$1.6 billion in the third quarter.

Figure 4: Canada's Services Trade, by Type

3rd Quarter 2000 over 2nd Quarter 2000 Change



Source: Statistics Canada

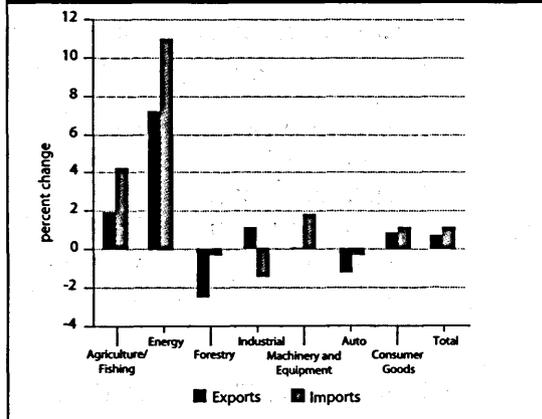
Energy Industry Attracted Direct Foreign Investment Flows

More than 30% of the flows of total FDI in Canada and Canadian Direct Investment Abroad (CDIA) were geared toward energy and metallic mineral industries, and were largely from and into the United States. FDI was valued at \$10 billion, down sharply from \$28.9 billion in the second quarter. Meanwhile, CDIA fell to \$4.6 billion from the second quarter's \$21.1 billion. As with previous years, acquisition activities played an important role in FDI in this quarter.

Portfolio investments in Canada, from July to September of 2000, were dominated by the demand for Canadian stocks. Likewise, investment abroad by Canadian portfolio investors was mainly in foreign stocks. Unlike the first two quarters, most of Canada's investments in foreign equities during the third quarter were directed to the United States.

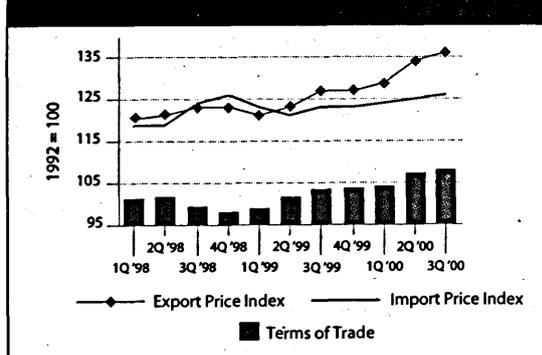
Figure 2: Canada's Trade by Commodity

3rd Quarter 2000 over 2nd Quarter 2000 Change



Source: Statistics Canada

Figure 3: Canada's Terms of Trade



Source: Statistics Canada

Economic Performance — Continued from page 1

In current rather than inflation-adjusted dollars, Canada's two-way trade posted a meagre quarterly gain of 0.7% due to stronger energy prices. However, compared to the same period last year, the value of two-way trade accelerated by as much as 11.9%. The current account recorded a surplus of \$3.4 billion in the third quarter, the third surplus in a row. The nine-

month surplus of \$11.6 billion is substantially larger than the annual surplus of 1996, which was \$4.6 billion.

International investments into and from Canada eased in this quarter after setting record levels in the second quarter of this year. The levels of inward and outward investment flows remained high by historical standards, despite this quarter's decline.

Feature Section

The Impact of Transshipments on Canada's International Trade Statistics

In principle, the value of what one trading partner purchases should equal what the other sells; the bilateral trade balance between any two countries thus should be of the same order of magnitude and of the opposite sign. In practice, however, this equality can seldom be found in published trade data. Indeed, the trade picture portrayed by available statistics can be very misleading. A case in point is the trade officially reported between Canada and Japan, where both countries published merchandise trade statistics that showed that they each had a trade deficit with the other country in 1993 and 1994!

As a major economic indicator, trade statistics provide an important source of information for commercial, economic and political purposes. In view of the need for reliable data and the shortcoming of existing data, the Government of Canada (via Statistics Canada) has been undertaking a number of data-reconciliation projects with Canada's major trading partners in recent years to determine the sources of, the reasons for, and the sizes of discrepancies between trade statistics published by Canada and those by its major trading partners. The exercise typically adjusts the two national sets of data on the same conceptual footing and arrives at one single set of reconciled data for merchandise exports, imports and the trade balance for the year or years reviewed.

There are various reasons for data discrepancies. Among them are treatment of freight and insurance, timing, conceptual differences, and transshipment (or indirect trade) via a third country.¹ In the latter case,

transshipment distorts bilateral trade statistics, when goods from the initial export destination are shipped to a third country without substantial transformation.

The process of reconciling trade data for any two countries (for example, Canada's exports to Mexico and Mexico's imports from Canada) makes use of the information that is available from the import data but is not captured by the export data. Because imports often involve the collection of tariffs or duties, or regulatory inspection, they tend to be more accurately recorded and better documented than exports. Hence, import data from each country are used as benchmarks.

The transshipment issue is the focus of this review in Canada's bilateral trade data-reconciliation with Mexico, Japan, the European Union (EU) and the United States. Currently, Canada is embarking on similar exercises with China, Korea and Japan (again) in reconciling trade data for recent years.

Mexico. The results of the most recent Canada-Mexico merchandise trade reconciliation indicated that transshipment through the United States was the main source of discrepancy between Canada's and Mexico's statistical data. The reconciled data suggest that, of the total \$1.4 billion difference between Mexico's recorded imports from Canada and Canada's recorded exports to Mexico in 1997, 78.1% was due to transshipment. Of this 78.1% share, trade via the United States constituted 92.7%, and indirect trade via other countries accounted for the remainder.

Northbound, Canada's published imports were higher by \$3.1 billion in 1996 and by \$4.0 billion in 1997 than Mexico's published exports — a discrepancy representing 104% and 135% of the level of exports published by Mexico for the two years, respectively. Of the \$4.0 billion difference in 1997, 76.2% can be attributed to trade via third countries (with the United States accounting for 99.6% of this difference). Because of data complexity, trade officials in the two countries to date have been unable to arrive at a set of reconciled data that is satisfactory to both parties.

Japan. The reconciliation exercises to date between Canada and Japan for the years 1989-1994 also provide information on the extent of distortion in trade statistics. Eastbound trade data indicated that, in 1994, Canada's published imports were higher by \$3.3 billion (or by 40%) than the level of Japan's exports. Of the \$3.3 billion discrepancy, 97.6% was due to indirect trade via the United States. Westbound, Japan's imports were 26.9% higher than Canada's exports with indirect trade (or import of Canadian goods via the United States) explaining only 17.9% of the total discrepancy in 1994. As shown in Table 2 on page 4, the reconciliation exercise achieved its purpose of arriving at a set of exports and import data that is officially recognized by both countries for 1993 and 1994. Because of the need to keep a consistent time series, the reconciled data (which are available only for specific years) have not been used to replace Canada's existing trade statistics.

¹ Statistics Canada Daily, *Canada-Mexico-United States Merchandise Trade Reconciliation, 1996-1997*, August 3, 2000.

European Union.

On June 8, 2000, Statistics Canada and Eurostat announced the result of a bilateral merchandise trade-reconciliation study covering data for the period 1993-1997. Between Canada and the EU, indirect trade refers to Canadian exports to the EU (and imports from the EU), which are transhipped via a non-EU member country. In 1997, 21.9% or \$1.2 billion of the total discrepancy between Canada's imports and the EU's published exports could be attributed to indirect trade. Transhipment also accounted for 22.5% of the discrepancy between the EU's public imports and Canada's published exports.

United States.

Reflecting the long-standing and sizeable trade relationship, reconciliations of current account data have been conducted annually with the United States since 1970. Beginning January 1990, a large part of the differences in the Canadian and U.S.-published estimates has been eliminated, as Canada and the United States began to exchange data for transactions such as trade in goods, services such as travel, passenger fares, inland freight, government expenditures, unilateral transfers such as pensions, and banking data used to estimate interest income. As a result of the data exchange, in which the export statistics of each country are derived from the counterpart's import data, there now are no unexplained differences in merchandise trade statistics between these two countries except for minor adjustments associated with the confidentiality of the source data, re-exports and valuation differences.

Conclusion. The results of the reconciliation studies to date and those presently under way have a number of important implications on data interpretation, one of which is on evaluating the share of Canada's overall exports to individual countries. When Canada-Japan trade statistics were reconciled, Canada's exports to Japan were adjusted upward by \$1.0 billion in 1993 and by \$1.3 billion in 1994. The reconciled figures suggest that Japan's share in Canada's total exports in 1993 was 5.0% instead of the 4.5% that was published. Between Canada and the EU, Canada's exports were adjusted upward by \$3.0 billion in 1997, and the EU represented a 6.1% share of Canada's exports in 1997, up from the published 5.1%.

Given that no adjustments for transshipments are needed for bilateral trade between Canada and the United States, and taking into account the outcome of transshipment exercises referred to above in raising the level of Canada's trade with countries other than the United States, it can be inferred that the

share of Canada's exports to these countries as a percentage of Canada's global exports should have been higher, while that of Canada's exports to the United States should have been lower, relative to the corresponding figures indicated by Canada's official statistics.

Lastly, the transshipment issue can have policy implications for Canada's bilateral trade relationship with the United States. The fact that indirect trade occurs between Canada and a trading partner points to the role of the United States as an intermediary country, in addition to the usual role as a final destination of a large proportion of Canada's exports. This intermediary role played by the United States may need to be taken into account in the design of trade policies that are aimed at strengthening our bilateral trade relationship with the United States.² Therefore, unless sufficient work is done to assess and quantify this type of transshipment, the precise nature of Canada's trade performance will always be an open question.

Table 2: Published and Reconciled Trade Statistics

(Billions of Canadian Dollars)

	Published Data		Reconciled Data	
	1996	1997	1996	1997
Canada - Mexico				
Canada's Exports to Mexico	1,258	1,328	n.a.	n.a.
Mexico's Imports from Canada	2,377	2,725	n.a.	n.a.
Canada's Imports from Mexico	6,035	7,019	n.a.	n.a.
Mexico's Exports to Canada	2,962	2,986	n.a.	n.a.
Canada - Japan	1993	1994	1993	1994
Canada's Exports to Japan	8,492	9,659	9,505	10,972
Japan's Imports from Canada	10,486	12,257	9,505	10,972
Canada's Imports from Japan	10,718	11,358	10,731	11,387
Japan's Exports to Canada	8,150	8,106	10,731	11,387
Canada - European Union	1993	1997	1993	1997
Canada's Exports to the EU	11,077	15,432	11,159	18,470
The EU's Imports from Canada	11,898	19,496	11,159	18,470
Canada's Imports from the EU	14,636	27,134	14,936	27,134
The EU's Exports to Canada	12,932	21,706	14,936	27,134

2 To date, indirect trade has also been found to be a source of discrepancies in trade statistics in reconciliation exercises conducted by the United States with countries such as Australia and Mexico.

The island of Kyushu is also known as "Silicon Island" due to its high concentration of integrated circuit (IC) manufacturing companies. Kyushu, together with the neighbouring prefecture of Yamaguchi and the island of Okinawa, form the Kyushu-Yamaguchi Economic Sphere, a region with a population of almost 15 million and a GDP larger than Australia, South Korea or Mexico. This area is often referred to as a 10% economy, since it represents between 9% and 12% of the Japanese national level in terms of area, population, GDP, retail sales, local government spending, and other indicators.

Kyushu has strong ties with its Asian neighbours, with almost three quarters of Kyushu businesses abroad having opened offices in Asia. Asia accounted for more than 45% of Kyushu's gross trade volume in 1998.

Fukuoka, its main centre, with a population of 1.3 million, forms the fourth largest urban centre in Japan. Large foreign firms such as Costco (membership discount store) and AMC (movie theatres) have set up facilities in Fukuoka recently and are planning expansion into other regions.

Infrastructure developments

The Kyushu infrastructure has been developing rapidly over the past few years, making trade and travel more accessible and efficient. The Trans-Kyushu expressway, completed in 1996, links Fukuoka with all the Kyushu capitals, and the new Fukuoka international air terminal, completed in 1999, links the city to 18 cities in eight countries. With deregulation in the air services sector over the past few years, third-sector (private-public) partnerships have been formed to establish small, regional airlines, facilitating economic development in the regions by making them more accessible. These airlines require short runways, a perfect match for Bombardier Dash 8s, which are now being used by Ryukyu Air Commuters (Okinawa),

Amakusa Airlines (Kumamoto) and should be flying in the Nagasaki skies by 2001.

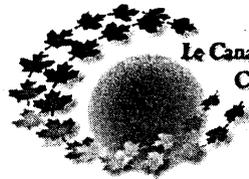
Opportunities in high-tech

With the growing use of the Internet as a communications and trade tool, the number of Internet service provi-

ders in Kyushu has more than quadrupled since 1995. Ten cable television companies recently received approval to provide Internet services and local authorities are pushing the development of Internet-based exchanges. In September, Fukuoka-based discount store Mr. Max introduced an on-line shopping service for clothing, items for children and babies, and pet goods. Companies can now promote their products and services, in English, free of charge via a new Web site www.business-mart.ne.jp created by the Fukuoka Foreign Trade Association.

Distribution changes

Changes in the Japanese distribution system have created opportunities for certain types of Canadian products, especially in Japan's regional markets. This is especially true in Kyushu where trade that was previously controlled by large trading houses is now open to newcomers. Direct imports of Canadian food and beverages, building materials and furniture to Kyushu, including doors and windows, wine, frozen cakes, and furniture have been successful.



Fukuoka-Canada Society

The Fukuoka-Canada Society was established on September 30, 1999, to promote friendship and exchange between Japan and Canada in the areas of culture, economy, and technology. The Society has over 400 cor-

Market to discover in southern Japan

porate and individual members, including such well-known companies as Kyushu Matsushita Electric (Panasonic), Shin Idemitsu, the largest oil retailer in Kyushu, and Toto, Japan's largest maker of sanitary earthware and metal fittings.

On July 1, Canada Day, the Society organized a showing of the Canadian movie *The Red Violin*, and, on July 10, Canada's Ambassador to Japan, Len Edwards, attended the first Annual General Meeting of the Society to promote Canada as a strong business partner in high technology. In September, 78 members of the Society visited Canada, and more activities are planned to strengthen ties between Fukuoka and Canada in the future.

For further information, contact Josiane Simon, Consul and Trade Commissioner, Canadian Consulate, Fukuoka, tel.: (011-81-092) 752-6055, tel.: (011-81-092) 752-6057 (after hours), fax: (011-81-092) 752-6077, e-mail: josiane.simon@dfait-maeci.gc.ca *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "A Yen for Japan".)

Often dubbed the largest of the small countries of the European Union, or the smallest of the big member states, the Netherlands (three quarters the size of Nova Scotia with a population of 16 million in an area of 41,500 square kilometres) is a player of significance in the food scene in Europe and beyond. As a producer,

rapidly and the catering industry is doing quite well. The Dutch like the North American style of working and living, and this clearly shows in the big centres.

What does the structure of the food market look like?

Leaving the food service sector aside, roughly two thirds of the food sold

tics are some of the reasons that may explain the absence of Canadian products on most Dutch supermarket shelves. However, U.S. producers do only slightly better.

As a Canadian food producer, should I bother?

It depends on your company's strategy. If you have developed your markets in North America and are equipped to expand production, the Netherlands — as one of many European markets — remains a worthwhile option. Chances are best if your product has unique features and a distinct brand name identity, and you are willing to adjust to European food and drug regulations and are prepared to arrange for packaging and labelling as required by the importer or the end buyer. An Ontario company is selling successfully in various Dutch markets by meeting all these demands.

Worth a taste test

The Dutch food retail market

this tiny nation ranks among the top three agriculture and agri-food exporters in the world. This enviable position is threatened somewhat by changes taking place in farming which, traditionally reputed for its high efficiency and dynamic entrepreneurship, is beleaguered by increasingly rigid environmental requirements and strong demand for land for urban expansion and industrial purposes.

In addition to being a world exporter, the Netherlands is a considerable buyer of farm and food products. Domestic production of grains, oilseeds and feed materials, for instance, are insufficient to meet the needs of the processing industry. But imports of semi-prepared and packaged food have grown consistently over the past few decades.

Can you give an indication of the size of the food market?

According to estimates by AC Nielsen, retail sales will reach a total of \$48 billion in 2000. Add to this the value of the food service market estimated at \$20 billion and it is a total of nearly \$70 billion. The food service market shows especially strong growth, as more consumers turn to eating outside the home. The number of fast food outlets is expanding

in the Netherlands is through supermarkets. The next major channel are the specialized stores, whose number may be slowly declining, but which continue to fulfill an important function. The discriminating consumer would prefer to buy such items as fresh nuts, cheese, wine, fish or vegetables in a specialty shop. Much of the balance is taken up by the street trade, which is favoured by many consumers, including ethnic communities, because of its local colour and competitively priced products.

Two organizations dominate the Dutch grocery industry scene: Albert Heijn, the undisputed leader with a share of about 28%, and Laurus, whose share is estimated at 22%. An array of smaller chains and other outlets make up the remaining half.

Are Canadian products available in Dutch stores?

Unfortunately, Canada is under represented in local supermarkets. While the Dutch are among the more important buyers in Europe of Canadian primary and semi-processed farm products, packaged food imports from Canada are light. Lack of items perceived to have sufficient appeal to the consumer here, prices and logis-

Going direct or working with an importer, which is preferable?

Dutch supermarket buyers would certainly be interested if you have a sufficiently attractive product. At the same time, they will tell you that they are not interested in storing the product and that they want guaranteed just-in-time delivery. This means that you would need to arrange for local storage and distribution yourself. This is easy because the Netherlands has a very sophisticated physical distribution industry with many providers of advanced logistical services. But it is a cost factor of some kind. Working with a good importer capable of taking stock on the other hand, allows wider market coverage and the ability to deliver on call. The importer's mark-up roughly cancels out the cost of privately arranged physical distribution. What's more, the importer is in a better position to provide advice and recommendations on packaging and labelling and to discuss market conditions.

Is private label an option?

Each year in May, the Amsterdam chapter of the Private Label Manufacturers Association organizes the

Continued on page 11 - The Dutch food

Switzerland may be a small country, but it has a large appetite for imported agri-foods — the agri-food import market alone is worth an estimated 8.2 billion Swiss francs annually, almost 75% of which originates from EU countries. With only 1.2% coming from Canadian sources, it's safe to say that Canada has ample room to grow in the Swiss agri-food market.

Retail food structure

With a joint market share of 65%, Migros and Coop dominate the Swiss retail food market, estimated to be worth 40 billion Swiss francs each year. The two companies, headquartered in Zurich (Migros) and Basel (Coop), sell both brand name and private label products, as well as non-food items. However, Migros has traditionally favoured private label products, which offers an opportunity for Canadian companies with expertise in this area. As well, Switzerland has a considerable number of specialty and delicatessen food importers and distributors.

Opportunities

Although Swiss import duties range between 5% and 20% on certain products, the agri-food market in Switzerland is basically open to imports from around the world.

Canadian products most likely to make new inroads include niche, natural and specialty-type products with a high value-added component.

Market profile

Agri-food in Switzerland

Demand continues for the traditional Canadian food products such as durum wheat, pulses, fish and seafood, maple products, horse meat, oilseeds, soya beans, seeds, and pet food. Canadian whisky and beer are well accepted in Switzerland, while wines from Ontario and British Columbia have so far made only a small dent in the import market.

To become eligible to export meat to Switzerland, the exporter's plant must be on the Swiss and the European Union's lists of approved meat-exporting establishments, and the products should be free of hormones.

Canadian agri-food exporters should be aware of the Swiss resistance to genetically modified organism (GMO) products; a strong demand

for non-GMO products is predicted for the foreseeable future.

Overcoming challenges

The main constraint is not so much the existence of regulatory barriers, as it is a lack of awareness for agri-food consumer products from Canada. The Swiss market for imported consumer food is so dominated by products from the EU, from the United States, and, increasingly by a large variety of ethnic foodstuffs, that it is not easy for Canada to maintain, let alone increase, its small market share.

Useful Web sites

- Swiss Federal Office of Agriculture
Web site: www.blw.admin.ch
- Swiss Farmers Association
Web site: www.bauernverband.ch
- Swiss agriculture sector information
Web site: www.landwirtschaft.ch
- Swiss Federal Office of Public Health
Web site: www.admin.ch/bag
- Association of Swiss Organic Agriculture Organizations
Web site: www.bio-suisse.ch
- Swiss Federal Veterinary Office
Web site: www.bvet.admin.ch

For more information, contact Werner Naef, Commercial Officer, Canadian Embassy, Berne, tel.: (011-41-31) 357-3206, fax: (011-41-31) 357-3210, e-mail: werner.naef@dfait-maeci.gc.ca Web site: www.canada-ambassade.ch or www.infoexport.gc.ca/ch *

The Dutch food retail market

— Continued from page 10

PLMA Show. It is a great venue to assess the market, especially in Europe, although you need to be a PLMA member to exhibit. Here again, however, it will be necessary to consider setting up some sort of central distribution if you are to accommodate the requirements of the supermarket buyers, who potentially would be located in markets all over Europe.

For further information regarding opportunities and conditions of

participation in PLMA, contact Gilbert Arnold, Agriculture and Agri-Food Canada, fax: (519) 837-9782, e-mail: arnoldg@em.agr.ca

If you are interested in exploring the Dutch grocery market further, contact Frits W. Zechner, Commercial Officer, Canadian Embassy, The Hague, tel.: (011-31-70) 311-1665, fax: (011-31-70) 311-1682, e-mail: frits.zechner@dfait-maeci.gc.ca Web site: www.ocanada.nl *

The International Business Opportunities Centre (IBOC) provides a matching service — connecting foreign buyers with Canadian companies. The Centre provides timely, relevant and targeted business leads from the desks of foreign buyers to the doorsteps of Canadian companies.

The following lists some of the Centre's current trade opportunities — for a wider selection, visit the Web site at www.iboc.gc.ca/eleads

Canadian exporters needing assistance in preparing international bid documents may want to use the international contracts expertise and services offered by the Canadian Commercial Corporation. This Crown Corporation is located at 50 O'Connor Street, Suite 1100, Ottawa, ON K1A 0S6, tel.: (613) 996-0034, fax: (613) 995-2121.

TRINIDAD AND TOBAGO — Paria Springs Eco-Community Development — (Notice received from the Canadian High Commission in Port of Spain, Trinidad and Tobago.) Paria Springs Eco-Community Ltd. is seeking a joint venture partner in an eco-tourism project in the rainforest of Trinidad and Tobago. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 001117-04573. For details: www.iboc.gc.ca/webleads.asp?id=1309en



International Business Opportunities Centre

As Team Canada Inc's Sourcing Centre, the International Business Opportunities Centre (IBOC) matches business opportunities from around the world with the business interests of Canadian exporters, particularly small and medium-sized enterprises. IBOC offers a value-added service to trade commissioners by directly contacting Canadian companies about foreign trade leads.

To pursue our international trade leads, check out our Web site at www.iboc.gc.ca (particularly our E-Leads® and Web-Leads®).

International Business Opportunities Centre

JORDAN — Development of Three Wind Parks — (Notice received from the Canadian Embassy in Amman, Jordan.) The Ministry of Energy and Mineral Resources (MEMR) of the Hashemite Kingdom of Jordan is inviting proposals from qualified sponsors with proven capability in wind power projects development to develop (75-90 MW) wind parks at three preselected locations (25-30 MW at each site), along with all support facilities on a Build, Own and Operate (BOO) basis to be connected to the national grid. Further information is available from MEMR. Closing date: **July 31, 2001**. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 001123-04646. For details: www.iboc.gc.ca/webleads.asp?id=1307en

RUSSIA — Railway Modernization Project in Uzbekistan — (Notice received from the Canadian Embassy in Moscow, Russia.) The Asian Development Bank is supporting a railway modernization project in Uzbekistan worth approximately US\$155 million, which includes upgrading 341 kilometres of the main railway route crossing the provinces of Bukhara, Dzhizak, Navoi and Samarkand. The project — due for completion by mid-2005 — will provide equipment for track laying and maintenance, install fibre optic telecommunication systems, develop human resources, strengthen institutions and establish a revolving fund for former railway employees to

start up small businesses. There will be a Canadian trade mission to Uzbekistan at the end of March 2001. Closing date: **February 28, 2001**. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 001120-04586. For details: www.iboc.gc.ca/webleads.asp?id=1308en

JORDAN — Gas Turbine Unit for Rehab Power Station Project — (Notice received from the Canadian Embassy in Amman, Jordan.) The Central Electricity Generating Co. (CEGCO) announces the issue of tender documents No.2/2000 for the extension of a rehab power station project, which consists of the design, supply, delivery, erection, testing and commissioning of one gas turbine unit with 100-150 MW capacity, including all the necessary auxiliaries. Closing date: **February 26, 2001**. Cost of bid documents: 1,500 Jordanian dinars (non-refundable). Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 001117-04573. For details: www.iboc.gc.ca/webleads.asp?id=1306en

ALGIERS — Electric Cables — (Notice received from the Canadian Embassy in Algiers, Algeria.) Les Câbleries électriques d'Alger EPE/CABEL/SPA [Algiers Electric Cable Manufacturing] is launching an international call for tenders for the supply of 01 complete tandem extrusion line (120/150) for power cable manufacturing. Closing date: **February 27, 2001**. Cost of bid documents: 2000 Algerian dinars. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 001127-04714. For details: www.iboc.gc.ca/webleads.asp?id=1310en

IBOC trade opportunities — find out more at www.iboc.gc.ca

Thailand's mega-infrastructure priorities for 2000-2006

Canadian firms that are familiar with the priority rating of current infrastructure development projects in Thailand will be better able to predict future opportunities in this sector. Infrastructure development has been a priority for Thailand for the past 30 years, with investments averaging 5% to 6% of GDP.

Thailand's National Economic Social and Development Board (NESDB) has prepared a long-term infrastructure investment plan for the next six years assigning priority to projects that:

- improve Thailand's quality of life;
- decentralize regional and rural areas;
- increase national competitiveness; and
- adhere to the long-term National Development Strategy.

So far, 95 mega-infrastructure projects have been prioritized,

representing investments worth \$48.5 billion.

Some projected outcomes include:

- four major interconnected highways
- improved rail service
- 20-km mass transit system in the Bangkok Metropolitan Area
- new international airport
- increased Lam Chabang Port capacity
- increased power production to meet both urban and rural demand
- Thailand as the telecommunications hub of Indochina
- increased water production and capacity for wastewater treatment in the Bangkok Metropolitan Area.

For further details about specific projects, visit the Bank of Thailand Web site www.bot.or.th/bothomepage/Special/InvestorRelations/Eng/presentations/BOT_paper_eng.doc

For further information, contact the Commercial Section, Canadian Embassy, Bangkok, e-mail: bngkk-td@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/bangkok/trade/section-e.htm or Jason Walsh, Southeast Asia Division, DFAIT, tel.: (613) 996-8187, fax: (613) 944-1604, e-mail: jason.walsh@dfait-maeci.gc.ca *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Market Studies".)

INPUT ON FREE TRADE INITIATIVE REQUESTED

The Government of Canada is seeking input from Canadians on a free trade agreement being negotiated between Canada and the Central American countries of El Salvador, Guatemala, Honduras and Nicaragua.

For further details, see www.infoexport.gc.ca/canadexport and click on "Trade News".

Developing opportunities in Brunei Darussalam

With a population of 350,000 and an area approximately the same as that of Prince Edward Island, the Brunei market is relatively small. But with a per capita income of \$23,000, it is also one of the most affluent societies in the world, and remains a market not to be ignored. GDP is expected to grow by between 3% to 3.5% this year, an increase of 1% over last year.

Oil and gas exports are the motors of the Brunei economy: Brunei currently exports 22,000 barrels of oil and 2.7 million cubic feet of gas per day. The country is also undergoing rapid modernization. Under its National Development Plan, the government plans to spend \$957 million on infrastructure development, with an additional \$200 million set aside to

fund small- and medium-sized projects. Funds will be spent on a wide range of programs, including those related to defence, housing, education, medical services, transportation and communications.

Priorities for next year include:

- commercializing and privatizing government activities to enhance efficiency
- applying information technology to promote economic activity and to encourage direct foreign investment
- increasing market access
- developing technology expertise
- promoting Brunei as an international offshore financial centre
- developing an eco-cyber park
- promoting eco-tourism

So far, trade with Canada has been modest but Canadian activities are increasing in a number of sectors. Main opportunities are in the oil and gas sectors as demonstrated by a \$20 million soil remediation joint venture, which includes Inland Technologies Inc. of Truro, Nova Scotia, and Jacques Whitford Environment Limited of Dartmouth, Nova Scotia. Inland Technologies also partnered with Canora Inc. and a local company to form CIC Environmental Services. This new company was contracted by Brunei Shell Petroleum Company (BSP) to remediate petroleum sludge and drilling muds at BSP's crude oil production facilities in Seria, Brunei.

Export Award-winning Survival Systems of Dartmouth, Nova Scotia, filled an order for their helicopter ditching simulator in Brunei, while Canadian Aviation Electronics is building integrated platform

Continued on page 14 - Developing

Interbuild Australia 2001

SYDNEY, AUSTRALIA — June 3-6, 2001 — Success in the building industry beyond 2000 will rely on innovative promotional strategies and developing industry-wide contacts in an increasingly complex marketplace. **Interbuild 2001 — Australia's 15th International Building Materials and Equipment Exhibition** — is that country's premier showcase for the commercial, industrial and domestic building and design industries, presenting an invaluable opportunity for your business to establish new clients and generate sales. With a trade-only audience of over 16,000 buyers and specifiers, **Interbuild** can be a powerful component of your company's marketing strategy.

The show incorporates many major industry events, each with seminars, including: **Tilex 2001, Frame Australia 2001, National Plumbing Show 2001 and Interiors 2001.**

In addition, **Interbuild** will have special feature areas: **Window and Glass Technology, Computerbuild, Safety and Security, and Building**

Materials and Equipment.

The Canadian Pavilion has proven in past years to be successful in garnering a substantial number of qualified leads and contracts for participating companies. Your company will have the opportunity to make contact with potential buyers and to promote your company. The Canadian Consulate General in Sydney will work on your behalf to ensure that the key decision makers and buyers interested in your product or service are available to meet you at the show. Companies can participate either by taking a booth in the Canadian Pavilion or by displaying their brochures in the showcase.

For more information, contact, in Canada: Robert Grison, Director of Operations, Canadian Export Development, tel.: (613) 825-9916, fax: (613) 825-7108, e-mail: cced@sympatico.ca in Australia: Kevin Skauge, Business Development Manager, Canadian Consulate General in Sydney, tel.: (011-61-2) 9364-3049, fax: (011-61-2) 9364-3097, e-mail: kevin.skauge@dfait-maeci.gc.ca *

MEOS 2001 — MIDDLE EAST OIL SHOW

BAHRAIN — March 17-20, 2001 — Exhibitor space has been booked for a Canada Pavilion at **MEOS 2001**, the major trade event for the oil and gas sector in the Arabian Gulf.

Held every two years under the auspices of the Society of Petroleum Engineers, **MEOS** continues to be the meeting place for regional professionals and buyers and global suppliers to the oil and gas industry.

For details about registering for booth space, visit the **MEOS 2001** Web site www.unilinkfairs.com/flyers/MEOS2001.pdf

For further information, contact Derek Complin, UNILINK, tel.: (613) 549-0404, fax: (613) 549-2528 or Imad Ararat, Commercial Officer, Canadian Embassy, Riyadh, tel.: (011-96-61) 488-2288 ext. 3360, fax: (011-96-61) 488-0137, e-mail: imad.ararat@dfait-maeci.gc.ca

Developing opportunities in Brunei

— Continued from page 13

management systems for three new navy frigates. **Irvin Aerospace Canada Limited** supplies cargo parachutes and safety devices, while **Helitrades Inc.** of Vankleek Hill, Ontario, has won a contract to overhaul helicopter components for the Royal Brunei Air Force.

Recently **SR Telecom Inc.**'s Asia Pacific Division landed a \$1 million contract to provide wireless telephone service to remote communities, with potential for larger follow-up orders. Now, thanks to Canadian technology, Bruneians who live deep in the jungle can stay in touch with the rest of the world.

As in other Asian nations, successful business ventures require personal contact. It is important for companies to visit Brunei regularly, making per-

sonal presentations to inform local contacts about their products and services.

Many agents in Brunei represent a variety of international businesses. Contacting the Canadian High Commission in Bandar Seri Begawan can help in the search for a good match. Visit their Web site at www.dfait-maeci.gc.ca/brunei and click on "Doing Business in Brunei".

For further information, contact Mew Yee Yap, Commercial Officer, Canadian High Commission, Brunei, tel.: (011-673-2) 220043, fax: (011-673-2) 220040, e-mail: mewyee.yap@dfait-maeci.gc.ca or Nancy Bernard, South East Asia Division, DFAIT, tel.: (613) 996-5824, fax: (613) 944-1604, e-mail: nancy.bernard@dfait-maeci.gc.ca *

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AMT MEXICO — January 29 to February 2, 2001 — Export Development Corporation (EDC), Industry Canada (IC) and the Department of Foreign Affairs and International Trade (DFAIT) are using a new approach for the upcoming **automotive trade mission to Mexico**. They will pre-screen Canadian automotive suppliers and match the successful candidates with 15 Mexican Tier 1 auto parts manufacturers, which they expect to yield new business deals.

The team's approach of targeting suppliers to buyers prior to a mission proved successful in November 1999 when they hosted a delegation of Mexican Tier 1 companies invited to meet 38 pre-selected Canadian com-

A "NEW FORMULA" FOR AUTOMOTIVE TRADE MISSIONS

panies. DFAIT financed and provided resources for the identification and selection of the right Canadian companies, with stunning results: one third of the Canadian participants were awarded on-the-spot contracts or placed on bid lists for future projects.

IC and EDC are currently recruiting Canadian suppliers based on how closely they match the procurement requirements submitted by the 15 Mexican Tier 1 companies. Once the finalists have been identified, the Mexican companies will then select those suppliers they wish to meet during the trade mission.

For further information, contact Dennis Shanley, Senior Commerce Officer, Industry Canada, tel.: (613) 954-3247, e-mail: shanley.dennis@ic.gc.ca or Craig Wiggins, EDC, tel.: (613) 598-2553, e-mail: cwiggins@edc-see.ca *

Asia's largest high-tech trade show

NEW DELHI, INDIA — February 15-19, 2001 — **Indian Engineering, Manufacturing and Technology Trade Fair (IETF)** — Canadian companies seeking to promote themselves at Asia's largest high-tech trade show should contact Canada's leading business organization, Canadian Manufacturers & Exporters (CME), which has years of experience helping its members develop business in India. Through its partnership with the Confederation of Indian Industry, IETF's host organization, CME will organize and staff a catalogue booth for companies interested in testing the response of the Indian market to their products, services or technologies.

India offers niche market opportunities in the fields of advanced technology, automotive, housing, aerospace, telecommunications, agriculture and food products, environmental products and services, power, oil and gas, transport systems, foundry and metallurgy, laser technology, and instrumentation and controls. It also offers many recruitment opportunities for Canadian firms looking to tap into its engineering and computer software expertise.

At IETF, Canadian products and technology are exposed to India's leading corporations, many of whom are seeking foreign partners. Other countries participating include Japan, Italy, Korea,

China, Germany, Taiwan, the U.S., the U.K., and Spain, which is the partner country.

For further information, contact Doreen Ruso, Vice-President, International Trade Development, Canadian Manufacturers & Exporters, tel.: (905) 568-8300 ext. 230, e-mail: dwr@the-alliance.com *

More trade shows!

HONG KONG — February 22-25, 2001 — **The Hong Kong Information Infrastructure Expo and Conference**, a major international event showcasing opportunities in the IT sector.

BAKU, AZERBAIJAN — June 5-8, 2001 — **Caspian Oil and Gas 2001 Exhibition and Conference**, a major international forum for Canadian companies to get exposure in the region.

For more details on these upcoming trade shows, see www.infoexport.gc.ca/canadexport and click on "Trade Fairs and Missions".

Building and construction fair in India

MUMBAI (BOMBAY), INDIA — February 21-March 1, 2001 — The Canada-India Business Council, in partnership with CMHC and Ontario Exports Inc., will lead a business mission to India to participate in the **BuildIndia 2001 Exhibition and Conference**, India's most important building and construction fair. Participants will be able to have their own booth or share space at a Canada stand at discounted rates, and will also have the opportunity to attend a Canadian seminar in conjunction with the exhibition.

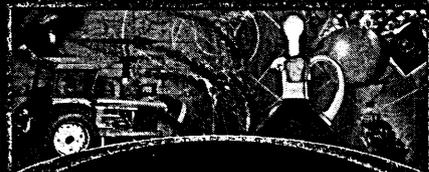
Over the last 50 years, India's urban population has grown five times, and investment needed for housing in urban areas has reached \$20 billion. India has a target of 2 million housing units per year and needs access to financial resources, products and tech-

nology. India requires construction technologies and systems; wood, metal and plastic building products; intelligent homes; concrete technologies; HVAC; architectural services; property development; financing expertise; urban and community planning services; and training in all building areas.

Marketing and technical seminars will be held in Hyderabad and New Delhi, February 26-March 1, providing time to hold workshops, one-on-one meetings, and plan site, office or plant visits. Participants will be able to assess business opportunities in India first-hand and develop in-depth market intelligence.

For more information, contact the Canada-India Business Council, tel.: (416) 214-5947, fax: (416) 862-0625, e-mail: info@canada-indibusiness.ca *

Sial 2001



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MONTREAL — March 4-6, 2001 — Approximately 40 officers from the Trade Commissioner Service will be attending the first edition of SIAL — Montreal, the International Food and Beverage Exhibition. These officers will be here from different locations around the world to make Canadian companies aware of export opportunities in their country. Don't miss a chance to meet one-on-one with them or to attend their presentation at the Export Café, which will be held on Monday morning, March 5.

Contact us by e-mail at courteau@em.agr.ca or by telephone at (514) 283-3815, extension 505.

www.infoexport.gc.ca

CANADA-POLAND: PARTNERS IN THE NEW MILLENNIUM

WARSAW, POLAND — March 22-23, 2001 — Canada-Poland: Partners in the New Millennium will be hosted by the Polish Chamber of Commerce in co-operation with the Canadian Embassy in Warsaw and the Polish-Canadian Chamber of Commerce, and will be focused on promoting Canada-Poland bilateral trade.

Do not miss this excellent opportunity to indicate your interest in the Polish market. The Polish Chamber of Commerce is offering its matchmaking services to Canadian businesses inter-

ested in meeting potential Polish clients or partners. The Canadian Embassy will assist in organizing the main program, and will host a networking reception.

For more information, contact Jolanta Widenka, Commercial Assistant, Canadian Embassy, Warsaw, tel.: (011-48-22) 584-3360, fax: (011-48-22) 584-3195, e-mail: wsaw-td@dfait-maeci.gc.ca Internet: www.infoexport.gc.ca/pl or Pierre Boucley, Central European Division, DFAIT, tel.: (613) 992-1449, fax: (613) 995-8756, e-mail: pierre.boucley@dfait-maeci.gc.ca *

High-tech is high priority in Canada

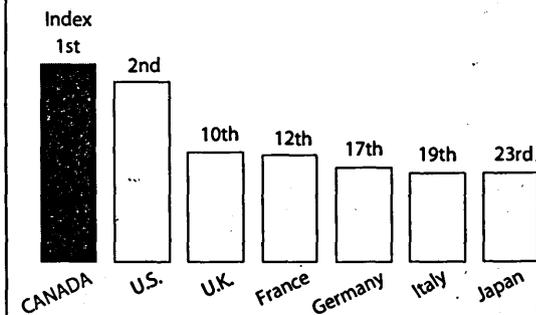
- **Highly skilled and educated workforce:** Canada is home to 7 of the top 20 computer engineering programs and 10 of the top 22 electrical engineering schools in North America.**
- **Lower business costs:** The packaged software industry saves 15.9% in real business costs by locating in Canada rather than in the U.S.†
=>Running a 110-employee software firm in Canada instead of the U.S. will save the average company about US\$1.6 million a year.†
- **High-tech sector growth and stability:** Building a universal, competitive, leading-edge information highway is a government priority.
=>New laws have been passed in the last three years on cryptography, personal information protection, and electronic documents.

For more information on investing and doing business in Canada, click on www.investincanada.gc.ca or call (613) 941-0354, fax: (613) 941-3796, e-mail: lanoy.louise@ic.gc.ca

** Source: *The U.S. Gourman Report, Undergraduate Programs, 10th Edition, 1998*, www3.bc.sympatico.ca/info/ee-prog.htm

† Source: *The Competitive Alternatives Report: A Comparison of Business Costs in North America, Europe and Japan*, KPMG Management Consulting, 1999, www.kpmg.ca/english/services/consulting/publications/competitivealternatives/

Knowledge Workers — World Rank*



* Source: Tertiary education enrollment standing among 59 countries evaluated in the *Global Competitiveness Report, 2000*.

Enquiries Service

DFAIT's Enquiries Service provides counselling, publications, and referral services to Canadian exporters. Trade-related information can be obtained by calling 1-800-267-8376 (Ottawa region: 944-4000) or by fax at (613) 996-9709; by calling the Enquiries Service FaxLink (from a fax machine) at (613) 944-4500; or by accessing the DFAIT Internet site at www.dfait-maeci.gc.ca

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February 1, 2001

**TODAY'S MARKETS IN
GREECE AND TURKEY**
(See supplement inside.)

Canada

Dept. of Foreign Affairs
Min. des Affaires étrangères

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In 1961, Canada made its first wheat sale to China. Since then trade between the two countries has risen dramatically, and this year — as we mark just over 30 years of diplomatic relations — all signs point to even greater growth. To forge greater



bilateral economic ties, February 9-18, 2001, more than 300 Canadian business delegates will visit Beijing,

Shanghai and Hong Kong on a Team Canada mission led by Prime Minister Jean Chrétien and provincial premiers



Bank of Montreal

and territorial government leaders. The first Team Canada mission to China in 1994 reported deals worth \$8.9 billion. It was an important milestone in accelerating the number of high-level exchanges between Canada and China, and marked Canada's

Continued on page 2 — Team Canada

Time to register

2001 Canada Export Awards

Since 1983, export companies across Canada have proudly displayed the Canada Export Awards logo as a sign of their success both at home and internationally.

Seen as symbols of the quality and excellence of Canadian products and services abroad, these firms are recognized each year for their talent and innovative spirit. They encourage other businesspeople to do what they are doing and to lead the way. Their message is clear: "We did it. You can too..."

The nomination period for 2001 has begun. Canadian firms in all sectors of the economy that have been

exporting for at least three years are invited to register for this prestigious program. The Canada Export Awards celebrate the success of Canada's export companies.

Finalists are recognized in the national media for their achievements and their contribution to the success of the Canadian economy. Recognized as leaders in the export sector, the recipients of the awards are honoured at a ceremony held at the annual convention of Canadian Manufacturers & Exporters, which this year will take place on September 24 in Montreal.

Continued on page 12 — 2001 Canada



— Continued from page 1

commitment to China as a major export market. Following the Team Canada mission to Japan in 1999, Canada's premiers and territorial

of Canada's economy, from resources and agriculture to software and biotechnology. Opportunities abound across China, and eight sectors will be highlighted during this mission:

The Team Canada presence of political leaders facilitates companies' access to key business decision makers. These missions build prestige and credibility for Canada and Canadian firms, and this has been particularly

Team Canada

leaders, with the business community, urged that China be the destination for the next big trade mission.

These missions are not only about signing deals. Long after the ink is dry on contracts, the business rela-

BOMBARDIER



tionships established between Canadian and foreign firms remain. Seven years after the 1994 landmark visit, the effects are still being felt. Most of the firms that made announcements in 1994 are still active in China today, and continue to make further inroads into the Chinese market. The Canadian business presence has more than doubled since 1994 to more than 400 firms with offices or operations established in China. More companies are entering the Chinese market, and Canadian exports are expanding.

Canada's bilateral trade with China and Hong Kong totalled \$13.9 billion in 1999. China, including Hong Kong, is Canada's third largest trading partner. Our total bilateral trade with Hong Kong alone was \$2.4 billion in 1999. Canada's exports to China increased by 6.3% to \$2.6 billion in 1999. More than half of these exports were in wood pulp, grain, seed, fruit, fertilizers and machinery. Figures for the first six months of 2000 show growth of 60% over the same period in 1999, due largely to increased sales of wood pulp, potash, auto parts, wheat barley and machinery.

Our trade with China is diverse, representing a broad cross-section

- agriculture and agri-food
- education technologies and cultural industries
- energy; environment technologies
- financial services; forestry, construction, building material products and services
- information and communications technologies
- medical and health services
- mining and minerals
- transportation

Additional information on these sectors can be found at: www.tcm-mec.gc.ca/China/mission-e.asp#missiondescription

China is an important and growing global economic player, and Canada's trade with China is expected to continue to grow as China is seen by Canadians as a future market of enormous importance and potential. With a population of about 1.3 billion, China is the world's seventh largest



economy with a gross domestic product of about US\$1 trillion.

Canada supports China's continued economic reform and transition to a market-based economy, and also supports China's bid to join the World Trade Organization (WTO), which would increase market access for Canadian goods and services. Development of a solid infrastructure is a key factor in China's market transition. Canadian firms have opportunities to get in on the ground floor of infrastructure development in China.



useful in helping small and medium-sized enterprises (SMEs) expand their exports. Team Canada missions have helped almost 1,800 businesses and organizations from across Canada gain access to government and private sector leaders. During the missions, Canadian firms have concluded close to 900 new business deals estimated at \$24.4 billion.

For more information about sponsorship and for general information on Team Canada, visit the Team Canada Web site at www.tcm-mec.gc.ca

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canadexport

It's one thing to compete in the Olympics; it's quite another to compete with the Olympics. But when she planned her first Australian tour for last fall, that's what Toronto singer and song-writer Andrea Florian unwittingly did in asking for assistance from the Canadian Consulate General in Sydney. So, the last thing Florian expected was to have the Consulate track her down within three days of her arrival and offer its support.

"Even my mother didn't know the phone number where I was staying," laughs the 26-year-old folk/pop singer with the dynamo voice, who was travelling on her own for the first time.

Florian was thrilled to hear that the Department of Foreign Affairs and International Trade (DFAIT) had got her into the opening-night lineup of the Pacific Circle Music (PCM) Expo, the Australian music industry's annual convention.

The Canadian Consulate, in collaboration with the Arts and Cultural Industries Promotion Division (ACA), had been working for months on Canadian participation in the PCM Expo project



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WIN
EXPORTS

and was a major sponsor of the opening reception. The Consulate's Public Affairs, Culture and Communications Officer Sharon Pinney and ACA Trade Commissioner Sylvie Morissette had taken note of the publicity kit Florian

major retailers.

An organized person who makes things happen for herself, Florian also acts as her own publicist, and has received extensive and enthusiastic attention in the Canadian media.

DFAIT plays "back-up" on Toronto singer's Australian tour

had sent to the Consulate, along with her Australian contact number.

Credibility and exposure

Although Florian was already scheduled to perform at the PCM Expo, singing on opening night was a coup that gave her instant exposure to hundreds of music industry representatives — "all the people I'd worked so hard to contact in the previous six months."

The backing of the DFAIT officers also gave Florian increased credibility, including with Didgeridoo Records, her newly found Australian distributor. "The Consulate was a much larger force than I could possibly be on my own. For them to take me under their wing was huge."

One-woman show

Florian is a force to be reckoned with in her own right. She arranged and financed the five-week tour (October 7 to November 16) largely on her own. (The tour was partially funded by the Toronto-based Foundation to Assist Canadian Talent on Record — FACTOR.)

In fact, Florian, who counts Joni Mitchell and Peter Gabriel among her big influences, has been the driving force behind her own career. Since 1996, Florian has produced three CDs under her own label, Bathsheba Records, all of which have reached the top 10 on independent charts at

Going solo

Australia was Florian's first solo tour which took months of preparation. Florian and several friends spent



Andrea Florian

hours on the Internet, contacting not only the Consulate General in Sydney but also distributors, booking agents, and other artists like herself who were happy to help.

As a result, she arranged 20-25 gigs in Sydney and Melbourne and found her Australian distributor Didgeridoo, which is distributing 500 of her CDs around the country.

Backing up Florian's own hard work, Morissette and Pinney assigned Anouk Van Meeuwen, the publicist that DFAIT had hired for the PCM Expo, to give Florian publicity assistance, which included an interview with Channel V, Australia's Pay TV music channel.

Advice for touring musicians

Florian, who is about to record her fourth CD and is planning her next tour in the United Kingdom, is well qualified to give advice.

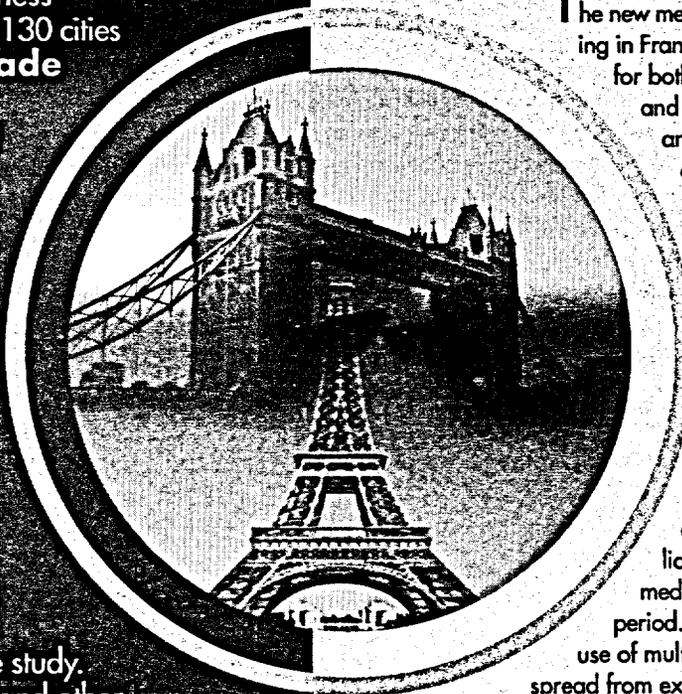
Continued on page 11 - Toronto

FRANCE AND THE U.K.

With a team of 500 business professionals in more than 130 cities around the world, the **Trade Commissioner Service** has the market knowledge you need to succeed in your target market. Our Market Research Centre and our offices abroad have prepared over 600 market studies available for free on our Web site. These studies will help you identify foreign business opportunities and learn more about your target market.

This is an overview of one study. For the full version of this and other studies, visit our Web site. When you are prepared to do business abroad, you can use our Web site to get in touch with our offices around the world and request personalized services electronically.

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= The New

The new media industry is rapidly expanding in France and the United Kingdom for both on-line and off-line products and services. Internet subscribers and the number of personal computers in businesses, homes and schools are increasing daily, creating opportunities for Canadian exporters.

In the UK, the new media industry employed an estimated 20,750 people and generated \$2.3 billion in 1998. The industry is expected to grow by 20% annually and reach \$11.7 billion in 2007. In France, the new media industry is also in a growth period. Over the past five years, the use of multimedia applications has spread from exclusively professional use in the workplace to use in the general public.

Market Trends

UNITED KINGDOM

The education sector is the most dynamic market segment for multimedia software in the UK. Sales reached \$140.2 million in 1998 and are expected to grow 169% by 2002. Training software, which generated \$246 million in 1998, remains the

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Media Market

largest sector in the UK followed closely by infotainment. A key factor to more growth in the new media industry is a government plan to spend over \$2 billion to connect schools and libraries to the Internet and to train teachers to use information technology.

Buying books on-line continues to be the most popular e-commerce option for Internet users in Britain. Almost 50% of all British users have bought books on-line and 31% have bought CDs or other music products. On-line Christmas shopping also proved popular in 1999 drawing over three million buyers, three times the number reported for December 1998.

While shopping via the Internet is increasing, on-line tele-shopping has been more successful, due in part to fewer concerns about credit-card fraud. Cable television companies are now offering cable modems and Internet services over their networks. In addition, digital satellite television networks, launched in late 1998, attracted more than two million subscribers by October 1999.

FRANCE

The cost of connecting to the Internet in France is continually dropping. As more people subscribe to the Internet, the demand for new on-line products and services increases. One of the most promising trends in the French on-line market is the use of corporate Intranets.



In the multimedia software market, the fastest-growing segment is entertainment, which grew by 364% in 1998. Education and training titles held the largest segment, accounting for 25% of the market in 1998. The top-selling cultural and educational titles include dictionaries, encyclopedias and those with a science and nature content.

Cable broadcasting is also gaining popularity in France largely due to the government's 10-year plan to install broadcasting cables in all regions of the country. France's three major cable operators are pursuing a development strategy based on network digitization, Internet access and telephone service.

Opportunities

Working with French and British partners will help Canadian firms to target the following market opportunities:

- As the number of businesses embracing e-commerce continues to rise, so will the demand for software, program content, services and equipment. Canadian companies are encouraged to target corporate clients for sales of multimedia products that will improve the infrastructure of electronic stores.
- France has identified multimedia as one of its priority industries for strategic partnerships and commercial development. Canada and France have agreed on a joint declaration in which both countries reaffirmed their desire to consolidate bilateral economic relations in several sectors, including information technology (IT) and cultural multimedia products.
- As cable digital television platforms gain wider acceptance and viewers demand a variety of programming, broadcast companies will seek additional high-quality content. Opportunities will become available for

Canadian companies that can offer specialized programs, such as educational programs, documentaries, programs for ethnic groups, and children's programming. Multimedia software will increasingly incorporate the use of television platforms for tele-shopping, the Internet and games.

- The arrival of Sega Dreamcast and PlayStation2 is expected to generate more sales than ever in the game console market. Promising opportunities also exist for video games that can be downloaded from the Internet.

See potential?

To learn more about this market, please read the full report, *The New Media Market in France and the United Kingdom*. The report, prepared by the Market Research Centre of the Trade Commissioner Service, is available on-line at www.infoexport.gc.ca

www.infoexport.gc.ca

Could this be your market?

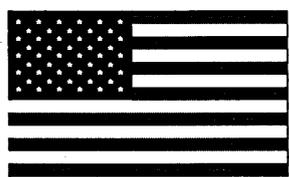
Complete report at

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The New Media Market

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The U.S. Connection

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The Prime Minister in North Carolina "Invest in Canada" meeting

Prime Minister Jean Chrétien addressed a group of 25 senior executives from leading companies in North Carolina's Research Triangle (which comprises Raleigh-Durham-Chapel Hill) at a breakfast meeting at Duke University on December 4. In his remarks, the Prime Minister highlighted the importance of Canada's trade and investment relationship with North Carolina. He stressed the degree to which the Canadian government has created a very positive operating environment for high-tech companies in Canada, especially those involved in research and development (R&D).

The Prime Minister outlined a number of policies that have permitted companies to flourish in Canada, in-

cluding a series of tax modifications and reductions. He encouraged the breakfast participants, all of whom are heavily engaged in R&D activities in Research Triangle, to take greater advantage of the favourable climate by expanding or initiating operations in Canada.

Mr. Chrétien fielded questions on such issues as the need for better harmonization of regulations between Canada and the United States; the possibility of expanding NAFTA to cover greater mobility of workers; the need to encourage innovation by avoiding too much intellectual property protection; restrictions on foreign investment in the telecommunications field; and the impact of the Canadian health-care system on competitiveness.

For more information, contact: Rick McElrea, Consul and Trade Commissioner, Canadian Consulate General, Atlanta, tel.: (404) 532-2013, fax: (404) 532-2050, e-mail: rick.mcelrea@dfait-maeci.gc.ca

For extensive, up-to-date Canadian investment information, visit <http://investincanada.gc.ca> *

NATIONAL HARDWARE SHOW AND BUILDING PRODUCTS EXPOSITION

CHICAGO, ILLINOIS — August 12-15, 2001 — Reserve today to exhibit as part of the Canadian Group Stand at the largest trade fair in the Western hemisphere dedicated to the hardware, do-it-yourself and building products market, showcasing the following product categories: hardware, plumbing, electrical, heating/ventilation/air conditioning, lawn, garden and outdoor living products, building materials, housewares, paint, and home decor.

The National Hardware Show and Building Products Exposition will feature 3,000 exhibitors and over 70,000 manufacturers, retailers, wholesalers, distributors, builders, remodellers and industry professionals from over 100 countries will attend.

For more information, visit www.NationalHardwareShow.com
To reserve a booth, contact Monique Deschamps, Kadoke Exhibition Services, tel.: (613) 241-4088, e-mail: Monique.D@kadoke.com *

Midwest Building Materials Market Report

The Canadian Consulate General in Chicago has just published the first issue of the *Midwest Building Materials Market Report* aimed at providing exporters with the insight and practical information needed to develop business and foster alliances in the United States. Produced in a question and answer newsletter format, each issue will focus on a key market for building materials in the Midwest, and will feature interviews with leading builders, distributors and associations to help identify trends

and critical market and regulatory issues for Canadian firms. Lists of key Web sites and upcoming events are provided, as well as contact names for building materials in other Canadian Consulates across the U.S.

For more information, you can access the report at www.canada.chicago.net or contact Dustchin Rock, Business Development Officer, Canadian Consulate General, Chicago, tel.: (312) 616-1860, fax: (312) 616-1878, e-mail: dustchin.rock@dfait-maeci.gc.ca *

In the vast sea of international markets, **METOCEAN Data Systems Limited** of Dartmouth, Nova Scotia, is like one of its own data-collecting buoys — a small entity occupying an important niche. The 35-employee company produces technology sought after by weather services and oceanographic

that METOCEAN first benefited from the PPP.

"When a small company gets large contracts, it can create cash-flow problems," METOCEAN President Ray Mahr explains. This is particularly true when a company integrates expensive equipment into its products that

Sailing to Japan on CCC tail wind

METOCEAN

research institutes worldwide — most recently in Japan. In fall 1999, having secured a million-dollar contract, but with limited cash flow, the company found a financial tail wind in the **Canadian Commercial Corporation (CCC)** and its **Progress Payment Program (PPP)**.

Since 1985, METOCEAN has been a world leader in the design, development and manufacture of air- and ship-deployed drifting buoys for the collection of meteorological and oceanographic data from severe environments — the ocean and polar ice caps. The data is used to predict weather and global climate change. The company exports more than 90% of its products.

It was in the midst of a \$3-million contract with the U.S. Navy, using CCC's prime contracting services,

must be purchased up front, such as sensors. "With the U.S. Navy contract, CCC was able to go to bat for us and help us with our cash-flow problems."

No sooner had the company paid down its PPP line of credit (PLOC)



Ray Mahr, President, METOCEAN Data Systems Limited

when it received a \$1 million contract in summer 1999 to provide three JAMSTEC Compact Arctic Drifter (JCAD) buoys to the Japan Marine Science and Technology Centre (JAMSTEC), based on a prototype designed the previous year.

Considering the high material content required for each JCAD buoy — the sensors alone account for almost half the cost — and with its previous PLOC paid down, it was logical for METOCEAN to approach CCC for additional assistance with preshipment export financing.

"METOCEAN had already experienced how the PPP worked, and the company's bank [Bank of Nova Scotia] was familiar with both the PPP and the company," explains CCC Project Administrator Matti Edwards. "Because we had a working history with METOCEAN, the new PPP was easier to set up."

SHAPING TRADE SOLUTIONS FOR OUR EXPORTERS



Canadian Commercial Corporation

The Canadian Commercial Corporation (CCC) is an export sales agency of the Government of Canada providing special access to the U.S. defence and aerospace markets and specializing in sales to foreign governments.

Canadian exporters can gain greater access to government and other markets, as well as a competitive advantage, through CCC's contracting expertise and unique government-backed guarantee of contract performance.

CCC can facilitate export sales that often result in the waiving of performance bonds, advanced payment arrangements and generally better project terms.

When requested, CCC acts as prime contractor for government-to-government transactions and provides access to preshipment export financing from commercial sources.

For more information, contact CCC, tel.: (613) 996-0034, toll-free in Canada: (800) 748-8191, fax: (613) 947-3903, e-mail: info@ccc.ca Web site: www.ccc.ca

Easier, but not automatic. The PPP calls for a tripartite agreement between the CCC, the company, and the buyer. In this case, however, the buyer was the company's Japanese agent, Sanko Tsusho Co. Ltd., not JAMSTEC, the end user. "We got special authority internally to go ahead with the deal," explains Edwards, "by having METOCEAN assign the payment over to CCC."

The PLOC for \$580,000 was set up in fall 1999 and paid down in January 2000. "If you have a cash-flow problem, the PPP really helps," says an enthusiastic Mahr. "The higher the material content, the more help the PPP provides."

The PPP assistance has assured METOCEAN of an ongoing client: JAMSTEC has already ordered another JCAD buoy in 2000 and plans to deploy two to four buoys, per year, over the next five to ten years.

For more information, contact Ray Mahr, President, METOCEAN, tel.: (902) 468-2505, fax: (902) 468-4442, e-mail: rmahrjr@metocean.win.net Web site: www.metocean.com

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Export Sales and Contracting!")

DOING BUSINESS WITH THE U.S. FEDERAL GOVERNMENT?

Find out more from the Canadian Embassy in Washington, D.C. (www.canadianembassy.org) under "Business Opportunities: U.S. Government Procurement."

Log onto opportunities via the General Services Administration (www.gsa.gov), which facilitates purchases by the U.S. government — the world's largest consumer — and the Electronic Posting System site (www.eps.gov).

When you're ready to pursue these opportunities, the Canadian Commercial Corporation (www.ccc.ca) can assist you with the interpretation of the U.S. procurement system or ensure that as a Canadian company, you are eligible to participate.

Sweden is one of a handful of Organization for Economic Co-operation and Development (OECD) countries in which fossil fuel plays a relatively small part in the total energy supply. On the other hand, total Swedish electricity consumption is 140TWh, 90% of which is generated by

Renewable energy Sweden

hydro or nuclear power plants. As a signatory of the Kyoto Protocol, Sweden views climate change as a global issue and believes that solutions require a commitment from all countries.

As part of its strategy to build these solutions into the fabric of its own society, Sweden's closure of a nuclear power reactor has speeded up the conversion of the energy system towards the use of renewable energy sources.

The electricity market was deregulated in 1996, leading to increased competition and pressure on prices, followed in 1999 by the closure of one of Sweden's twelve nuclear power reactors, with a resulting loss of 5TWh of power. The resulting push to discover renewable sources of energy led to the identification of bio-fuel as a viable alternative for some of the lost energy.

Lately, the government of Sweden has stepped up funding to support an ecological sustainable development involving the adoption of such renewable fuel sources: for the current period 2000–2002 one half of the total allocated funds of 1.2 billion Swedish kronors (SEK) (\$190 million) will be directed to new-energy projects supporting renewable energy and energy efficiency. This amount is up from one third for similar projects between 1998–2000.

A current seven-year government program (ending in 2004) has targeted SEK 9 billion for research and development to promote energy efficiency and the use of renewable energy to generate electricity. Current projects are mostly involved with the use of bio-fuel for district heating systems.

Alternative power: market overview

Although wind power accounts for only a small portion of Sweden's total energy supply today (0.4%), the potential exists for wind to be a powerful source of energy in the future — exceeding 10TWh. The goal of the National Energy Authority is wind power production of 10–15% of the country's total power and it has directed funds toward research and development of wind power.

Photovoltaic energy sources have a limited use. Current research efforts at the Ångström Solar Centre are focusing on thin-layer solar cells, to be market-ready in ten years.

Artificial photosynthesis is also being examined in a research project.

Further development of large-scale hydro power is limited by a government ban on any further exploitation of national rivers and other hydro resources. However, opportunities remain for small-scale hydro power projects and refurbishment of existing hydro power plants.

Currently, natural gas accounts for only 2% of the total energy supply, via its distribution network in the south of Sweden. Through a recent EU directive, the natural gas market is being opened up to competition. However, with the current price of natural gas hindering further development, any future investment in gas infrastructure must be

financed on strictly commercial terms and driven by market forces. It should be noted in this context that Sweden does not consider natural gas to be an environmentally friendly energy source.

Fast facts on climate change

- The EU countries are tasked with reducing greenhouse gas emissions to 8% below their 1990 level by 2008–2012.
- Sweden produces 0.3% of the world's carbon dioxide emissions, originating largely from the transportation sector.
- Sweden seeks to attain a level of greenhouse gas emissions representing 104% of its 1990 levels. It introduced a carbon dioxide and energy tax as early as the mid-1970s (bio-fuels and peat are currently exempt).
- In terms of minimizing climate change, Sweden recognizes the importance of co-ordinating international economic policy, focusing on the energy sector and the environment. Energy-intensive industries such as iron and steel foundries and pulp and paper mills will play a key role in developing solutions to both energy consumption and environmental concerns.

Market opportunities

- renewable energy technologies (including bio-fuel production);
- energy efficiency measures;
- technologies that support improved efficiency and use of resources in industrial processes;
- technologies that reduce vehicle emissions and reduce air pollution;
- information and communication technology (ICT) solutions that support all of the above.

Market access considerations

A Swedish partner is advisable to facilitate dealings with local authorities when it comes to bid documents and certifications and an understanding of local legislation and regulations. English is, however, widely spoken as a business language.

Continued on page 9 – Sweden

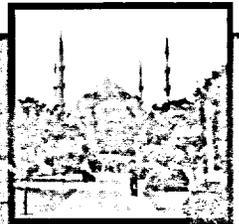
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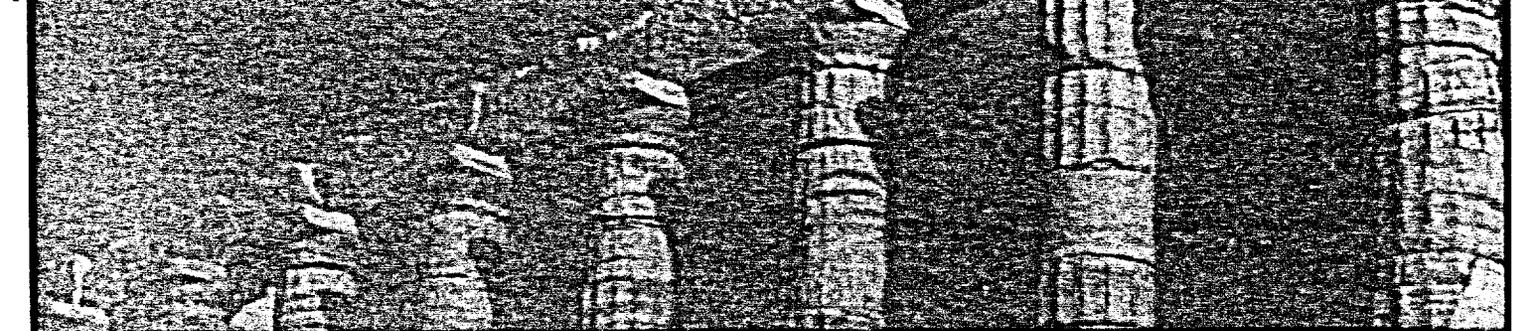
Winter 2001

TODAY'S MARKETS in GREECE and TURKEY

This special CanadExport supplement highlights market opportunities in **Greece** and **Turkey**. The Trade Commissioner Service of the Department of Foreign Affairs and International Trade is ready to serve Canadian companies that are interested in expanding their export markets in these dynamic economies.



THE CANADIAN
TRADE COMMISSIONER
SERVICE



GREECE

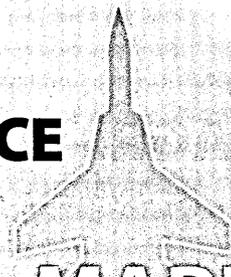
Greece is a market of 10.6 million people. Its economy is characterized by a strong service sector and a relatively small industrial one. The country has adapted well to the stringent requirements of accession to the Maastricht convergence criteria, and, consequently, Greece became part of the European Monetary Union on January 1, 2001. The European Union (EU) is its main trading partner.

Recently, Greece has adopted a convergence plan, focussing on budget cuts, reforms of public-sector and social programs, wider privatization and the creation of a more flexible workforce. The overall business climate is generally positive. Although most economic activity is currently centred around Athens, as is most of the population, investment incentives are provided for the relocation to the rest of Greece. The Greek economy has been characterized by a stronger than expected growth rate, compared to other European countries, with 3.2% in

1997, and 3.5% in 1998 and 1999. The Greek government is now predicting 3.7% for 2000.

Trade between Canada and Greece has seen a steady growth over the last few years. Canadian exports to Greece in 1998 were \$154 million, an increase of 26% over 1997. In 1999, Canadian exports to Greece reached \$198 million, a further increase of 29%. In 1999, the sale of 10 Canadair water bombers by Bombardier, and the signing of a contract with a consortium (in which Bombardier was included) for the building of the Thessaloniki subway system, should augment these figures over the coming years. Main export items include transportation equipment, pulp and paper, furs, lentils, general purpose machinery, and information and communication technologies hardware and software. Greece will be the recipient of significant EU funding over the next five years, under the third Community Support Framework. In addition, excellent opportunities for Canadian companies will be offered by the construction that Greece will have to undertake in anticipation of hosting the 2004 Olympic Summer Games and by Greece's position as a "gateway" for many of the supplies that will be necessary for reconstruction in the Balkans.

AEROSPACE *and* DEFENCE



OPPORTUNITIES MARKET

OPPORTUNITIES: The aerospace industry in Greece relies heavily on imports. The state-owned Hellenic Aerospace Industry offers fabrication and assembly of aero-structures, as well as aircraft overhaul and maintenance services, mainly for the national aviation operator, Olympic Airways (OA), and for the Hellenic Air Force. It is also the usual recipient of offset benefits in relevant international procurement projects. Other smaller firms in the industry deal mainly with specialized parts such as brakes and doors.

Civil aviation is closely associated with OA and its affiliates. Once the major player in the market, OA is currently facing serious financial, administrative and, perhaps, identity problems. There are also a number of smaller airlines, especially since the liberalization of the market. Some, having started from domestic flights, are gradually expanding to international operations. The rest mainly cover air-taxi, VIP or medical-emergency services.

Defence expenditures account for about 5% of Greece's gross national product. An armament program worth GRD4 trillion (about \$16 billion) is being concluded, and another one is being prepared for the near future. Like its predecessor, it is anticipated that this plan will also aim at an effective use of modern technology, rather than mere accumulation of defence material. Thus, Greece will attract the interest of the major players in the defence field.

MARKET CONSIDERATIONS

MARKET CONSIDERATIONS: In the liberalized civil aviation sector, there was initially a preference toward leased aircraft. With the growing involvement of shipowners in this sector, purchases of new aircraft are now common. Competition seems to be boiling down to two or three firms or groups. For **defence**, budget restraints may impose significant cuts to the initial value of the new armaments program. In general, offset benefits and local value-added are among the most significant evaluation criteria.

This fiercely competitive market is not easily accessible, so Canadian companies must make frequent trips to these countries to make their firms better known and to develop personal contacts. Commitment is also very important and requires sufficient reserves of patience and financing. The services of a local marketing consultant is a key to business success in this sector.

Competition in **aerospace** primarily comes from U.S. and European players, through local subsidiaries or local agents. In the area of **defence**, Russians are also competitors.

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Web Site: <http://www.infoexport.gc.ca/gr>

or visit

Hellenic Aerospace Industry: <http://www.haicorp.com>
Olympic Airways: <http://www.olympic-airways.gr>
Hellenic Ministry of National Defence: <http://www.mod.gr>

DEFENDORY, exhibiting defence technology for land, sea and air, will take place in Fall 2002.

AGRICULTURE *and* AGRI-FOOD

OPPORTUNITIES

OPPORTUNITIES: The Greek food industry is very strong and aggressive, and there has been an increase in Greek investments in Balkan countries, where many food companies now have production facilities. Greece's major trade partner is the European Union, both for imports (60%) and exports (55%).

In the relatively small but very sophisticated and competitive Greek market, Canadian agriculture and agri-food products do not have a strong representation. Although some products do well such as lentils, beans, smoked herring and other fish or shellfish products, items such as maple syrup and wild rice are still completely unknown. Opportunities exist for flours, which have been deregulated, and for food ingredients, organically grown foods (because of the general opposition to genetically modified organisms) and easy-to-prepare meals. There has also been a significant increase in the number of fast-food outlets. Working couples and families, with less time for cooking, can now easily get food delivered at home or eat fast food out at a very reasonable price.

MARKET CONSIDERATIONS

MARKET CONSIDERATIONS: The food sector, which is one of the strongest industries in Greece, is fast becoming export-oriented. The market is being dominated by large supermarket chains such as Continent and Carrefour from Europe, which are becoming continuously stronger through mergers and acquisitions, and the subsequent closure of smaller retail outlets. This domination has led to an increase in competition, as the chains scramble to open as many stores as possible.

The rate at which new stores open creates delays in payment to suppliers, which may take as long as seven to eight months. Entry fees for a supermarket chain ranges around \$40,000 per bar code item. There is also a large price war going on between food manufacturers and suppliers, and supermarket or retail chains, regarding profit margins, and this ultimately pushes prices up for the consumer. Multinationals with brand names do well because of large advertising budgets and product promotions, and they and the Greek companies listed on the stock exchange are making it very difficult for smaller companies to survive. Ready-made dinners haven't been successful in Greece, since they are very expensive, and, since people do not usually have freezers, frozen food consumption is steady. Also, Greece has a good climate, so fruits and vegetables can be found fresh all year round.

The economic crisis in Greece has decreased the buying power of the consumer, so own label products are gaining ground as are discount stores such as the French Promodes chain Dia, which now has 50 stores in Greece. Consumer loans, which were not readily available in the past, have also recently influenced the shopping priorities of the consumer. Now people can get a consumer loan to purchase a home, car, renovations or trips. To pay these loans, less is spent on food. Other expenses have also recently entered the lives of the consumer such as private insurance coverage and mobile phone expenses. Increases in salaries are usually less than the inflation rate, and purchasing power is reduced. Thus, less money is spent on gourmet premium food and beverage products.

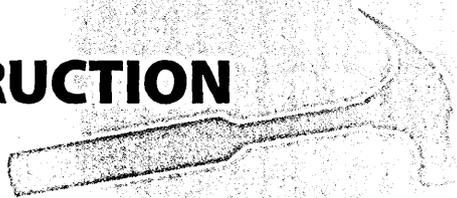
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There are two exhibitions to note: the Food and Beverage Show to be held in Athens, February 2001, and Detrop, which is taking place in Thessaloniki, March 2001.

CONSTRUCTION



OPPORTUNITIES

OPPORTUNITIES: The budget for the 2004 Olympic Games in Athens is around \$4.8 billion, of which \$2.9 billion is earmarked for construction projects directly related to the Games (Olympic village, yachting centre, equestrian centre, multi-use arena, press village, international broadcasting centre and media press centre). Other projects, not directly related to but still necessary for the hosting of the Olympic Games, include improvement of the infrastructure, new athletic training centres, and upgrading of entrance points into Greece and of tourist areas. It will also cost \$1.5 billion to develop the athletic facilities of the entire country.

Tourism development features strongly in the third Community Support Framework. As organizers seek to add winter sport, cultural and conference tourism to the sun and sea products on offer in the summer, opportunities include the construction of hotels, marinas, golf courses, conference centres and car parks.

MARKET CONSIDERATIONS

MARKET CONSIDERATIONS: The construction sector, which was long fragmented and dominated by small private interests, is gradually coming together as an organized sector with corporate interest. Banks and construction companies are forming real estate companies to build, refurbish and manage properties in structured portfolios.

Economic fundamentals have improved spectacularly in the course of the last decade. Inflation and bank interest rates have come down to levels where it is now possible to make a real rate of return on property investments. Lower interest rates and easily accessible consumer loans also allow Greeks to hold mortgages and make home improvements.

Competition is fierce, and Canadian companies must partner with either local or other European Union firms to keep close to developments and opportunities as they arise. The high cost of land and the difficulty in acquiring zoned properties are major impediments to property development, as is a complex bureaucracy. In many areas of Greece, property developers must take into account local architectural styles. Greeks prefer solid constructions based on cement, and non-traditional building products or methods such as prefabricated structures are met with some hesitancy.

Stiff competition for market share has been created by approximately 2200 construction companies, and mergers and acquisitions over the last few years have led to a profound restructuring of this sector. With Greek entry into the European Monetary Union, international developers are investing in Greek property. For now, it largely concerns commercial property, but, over time, residential properties could be developed as second or retirement homes for northern Europeans escaping colder climates.

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INFORMATION *and* COMMUNICATION TECHNOLOGIES

OPPORTUNITIES

OPPORTUNITIES: The information technologies (IT) sector presents very promising prospects as is evidenced by the growing number of retail IT chain outlets in Athens and other major cities. From a total of 2000 companies reported by SEPE, the Greek federation of IT firms, there are only 70 large companies, mostly located in or close to Athens.

Most small firms will probably disappear or fall under the umbrella of larger groups. Profit margins narrow with competition, and only strong companies will eventually succeed. Acquisitions or buy-outs, mergers and strategic alliances have become very common, especially since the Athens Stock Exchange emerged as a significant capital-raising source.

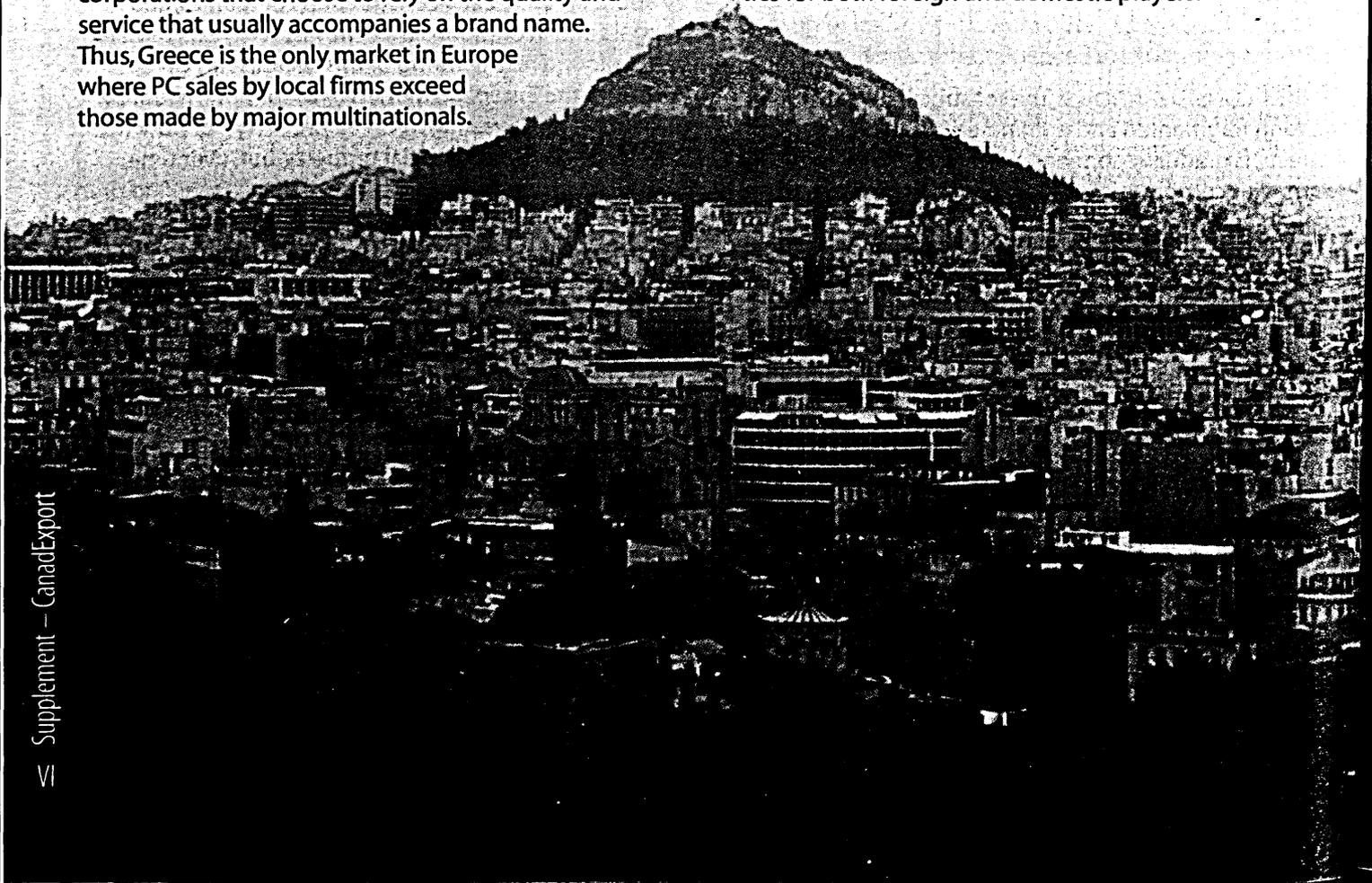
For *hardware*, there are two main preference groups: consumers who opt for PCs that are locally assembled, cheaper and easier to upgrade; and big "institutional" customers such as banks, public-sector agencies and corporations that choose to rely on the quality and service that usually accompanies a brand name. Thus, Greece is the only market in Europe where PC sales by local firms exceed those made by major multinationals.

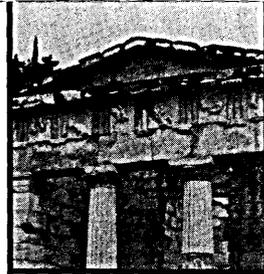
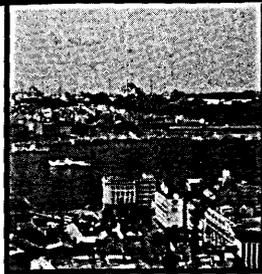
The *software* market moves faster, and domestic software developers (especially accounting or financial program developers) are still prominent, although competition from foreign houses is growing.

"Piracy" remains a thorny issue, as illegally copied programs account for a significant proportion of those circulating in the Greek market. Several local agencies and organizations are set to tackle this problem.

For IT, opportunities exist in systems integration, support for firms in trade and industry, computer telephony integration (CTI), networks and data communication, Internet applications and multimedia.

At present, the Greek **telecommunications** market is considered partially "open," since fixed/voice telephony was liberalized on January 1, 2001. The prospect of deregulation has highlighted the need for infrastructure modernization, which will open significant opportunities for both foreign and domestic players.





The public telephone company and its affiliates, who are the major players, are active in almost all types of communication and have an expansive investment strategy. However, the forthcoming full liberalization of the market and the tidal wave of new technologies will seriously challenge their supremacy.

Although reports may disagree on precise figures, for 1998, the market was evaluated at around GRD1.5 to 2 trillion (approximately \$7.5 to \$10 billion), and first estimates indicate that the market is "running" at a rate of 25% to 30%.

Voice telephony is still the leader, but network and data communication services are showing a fast upward trend. Additionally, there is rapid development in the Internet sector and in cellular telephony (three operators, estimated penetration of 32% to over 33% for 1999). E-commerce is slowly becoming a household term, and Greece is considering the launch of a telecommunications satellite.

Although the issue of alternative networks is of concern to potential local players, no evident progress has been made so far. However, the Public Power Corporation and OSE, the Greek railway organization, seem to be more active in this field. For telecommunications, there is movement in e-commerce, network and data communication, Internet applications such as banking, and satellite communication applications.

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MARKET CONSIDERATIONS

MARKET CONSIDERATIONS: The market is not easily accessible, and competition is fierce. Frequent trips are necessary, since developing personal contacts is a pre-requisite to conducting business locally. The services of a local agent is key to business success in Greece.

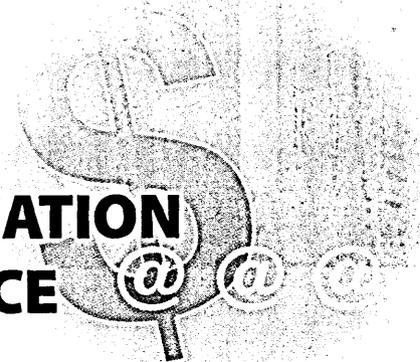
For **IT**, penetration is still low, and the market is perhaps the smallest in Europe in terms of per capita IT expenditure. However, technological advances have prompted Greek firms to use IT products, and the estimated growth rate is around 18% to 20%. This is the fastest-growing IT market in Europe, given the European Union average of around 9%.

For **telecommunications**, Greece's participation in the emerging Information Society is a major priority for the government. Greece will have to focus on research and development, content, and the dissemination of information and communication technologies. This exercise should take into account practical parameters such as education infrastructure, and incentives such as pricing and tariffs.

or visit

The Hellenic Telecommunications Organization:
<http://www.ote.gr>
Strategy of Greek government for ICT sector:
http://www.primeminister.gr/infosoc/index_en.htm
The European Telecommunications Office:
<http://www.eto.dk/contacts/greece.htm>
National Telecommunications and Post Commission:
<http://www.eett.gr>
Federation of Hellenic IT Enterprises: <http://www.sepe.gr>

INFORMATION *and* COMMUNICATION TECHNOLOGIES — E-COMMERCE



OPPORTUNITIES

OPPORTUNITIES: Compared to European and U.S. markets, e-commerce in Greece appears to be at an embryonic stage, as full-fledged systems are not yet evident. Nevertheless, given the fast growth of the sector, and, as more and more applications are launched, e-commerce is gradually gaining exposure and popularity, and the term is becoming widely known.

As analysts indicate, from a 2001 year-end estimate of about \$318 million, the forecast of market value for 2004 is about \$1.3 billion. After electronic data exchange, and apart from Internet-aided trading, stock exchange and e-banking services have recently made their appearance. In general, with the apparent need to expand the clientele base, both content and technology or know-how solutions and options are being followed.

MARKET CONSIDERATIONS

MARKET CONSIDERATIONS: According to recent statistical data, further development is anticipated, stimulated by the overall growth of the information technology sector, the expanding use of the Internet (currently around 6%, with a year-end estimate of 18% for 2001, to reach 30% in

2003) and the stability of the Greek economy within the European Union (EU). Mergers and acquisitions are being formed among strong information and communication technology groups.

The Ministry of Development recently announced that e-business courses are being taught in at least one university, and an operational framework to support the expansion of e-commerce applications is under way. (The National Committee for e-commerce is headed by the Secretary General for Commerce of this ministry.) In addition, e-commerce is one of the main priorities of the third Community Support Framework, an important source of funding by the EU.

However, there seems to be an overall concern about the security and confidentiality of transactions in this market. Thus, a period of familiarization with new methods and business opportunities may be necessary in which a trust toward the new services can be built. This may also involve a cost of adaptation. Finally, there are few specialized personnel.

Major European and U.S. firms, alone or in co-operation with local firms, are either present in or are planning to enter this market.

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Hellenic Electronic Trading Research Unit: <http://www.eltrun.aueb.gr>

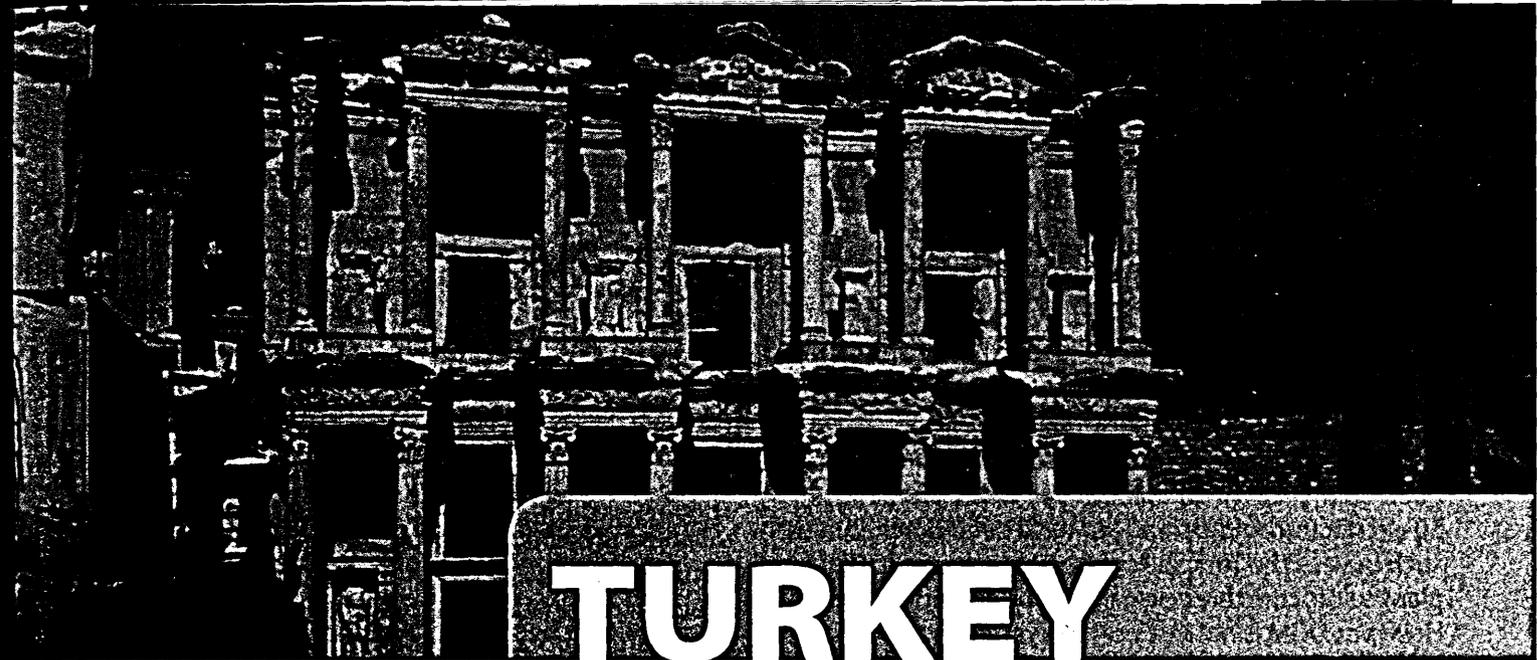
E-Commerce Show's Web Site: <http://www.ecs.gr>

European Commission/Information Society Web Site:

<http://europa.eu.int/lspo>

National Telecommunications and Post Commission:

<http://www.eett.gr>



TURKEY

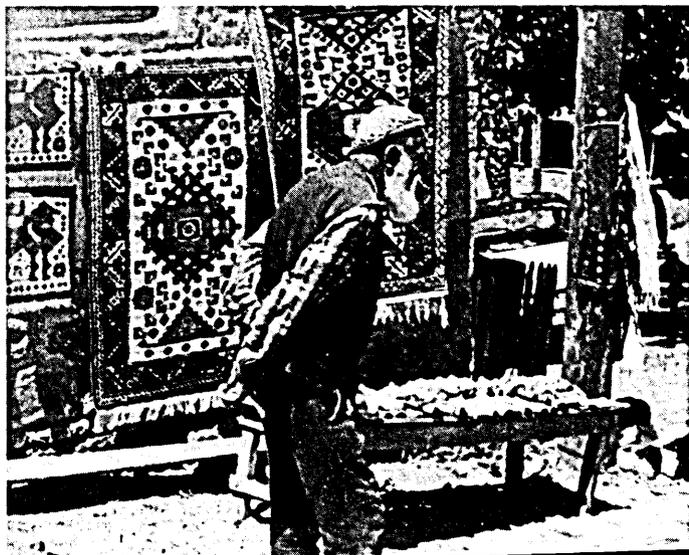
Turkey is a country of some 65 million people with the world's 16th-largest economy, but the focus of Canadian interest will be the 10 to 15 million or so Turkish consumers in the major urban areas of western Turkey (Istanbul, Ankara and Izmir) who have a lifestyle and standard of living that approaches a western European level.

Notwithstanding significant structural problems (notably inflation, high public debt and the slow pace of privatization) until recently, Turkey sustained the highest growth rate in the Organization for Economic Co-operation and Development — between 7% and 8% annually during the period 1995 to 1997. Despite the recent shrinkage of the Turkish economy following the Russian economic crisis and the 1999 earthquakes in the industrial heartland of northwestern Turkey, overall prospects remain promising as a result of both Turkey's Customs Union with the European Union (which came into effect on January 1, 1996), and its increasingly important role as a gateway to the emerging markets and natural resources of the Caucasus and Central Asia (with the advantage of geographical proximity reinforced by linguistic ties with many of the former Soviet republics in the region).

Bilateral trade between Canada and Turkey increased almost threefold during the period from 1991 to 1998, rising from \$166 million in 1991 to \$473 million in 1998. However, by the end of 1999, bilateral trade between Canada and Turkey dropped slightly to \$465 million, due primarily to the contraction of the Turkish economy following the Russian economic crisis and the loss of productive capacity following the devastating August 1999 earthquake. The bulk of Canada's exports to Turkey are commodities such as coal, lentils, wheat, wood pulp, telecommunication equipment and parts, newsprint paper, road graders, cinematographic projectors, plastic tubes, passenger cars, furniture, pharmaceutical products,

beverages, and iron and steel products. Telephone components normally account for a significant portion of Canadian exports to Turkey and form part of the foreign inputs for the Nortel joint venture (Netas) production facility in Istanbul.

The range of Canadian exports is expanding, and at the same time the export of Canadian services to Turkey is increasing, especially in the field of consulting engineering. Currently, one of the most visible Canadian exports in this area is the Ankara Metro Project constructed by SNC-Lavalin and Bombardier/UTDC. With the signing of the Memorandum of Understanding on Bilateral Co-operation in the Energy Sector between Canada and Turkey in September 1998, considerable potential was created for a substantial increase in Canadian exports of consulting engineering and infrastructure construction services to Turkey. Turkish companies offer good possibilities for third country co-operation, as several of them are aggressively pursuing business opportunities in the region, which includes the Middle East, Russia and the former Soviet Union States.



AEROSPACE *and* DEFENCE



OPPORTUNITIES

OPPORTUNITIES: The Turkish civilian aviation market has developed within the last five years, especially since the sale of executive or corporate jets and helicopters has been on the rise. To date, about 100 helicopters and 50 aircraft (turbo-prop and jet) have been purchased by such buyers. The Turkish Forestry Department (OGM) has plans to procure three new forest fire-fighting aircraft. However, OGM is not in a position yet to open a tender due to a shortage of funding. Turkish Airlines (THY) has plans to expand its fleet of regional aircraft, and Bombardier is working hard to promote its regional jet and turbo-prop aircraft. However, the implementation of these plans is not likely before the planned privatization of THY takes place.

With one of the largest armies in Europe and a modern industrial policy designed to create an indigenous defence industry, Turkey's market for **defence** products provides many opportunities for Canadian companies that are prepared to investigate technology transfer, joint ventures and other forms of co-operation. In the aerospace and defence sector, opportunities exist for various corporate and regional aircraft, aircraft engines and parts, avionic and navigational systems, radars, defence electronics, military software and training simulators.

Currently, the Turkish Ministry of Defence is working on the following priorities:

- local production of 1000 units of main battle tanks; modernization of existing 1000 M60A1 tanks;
- 145 attack helicopters (US Bell was invited for contract talks);

- 6 naval frigates; simulators for submarines and military helicopters; and
- 30 units of unmanned airborne surveillance vehicles.

All these projects offer opportunities for Canadian manufacturers of subsystems, parts, components, avionics and electronics. Canadian companies have recently been successful in obtaining contracts for the supply of executive-use jet aircraft and pilot-training simulators.

MARKET CONSIDERATIONS

MARKET CONSIDERATIONS: There are no constraints or trade barriers in Turkey for Canadian companies involved in the civilian aircraft market. However, the Turkish defence market is not easily penetrated. Information on projects is difficult to obtain, and funding is a challenge. In defence procurements, the major constraint to date seems to be the Canadian government's export-control procedures.

There is stiff competition from European and U.S. companies that enjoy strong support from their governments in all political, financial and technical aspects. These companies are usually open-minded to technology transfers, technical co-operation and investment in Turkey. Turkey has signed bilateral co-operation agreements with several European countries, the United States and Israel, in the fields of aerospace and defence.

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AGRICULTURE *and* AGRI-FOOD

OPPORTUNITIES

OPPORTUNITIES: The total arable land of Turkey amounts to around 300,000 sq. kms. (total size is 777,970 sq. kms.). Cereals and grains account for more acreage than any other crop, with wheat being the most prominent. Turkey is virtually self-sufficient in food, feed and fibre. Agricultural potential has not been fully realized nationwide. Despite agriculture's diminished role in the economy, it still accounts for a large share of total output and employment. Despite the overall trade deficit of Turkey, the agricultural trade balance is significantly positive, and this provides some relief to the balance of payments.

The country is a net exporter of farm products, and agriculture (including the processing sector) employs about one-half of the working population. The agricultural sector's real growth rate was -4.6% in 1999, and its share was 14.86% of gross national product in 1999. Crops represent 55% of the agricultural sector; livestock represents 34%; and the rest comprises forestry and aquaculture.

Turkey is the largest producer and exporter of agricultural products in the Near East and North African region. In 1999, exports of agricultural commodities (excluding agri-food) amounted to \$2.2 billion and accounted for 8.3% of Turkey's total export earnings. As well, overall exports of agricultural, livestock and processed agri-food products reached US\$3.9 billion. Also, imports of agricultural products totalled around US\$2.7 billion. Rapid growth occurred throughout the 1980s, led by manufacturing but also by agri-food, and a resurgence of both domestic and foreign investment in Turkey.

Canada is currently exporting several agricultural products to Turkey: grains, seeds, lentils and potato. Opportunities also exist in cheese, butter, vegetables

oils, coffee, cocoa, tea, rice and sugar. Turkey also lacks know-how in food-processing technology. Finally, there are opportunities in introducing new techniques and supplying equipment used in breeding, artificial insemination and embryo transfer.

MARKET CONSIDERATIONS

MARKET CONSIDERATIONS: As of January 1, 1996 — the date of the entry into force of the Customs Union with the European Union (EU) — Turkey has eliminated all custom duties and non-tariff barriers on imports of agricultural products from the EU. Livestock and meat imports have been banned since the beginning of 1997, except the breeding stock. In Turkey, there are well-organized large-scale importer distributors that use their own truck fleets to reach the middlemen or to go directly to retail points in all parts of the country. For bulk commodities, it is best to work with a capable agent, who continuously monitors the requirements for food products, in view of local supply and production. The Turkish market requires long-term commitment and co-operation with Turkish companies. The best way to penetrate the Turkish agricultural sector is to enter into a joint venture with a good Turkish company for either marketing of the end product and/or local production. The chances are better with local production, given the success of European firms in the Turkish market. The availability of almost all agricultural products from local sources makes the investment in processing and quality packaging both reasonable and feasible. Turkish people are open to new species and have a tendency to adapt themselves to Western tastes.

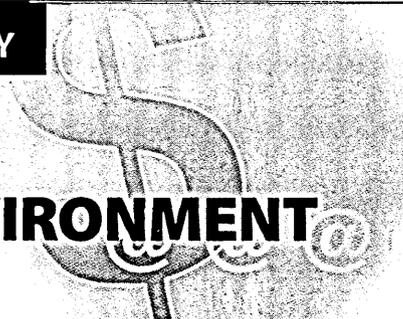
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Ministry of Agriculture and Rural Works:
<http://www.tarim.gov.tr/english/english.htm>



ENVIRONMENT

OPPORTUNITIES

OPPORTUNITIES: Industrialization, a high rate of population increase and rapid urbanization have created acute environmental problems in Turkey. Turkey's development policy primarily wanted to use indigenous energy resources — mainly low-calorie lignite — to maintain self-sufficiency. Also, due to limited financial resources, the country could not implement up-to-date technologies. Since the development program mainly sought to attain the highest degree of industrialization at the lowest cost, environmental considerations were inevitably neglected, and this has led to serious environmental degradation.

In contrast to the traditional approach to environmental issues, which basically regarded environment as a consumable input for development, the government now regards environment as a resource that must be preserved and managed rationally to attain sustained development. Consequently, a range of present and future environmental regulations will add further economic growth to this sector.

Enforcement of new legislation requires that industrial plants, resorts and municipalities install wastewater- and sewage-treatment plants, chimney filters and solid waste-treatment facilities. While this legislation is roughly parallel to European Union standards, enforcement is not effective, and the threat of legal action is not a strong deterrent to polluters. Nevertheless, public pressure groups, and other private and government agencies, help to ensure adherence to the legislation, and force the industry and municipalities to take appropriate measures.

Opportunities exist in industrial and municipal wastewater treatment, desulphurization systems for power plants and process industries, solid waste treatment and disposal, industrial and domestic water purification, conversion of vehicles to natural gas, incineration plants, environmental impact assessment and monitoring, water-resource management and consulting engineering services.

Turkish cities suffer from severe air pollution problems caused by predominantly coal-based heating systems, automobile exhausts and industrial emissions. Action is being taken to remedy these conditions, and the focus is on increasing responsibility and authority of municipal administrations in pollution control. Despite considerable

willingness to enforce air-quality measures, municipalities presently lack the necessary equipment and trained staff to monitor conditions. The provision of air-quality monitoring and emission-control equipment are areas in which Canadian firms would be strong competitors.

The supply of potable water has been the responsibility of the national government, which normally undertakes the construction of dams and reservoirs. There are needed water-supply solutions: development of major water-supply projects; improvements in the management of the yield of reservoirs; reduction of water losses in the distribution systems; and definition of alternative sources of water.

Less than 10% of wastewater is treated in Turkey. Many rivers in urban and industrial areas have become highly polluted and require massive rehabilitation. The few existing treatment plants suffer from major operating and management problems, particularly in the area of biological treatment. There are numerous opportunities for Canadian companies in construction and operation of wastewater-treatment plants in Turkey. The best opportunities are in the industrial sector, where organizations have the ability to borrow in international markets and have come under pressure to conform to European environmental standards. Generally, lack of financing presents major problems in municipal wastewater treatment. The government relies on the BOT (Build, Operate, Transfer) mechanism for large projects, but this method is of limited use as long as municipalities can not guarantee a revenue stream for these projects. Some European firms have undertaken several of these projects through soft loans.

Canadian companies interested in competing in the wastewater-treatment market in Turkey should focus primarily on industrial projects, which fall into two types: specific highly polluting industries such as tanneries, or pulp and paper mills; and industrial parks. Viable projects in municipal wastewater treatment may be found in certain areas defined by the national government as priority areas, which may provide national government guarantees for approved loans.



A number of municipalities are experimenting with small incinerators for hazardous wastes. This is a potentially promising area for Canadian companies. However, expensive technology and uncertainties in financing are road-blocks. It appears that the most cost-effective solution for Turkey would be to create six or seven hazardous waste-disposal facilities to serve the entire country, rather than building many small ones. Consulting engineering services are required to define optimum size, cost and strategy. Currently, there is no client for such a study.

Approximately 65% of total Turkish power-generating capacity comes from coal-fired power plants. Because of the high sulphur content in the available coal, most power plants are required to use flue gas-desulphurization (FGD) technology. This is a particularly promising application for Canadian firms. A potentially huge market may appear for FGD retrofits, if financing obstacles can be overcome. New power plants will likely be built as BOT projects, where financing is incorporated in the total package proposed by the project team.

MARKET CONSIDERATIONS

MARKET CONSIDERATIONS: Since Turkey has very capable contractors and engineering companies, foreign companies normally team up with them to increase the local content, and to benefit from their experience and familiarity in current business practices. Local companies also seek foreign partnerships to overcome financing

difficulties. In a typical project, foreign companies provide financing and technology, while local companies provide metal fabrication, erection, civil works and detailed engineering design. The Turkish market requires long-term commitment and co-operation with local partners, a network of contacts both in the public and private sector, and usually 100% project financing. Provision of suppliers' financing, however, is the most critical factor in securing contracts.

Competition in public tenders is rather strong, as many Japanese and European companies aggressively pursue Turkish projects and generally provide financing at favourable terms. Many foreign companies establish local subsidiaries, which are formidable competitors, since the Turkish government treats them as local firms for large government tenders. Furthermore, national governments of mainly European countries are aggressively assisting their companies through favourable financing arrangements.

Canadian products are perceived very favourably, but, due to Turkey's membership in the Customs Union with Europe, Canada faces an average 5% price competitive disadvantage against European suppliers in the exportation of manufactured components and instruments. However, this normally does not appear to be a major impediment, as it is often overcome through the help of a favourable exchange rate of the Canadian dollar against other hard currencies, as well as appropriate financing, price and technological advantages of Canadian companies.

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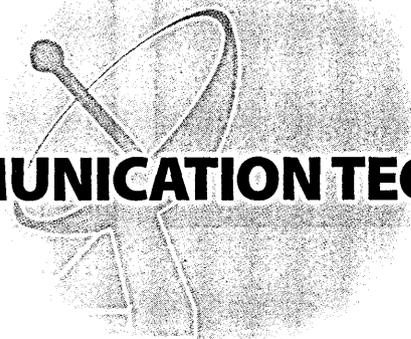
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INFORMATION *and* COMMUNICATION TECHNOLOGIES



OPPORTUNITIES

OPPORTUNITIES: With the exception of Global System for Mobile Communications (GSM) and the Very Small Aperture Terminal (VSAT), state-owned Türk Telekom (TT) is the only carrier for all other systems in Turkey. Both GSM and VSAT have two private operators licensed by TT. Expansion of the Turkish telecommunications system was slow until 1984, due to lack of funding and limited local manufacturing capacity. Since then, the number of installed lines has increased to about 20 million (for a population of 64 million). The proportion of digital switching is 82%, and the growth rate of Turkey's annual telecommunication network capacity is around 6% to 7%, which is the highest in Europe. The number of installed telephone lines per 100 inhabitants reached 28 by the end of 1999, and the total value of the telecommunication market was estimated to be around US\$4 to US\$5 billion by the end of 1999. The number of GSM lines is around 10 million, and the number of GSM subscribers was expected to increase to 11 million by the end of 2000. In 1999, a total of around US\$3 billion worth of various telecommunication equipment was imported. Some of the imported telecommunication equipment include wireless telephone systems, broadcasting equipment, and telephone and fax devices. During this period, exports exceeded US\$1 billion. In 1999, the total value of revenues in the local information technologies (IT) market was around US\$10 billion. Turkey's Internet network, which was improved within the last two years, currently serves about two million users. In 1999, about 800,000 PCS were sold, and some taxi companies in major cities started to use computerized vehicle dispatch.

In May 2000, the Turkish Ministry of Communications issued a new cellular telephone licence, which is PCS at 1800 MHz. The members of the winning consortium were Telecom Italia and Turkish Is Bank. Another licence was issued to TT on a direct sale basis. Canadian Nortel, through its Netas plant, is in contact with new operators in an effort to obtain contracts for the supply of networking equipment. In 2000,

about 1.2 million wired lines (all digital) were expected to be procured and installed by TT. The Turkish government had plans to sell 20% of the shares of TT to institutional investors in 2000. Cable TV and the pay-phone network are also expected to be privatized.

MARKET CONSIDERATIONS

MARKET CONSIDERATIONS: The IT sector offers tremendous opportunities. Major end-users in these fields are banks, stock exchange brokers, large corporate holdings, transportation companies and media firms. The financial sector especially promises a lucrative market potential. Some increase on the demand side is expected due to modernization investments by financial corporations, the opening of huge retail outlets, and projects that have foreign financing. There are many opportunities in the Geographic Information Systems field (such as remote sensing and digital mapping). However, the lack of funding has precluded the Turkish government from procuring hardware and software. The general trend of the government is to purchase data from private companies in this field. Computer software and hardware is one of the very rapidly growing markets in Turkey. Almost all brands of PCs, Local Area Network/Wide Area Network (LAN/WAN) equipment and parts are imported and distributed by local firms. The competition is very stiff in the Computer-aided Design (CAD) products, in which the local textile sector show major interest. Multimedia is another booming field, especially since interest from university students has led to the opening of many new retail stores in major cities. Finally, Turkey is perceived as a leader and acts as a liaison in the establishment of the emerging data-communications equipment market in this region. Because of the increasing demand for these informatics services, Turkey's influence has extended to foreign and local businesses, newspapers, and others who utilize satellite equipment in Central Asia.

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MINING

OPPORTUNITIES

OPPORTUNITIES: Turkey is among the richest countries in the world for many mineral and metal products. Turkey has a near monopoly of boron and important deposits of bauxite, chrome, copper, iron, manganese, sulphur, marble, zinc and thorium. There are also exploitable quantities of antimony, lead, molybdenum, mercury and tungsten. The country, however, lacks up-to-date technology and the financial capability to exploit these resources. Turkey has been basically operating its mines through state-owned enterprises, with only a few exceptions of private operations in coal mining and quarrying. However, during the last decade, new legislation allowed private enterprises, including foreign investors, to take an active part in the sector. The legislation has had a significant impact on the number of foreign companies operating in Turkey, as well as on the amount of investment in the mining sector.

Turkey has made necessary changes in the legislation and launched an ambitious privatization program of Etibank, which controls almost 60% of domestic mineral production. Also, various state-owned mines and metallurgical plants are on the privatization list. Turkey also has precious mineral deposits — mainly gold — available for development. Canadian companies have obtained permission to explore for gold, silver and copper from the Turkish Ministry of Energy and Natural Resources. However, pressures from environmental groups are a challenge, and foreign mining companies need to spend time and money on public relations before actually starting their operations.

Major opportunities in the Turkish mining sector exist in upgrading facilities for coal mining and preparation, as well as for lead and zinc mining and sintering, copper mining, and gold and silver mining and refining. Other opportunities include the modernization of steel mills and sintering plants, geological surveys, mine exploration and engineering services, crushers and grinding mills, coal-washing equipment, flotation equipment and electro-chemical systems. Turkish companies are actively seeking joint ventures with foreign firms to supply technology and equipment. These include: TKI, the Turkish Coal

Board, which estimates that it will spend about US\$40 million for its investments, half of which will be spent on procuring machinery and equipment; and Etibank, the state-owned mining conglomerate, which is currently seeking joint ventures for: the modernization and expansion of the Seydisehir aluminum plant; the establishment of a new Bandirma hydrogen peroxide plant; the construction of a chromium ore-concentrator plant, which will require gravity-concentration equipment such as shaking tables, Reichert cone and magnetic separators; the delivery of rare earth extraction and processing equipment and technology for the development of a one million ton bastnasite reserve that also contains 11.4 million tons of fluorite and 9.4 million tons of baryte; the expansion of the Kirka Tinkal concentrator plant, which requires crystallizers; and the establishment of a sulphuric acid plant in Bandirma.

MARKET CONSIDERATIONS

MARKET CONSIDERATIONS: Mining equipment imports comprise approximately 75% of total market demand. Germany is the leading supplier (39%), followed by the United States (12%), Sweden (10%) and France (6%). Price and quality are generally the most important factors in purchasing decisions. Credit terms and the length of the repayment period are also considered. Most private firms are willing to use letters of credit but will increase purchases with more liberal credit terms. For the government, major sales are often not realized, unless there is an attractive package attached. Other factors that affect sourcing decisions are the suppliers' reputation, the reputation of their products for quality and reliability, and previous experience in dealing with suppliers. Service is extremely important to Turkish end-users in terms of the provision of spare parts and repairs.

Canadian companies are advised to employ agents in Turkey who are well-informed about upcoming projects and experienced in Turkey's procurement practices.

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OIL and GAS

OPPORTUNITIES

OPPORTUNITIES: The oil sector in Turkey is dominated by the Turkish Petroleum Corporation (TPAO) on the exploration and production side; the Turkish Refineries (TUPRAS) for refining; and the State Pipeline Corporation (BOTAS) for oil and gas transmission. Even though TPAO has the largest share in oil and gas exploration and production (approximately 80%), more than a dozen Turkish and foreign companies are also active. Although refining and transmission are under state monopoly, the government has taken steps to privatize TUPRAS and BOTAS. Turkey has some 46 million tons of proven oil reserves, and it produces 3.8 million tons of crude oil per year, with a total annual consumption of 38.5 million tons. The oilfields are located mainly in the southeastern region, and recent discoveries have encouraged TPAO to intensify its explorations in this region. Explorations are also under way in the Aegean Sea, as well as in the southern parts of the country.

Despite its modest oil production, Turkey has a relatively large crude oil and gas pipeline capacity, 71 million tons and 14 billion cubic metres per year, respectively. Turkey wants to transport oil and gas from the former Soviet Union states to Mediterranean ports via pipelines to export outlets on Turkish coasts. The main oil pipeline is the Baku-Ceyhan, which is to be commissioned in 2003 and should cost between US\$3.0 to US\$3.5 billion.

Given the fast-growing demand for natural gas, Turkey has signed gas-purchase agreements with Russia, Turkmenistan and Iran. To transport gas from these countries, the following pipelines are proposed: the Tebriz-Ankara, which aims to supply natural gas from Iran mainly to the eastern provinces as well as to Ankara; the Blue Stream, which will be jointly implemented by Russia and Turkey, and will require construction of a gas pipeline under the Black Sea; and the Trans Caspian, which requires construction of a pipeline across the Caspian Sea to bring gas to Turkey from Turkmenistan. Negotiations between the Turkish and Turkmen governments are in progress,

and an agreement was slated to be signed by the end of 2000. The existing domestic gas-transmission pipeline infrastructure in Turkey can not cope with the growing demand for gas. It serves only 20% to 25% of the population, and requires substantial expansion to interconnect main urban and industrial centres. This requires some US\$4 billion investment in gas-distribution projects.

In addition to pipeline projects, Turkey also plans to build two additional liquefied natural gas (LNG) terminals on the Aegean and Mediterranean coasts. The investment required for these terminals is expected to be approximately US\$500 million. Key buyers of oil and gas equipment are TAO and BOTAS, and their investment and procurement budget for 2001 is approximately US\$2 billion, which is expected to increase in the coming years. Thus, opportunities exist for services and equipment for oil exploration, and oil-field development and production technology; engineering, consultancy and contracting services for oil pipeline transmission and distribution, construction and rehabilitation; and materials and equipment such as steel and polyethylene pipes, fittings, pressure-regulating equipment, Supervisory Control and Data Acquisition (SCADA) systems, gas metres and auxiliary material.

MARKET CONSIDERATIONS

MARKET CONSIDERATIONS: Turkey has no trade barriers, and imported equipment and materials are not subject to any restrictions. However, a local partner or agent is an essential element in doing business in Turkey. Major players in this sector are suppliers and contractors from Italy, France, Japan, Germany and the United States. Since Turkey normally requires full financing for investment projects, ability to provide a financing package by prospective contractors and suppliers is more important than the origin of supply and pricing.

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The Netherlands has brought environmental issues into sharp focus long before many other European countries. This is the result of a combination of factors including the large-scale Dutch agricultural sector, energy-intensive chemical and petrochemical industries, a dense population, and the role the Netherlands plays as a major distribution centre. The Dutch environmental sector has evolved a solid reputation for developing sophisticated technologies for air purification, wastewater treatment, household waste processing, recycling, soil decontamination and groundwater purification. This sector is now poised to flourish in the international marketplace. Despite Dutch proficiency, there is ample room in the Netherlands' environmental sector for complementary innovative Canadian technologies and niche-market products, particularly in the areas of soil remediation, water purification and recycling.

Environmental technology centres

In the Netherlands, technology centres are the driving force behind the development of new techniques for processing waste and cleaning the air, water and soil. Originally these centres made extensive use of existing process and mining technologies, but, with the launch of new subsidy schemes by the government, research institutes and private sector companies have been encouraged to work together to develop new applications.

One such institute, the Netherlands Organization for Applied Scientific Research (TNO), has created a business park where small companies developing promising new environmental techniques can make use of extensive facilities and, if necessary, receive financial assistance from TNO.

The low sedimentation rates and minimal odour make their patented compact anaerobic purification systems very popular with the food industry. Indeed, most of the anaerobic water treatment plants used in the world's breweries originate in the Netherlands.

Environmental products and services

The Netherlands

Environment biotechnology

Environmental biotechnology is one of the most advanced areas of research in the Netherlands. Dutch universities are conducting research into various types of bacteria with the ability to break down pollutants. Research is also focused on the recovery of primary raw materials.

Water treatment

Water treatment is a cornerstone of the Netherlands' environmental industry, with Dutch engineers in worldwide demand as consultants in the design and manufacture of water treatment plants utilizing high-capacity biological purification methods. Dutch environmental companies have also acquired an international reputation in the construction of industrial water treatment plants.

In spite of Dutch expertise in this field, there is ample opportunity for Canadian companies to contribute new and advanced technologies to the Netherlands' water treatment sector. Trojan and Zenon are two such Canadian companies already active and successful in the Dutch market.

Soil remediation

Soil cleaning in the Netherlands has also achieved worldwide recognition, with its reputation founded on expertise in cleaning up highly complex "cocktails" of pollutants, often reducing them to undetectable levels. Polluted ground, including dredged material from the rivers, is a major problem in the Netherlands — one that invites solutions from Canadian companies with new and innovative technologies.

Dutch trade fairs

Utrecht — April 24-26, 2001 — Ecotech International Environment Trade Fair (www.ecotech.nl/) held every two years, focuses on waste processing, recycling and environmental management.

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Sweden – renewable energy and climate change

— Continued from page 8

Useful Web sites

- The Swedish National Energy Administration: www.stem.se/
- The Swedish Environmental Protection Agency: www.environment.se/international/
- The Swedish Power Association: www.kvf.se/en/index.html
- Invest in Sweden Agency, fact and figures: www.isa.se

- Sustainable Sweden, government Web site: www.hallbarasverige.gov.se/eng/

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The Canadian Consulate in Fukuoka will celebrate its 10th anniversary in 2001. Its presence there has helped Canadian companies to penetrate this market, and has contributed to putting Canada on the map with local residents and decision makers.

Market opportunities

Southern Japan

The Consulate promotes Canadian products and services on the island of Kyushu. The priority sectors are agri-food products and beverages, construction and building materials, and consumer goods, including furniture.

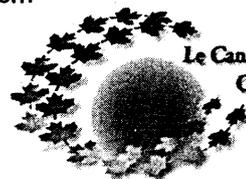
The Consulate was involved in a number of recent trade activities in Kyushu. More events are forthcoming, which Canadian exporters should consider, including the following shows and activities:

- The North American Fair in Kitakyushu, January 26 - March 4, 2001, with the theme "Creating the Appropriate Lifestyle for the New Century". This 38-day fair features products as varied as housing/interior products, outdoor and sporting goods, clothing, toys, games, food and beverages, and giftware. Participation (i.e. booth space) is free. Exhibitors are not expected to be physically present for the entire time, but there will be a few official "business days" (dates to be announced) for which exhibitors or their representatives are expected to be present.
- The West Japan Total Living Show, March 15-18, 2001, is Kyushu's main trade show for the construction industry, with a particular focus on the residential housing segment. At the 2000 show, there were 32 foreign exhibitors (Canada

had the largest group), attracting 53,500 visitors. Canadian building products and materials have been well received in Kyushu, but there is still a lot of room for Canadian promotional efforts and growth potential. Several small and

medium-sized firms are looking at importing directly from abroad to minimize costs or to find that "special" product that will differentiate them from their competitors. In addition to housing packages, items of interest for the Japanese market include system kitchens, windows, doors, flooring, moulding, staircases, vanity cabinets, fittings, hardware, exterior walls and brick.

- The East Asia Horticultural Fair, May 10-12, 2001, will be held in Kyushu for the first time. Exhibit categories include transplant production systems; grafting systems; plant factories; hydroponic systems; environmental control systems; greenhouses; automatic irrigation, insect and pest prevention; biological pollination; recycling and waste processing systems; sorting and packing machinery; handling, transport and storage equipment; seeds; farm products (vegetable, fruits); cut flowers; and gardening materials. Target visitors include growers, manufacturers, wholesalers, retailers, and agricultural organizations. In addition to domestic contacts, the fair will be promoted to visitors from China, Korea and Taiwan.



Le Canada au Japon
Canada in Japan

- The Fukuoka International Trade Fair will be held in Fukuoka, September 13-16, 2001. This will be the fourth fair, which is held every two years. In 1999, there were 342 exhibitors (180 representing 42 countries), and the event attracted 90,000 visitors (including 11,400 professionals). It is the largest gift trade fair in Kyushu. The theme for 2001 is "Gifts from Around the World for a Delightful Life," and the focus is on imported gifts, interior decoration, room accessories, tableware, bags, stationery, accessories, wine and gift foods. The organizers are keen to attract new, innovative products. With advance notice, it will be possible to arrange for seminars on site. Access to the fair will be restricted to business visitors for the first two days, after which it will be open to the general public (sales are allowed on "public days"). It may be possible to get a booth for free.

In both Fukuoka and Kitakyushu, the Japan External Trade Organization (JETRO) has Business Support Centres that provide free office space for foreign companies on a temporary basis. JETRO also has knowledgeable staff who can provide specific information on the Japanese market and assist foreign firms who want to export to Kyushu or establish a local presence.

An upcoming article will look at some factors that make Kyushu an interesting market for Canadian companies.

For more information on the trade shows and Kyushu market opportunities, contact Josiane Simon, Consul and Trade Commissioner, Canadian Consulate, Fukuoka, tel.: (011-81-092) 752-6055, fax: (011-81-092) 752-6077, e-mail: josiane.simon@dfait-maeci.gc.ca *

Canadian power sector firms once again face brightening prospects in China, with its red-hot economy and new policy priorities. Already this is the largest power-producing nation after the United States. In the spring, China will unveil its 10th five-year plan, expected to give higher priority to developing and upgrading the country's power sector infrastructure.

The expansion is needed to keep pace with a rapid growth in demand for electricity, generated by the economic boom in southern and coastal areas. In the first half of 2000, China generated 625.5 billion kilowatt hours of electricity. Nationwide, this represented an increase of 10.55% over the previous year, but in the southern and coastal areas the increase was as much as 20.75%. By mid-2001, China should have entered the World Trade Organization, a step that will help ensure ongoing demand for expanded electricity supplies.

The next five-year plan commits China to tackling major power sector challenges:

- planning and development of new hydro-electric generating facilities in water-rich western China, thousands of kilometres from major urban and industrial centres;
- cleanup and modernization of thermal power facilities, which

make up almost 80% of existing power sources;

- increased investment in power line construction to move western

For Canadian companies, there are exciting supplier or joint venture opportunities for a range of niche equipment and services, particularly:

China power sector energized

China's power to consumers (60,000 km of AC line at 220 kilovolts and up, and 3,600 km of DC line of over 10 gigavolt amperes planned);

- integration of power grids;
- better power generation and conservation at existing facilities through improved management, modernization and equipment upgrades; and more rational pricing policies;
- development of new and renewable energy sources, especially wind and solar power in several regions; and
- spurred development of China's nuclear power sector, with growing emphasis on localization of design, manufacturing, construction and operation.

power systems, controls and instrumentation; desulphuring equipment; switching equipment; large capacity transformers; large project management services and training; and

services and advanced technologies related to transmission and distribution.

Soon to appear are two comprehensive market reports prepared by the Department of Foreign Affairs and International Trade's

Market Research Division: *The Electrical Power Market in China* and *The Energy Market in Hong Kong*. These include useful contact information and tips for doing business. The reports will be available on the Web site of the Trade Commissioner Service (www.infoexport.gc.ca) as of late February. For a sneak preview, participants registered for Team Canada 2001 can visit the Team Canada Web site at www.tcm-mec.gc.ca/China/menu-e.asp

The timing could not be better for leaders in the Canadian power sector to look at the China market. And ready to assist them are the Canadian Embassy in Beijing, the Consulates General in Shanghai, Hong Kong, and Guangzhou, and the Consulate in Chongqing.

For more information, contact Su Yun Myong, China and Mongolia Division, DFAIT, tel.: (613) 996-3607, fax: (613) 943-1068, e-mail: suyun.myong@dfait-maeci.gc.ca *



Toronto singer's Australian tour

—Continued from page 3

"First of all, you need to believe in yourself. There's no way you're going to make it far away from home if you don't. If you feel like you have nothing to offer, you won't."

Along with networking on the Internet, enlisting the assistance of the Canadian missions is high on her list of recommendations. "The missions are invaluable in putting you in touch with the right people in the industry."

Florian's Australian success is

testament to the power of such teamwork. With DFAIT's help, she went for "gold" — and got it. There's no telling who she'll win over next.

For more information, contact Andrea Florian, tel.: (416) 633-8868, fax: (416) 633-4681, e-mail: bathshebarecords@yahoo.com Web site: www.andreaflorian.com *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "New Exporter of the Month.")

After seven years, I'm not very often accused of being green when it comes to the core business of NORTHSTAR Trade Finance Inc., which is to support the efforts of young and growing Canadian exporters by financing their end buyers.

horse and getting all self-righteous about it, I'll just say that NORTHSTAR's business is booming. We would like to give back something to the companies in an area in which Canada has enormous potential, and in which we all have a tremendous stake. And that is

At-cost financing

will help exporters drive on the green side of the road

But now I may well be described as something of a rookie at being green.

It isn't that NORTHSTAR hasn't worked with environmental equipment exporters in the past; we have.

But now we have decided to do something entirely new to kickstart interest in this enormously important area, and that is to offer financing at cost to bonafide green exporters who meet our standard credit criteria.

No, we aren't talking about dealer invoice pricing like some used car salesman. What we are saying is that we will offer you a transparent evaluation of our own costs, and that is what you pay, net, period.

Why are we doing this?

Well, without getting on a hobby

finding the right mix of technical and economic solutions to get the globe going green, and to win the race against environmental degradation.



Scott Shepherd,
President and Chief
Executive Officer,
NORTHSTAR

For their part, the banks that provide NORTHSTAR with its capital—the Royal Bank, the Bank of Montreal, HSBC Canada and the National Bank of Canada—also understand the specialized financial requirements of the environmental sector.

And the trade finance services offered by Export Development Corporation (EDC), which insures all NORTHSTAR transactions, have been used by Canadian companies in the environmental technologies and services sector to conclude more than \$600 million in export sales since 1995.

I think that the ride we are on is going to be an exhilarating one. I know for a fact that we are already having a blast at NORTHSTAR with our new Honda Insights (www.honda.ca/models/insight.asp).

The Insight is North America's first gasoline-electric hybrid automobile, offering an incredible 3.2 litres/100 km on the highway, 3.9 litres/100 km in the city and an unheard-of 1250 km range on one tank of fuel. The Insight is also designed to meet California's



The colour is the only thing that isn't green.

stringent ultra-low emission vehicle (ULEV) standard. So, it not only performs well on the road but also is good for the environment.

We bought these nifty, new green vehicles because we can't think of any more visible testament to our environmental commitment.

And we invite you to come along for the ride.

For more information, contact Scott Shepherd, President and Chief Executive Officer, NORTHSTAR, tel.: 1-800-663-9288, e-mail: s.shepherd@northstar.ca Web site: www.northstar.ca

2001 Canada Export Awards

— Continued from page 1

"[This award will] give us a real seal of approval as we look to promote our product around the world, and I'm expecting it will give us recognition at home," said Nancy Knowlton, President of SMART Technologies Inc., Exporter of the Year 2000 (the *Calgary Herald*, October 3, 2000).

For further information or to obtain an application form, consult

the Canada Export Awards Web site at www.infoexport.gc.ca/awards-prix We encourage firms to submit their applications by e-mail. If companies do not have access to the Internet, they can contact Lucille Latrémouille-Dyett, Canada Export Award Officer, DFAIT, tel.: (613) 944-2395.

The nomination period ends March 31, 2001. *



International Business Opportunities Centre

The International Business Opportunities Centre (IBOC) provides a matching service — connecting foreign buyers with Canadian companies. The Centre provides timely, relevant and targeted business leads from the desks of foreign buyers to the doorsteps of Canadian companies.

The following lists some of the Centre's current trade opportunities — for a wider selection, visit the Web site at www.iboc.gc.ca/eleads

Canadian exporters needing assistance in preparing international bid documents may want to use the international contracts expertise and services offered by the Canadian Commercial Corporation. This Crown Corporation is located at 50 O'Connor Street, Suite 1100, Ottawa, ON K1A 0S6, tel.: (613) 996-0034, fax: (613) 995-2121.

ETHIOPIA — Sale of shares in government-owned enterprises — Notice received from the Canadian Embassy in Addis Ababa, Ethiopia. The Ethiopian Privatization Agency has issued a tender (bid no.001/2000-2001) for the sale of 15% or more shares in twelve enterprises wholly owned by the government of Ethiopia. To qualify, investors must be willing and able to operate and develop these companies: Fafa

Food, Hamaressa Edible Oil, Addis Mojo Edible Oil, Bahr Dar Edible Oil, Yerer Flour, Tigray Flour, Addis Ababa Tannery, Modjo Tannery, Ethiopia Tannery, Kombolcha Tannery, Anbessa Shoe, Tikur Abay Shoe. The sale of shares in two additional companies, Blue Nile Ras Hotel and Senkele Lime Factory, is restricted to domestic investors only. Cost of bid documents (non-refundable): 200 Ethiopian birrs or the equivalent in U.S. dollars (1 birr = US\$0.12). Bidders must submit a bid bond in accordance with the instructions to bidders. Closing date: March 8, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no.001212-04959. For details: www.iboc.gc.ca/webleads.asp?id=1409en

SINGAPORE — Automated airport people-mover system — Notice received from the Canadian High Commission in Singapore. The Civil Aviation Authority of Singapore (CAAS) has issued a tender for the design, supply, installation, testing, commissioning, operation and maintenance of a new automated people-mover system at Singapore Changi Airport. The tender is covered under the World Trade Organization GPA. To be eligible, tenderers must possess relevant proven experience in the design and installation of automated people-mover systems in international airports and must be registered

with the BCA under head reference MEOS — Electrical Engineering or ME11 — Mechanical Engineering (financial grade L6, above S\$10 million). Cost of bid documents (non-refundable): S\$200.00 (\$176.85). Closing date: March 13, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no.001201-04787. For details: www.iboc.gc.ca/webleads.asp?id=1368en

BOSNIA AND HERZEGOVINA — Investment in furniture manufacturing plant — Notice received from the Canadian Embassy in Sarajevo, Bosnia and Herzegovina. The Cantonal Agency for Privatization (Tender Commission), Canton Sarajevo, has issued a tender for the sale of state-owned shares in a joint-stock company, Standard Sarajevo, the largest manufacturer of household and office furniture in Bosnia and Herzegovina. Bid documents can be obtained by writing to the Tender Commission. All applicants must disclose the party for whom they are acting and attach precisely defined authorization. Tenderers may not contact the enterprise directly but the Tender Commission can arrange site visits if a confidentiality agreement is signed first. Closing date: March 18, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 001220-05080. For details: www.iboc.gc.ca/webleads.asp?id=1470en For more information: www.apf.com.ba *

IBOC trade opportunities — find out more at www.iboc.gc.ca



International Business Opportunities Centre

As Team Canada Inc's Sourcing Centre, the International Business Opportunities Centre (IBOC) matches business opportunities from around the world with the business interests of Canadian exporters, particularly small and medium-sized enterprises. IBOC offers a value-added service to trade commissioners by directly contacting Canadian companies about foreign trade leads.

To pursue our international trade leads, check out our Web site at www.iboc.gc.ca (particularly our E-Leads® and Web-Leads®).

Canada-Mexico agree to accelerate elimination of tariffs

International Trade Minister Pierre Pettigrew has announced that, effective January 1, 2001, Canada and Mexico have agreed to accelerate the elimination of tariffs on a number of products, an action that demonstrates the continuing success of the North American Free Trade Agreement in improving access to each other's markets.

Mexico has now eliminated tariffs for such products as batteries, certain pharmaceuticals and chemicals, while Canada has eliminated a number of very low tariffs (less than 2%) for certain chemicals, plastics, cosmetics, glues and coffee makers.

The estimated value of trade in qualifying goods between Canada and Mexico is \$207 million. Tariffs on qualifying goods traded between Canada and the United States have been duty-free since January 1, 1998.

For a complete list of qualifying trade products, visit the Department of Foreign Affairs and International Trade Web site: www.dfait-maeci.gc.ca/nafta-alena/report14-e.asp

For further information, contact Gerry Snyder, Trade Policy Officer, Tariffs and Market Access Division, DFAIT, tel.: (613) 944-5070, fax: (613) 944-4840, e-mail: gerry.snyder@dfait-maeci.gc.ca

World Bank's Project Appraisal Document on the Web

For a Canadian business that wants to become involved in bidding for a World Bank contract, the Project Appraisal Document (PAD) is a must-have document. Now PADs retroactive to January 1994 are being made available on the World Bank Web site. A new PAD will usually appear in the Web site about a week after the bank's Board of Directors have given their formal approval to a project.

To gain access to the PADs: Log on to the World Bank site (www.worldbank.org). In the "What We Do" menu on the homepage, click on "Projects". In the "Projects Search" menu, click on "Advanced Search". Select the "Countries" tab and scroll down to any particular country, e.g. China. Then go to the bottom of the page and click on the green "Search" button. In the "Project Search Results" window, select the project. This will provide you with a summary overview of the project and indicate the availability of all the documents. Click on the "Project Appraisal Documents" if it is available. A complete text of the PAD can be obtained using this approach.

For more information, contact Jean-Louis Giroux, Export Financing Division, DFAIT, tel.: (613) 995-7251, e-mail: jeanlouis.giroux@dfait-maeci.gc.ca

New publication on Canadian mining suppliers

For more information about this new Natural Resources Canada report entitled *Canadian Suppliers of Mining Goods and Services: Links between Mining Companies and Selected Sectors of the Canadian Economy* see the on-line version of *CanadExport* at www.infoexport.gc.ca/canadexport and click on "Publications." The report is available on-line at www.nrcan.gc.ca/mms/publicat-e.htm

New market reports

The full text of the following articles on sectoral markets is available on the on-line version of *CanadExport* at www.infoexport.gc.ca/canadexport and click on "Market Studies":

COLOMBIA
Agri-Food in Colombia

INDIA
The Agri-Food Industry in India

365 days a year!

Canadexport on-line: www.infoexport.gc.ca/canadexport
"connected" to global markets

Canadexport on-line sponsors



Correction!!!

In the January 15, 2001, issue of *Canadexport* on page 15, the e-mail address for the Canada-India Business Council should have read as: info@canada-indiabusiness.ca

Canadian Capabilities Catalogue Show

LIMA, PERU — March 14-15, 2001— This show is a prime opportunity for Canadian companies to promote their products and services; there is no charge to participate. All that is required is that you send us your catalogues, self-running disk demos, videos and/or samples, which will be displayed during the event.

Peru is the third largest country in South America, and the fourth most populated, with 24 million inhabitants. Lima is Peru's economic and industrial centre, accounting for 70% of the country's GDP. With over 7 million inhabitants, Lima is the headquarters of almost all major local and foreign companies, with these sectors represented:

- agri-food
- automotive

- environment
- plastics
- safety and security products
- telecom/IT

Canadian companies active in these sectors are encouraged to take advantage of this opportunity, which will target the key local players in each sector.

Let the Canadian Trade Commissioner Service showcase your products and services on your behalf. We will send a report to each participating Canadian company, along with a list of potential clients who have demonstrated an interest in your products or services, and will keep your marketing material for consultation and display at future events.

Please inform the Commercial Section of the Canadian Embassy in Lima of your intent to participate in this show as soon as possible by fax at (011-511) 444-4347 or by e-mail at lima-td@dfait-maeci.gc.ca

For more information, contact Mark Strasser, Commercial Section, Canadian Embassy, Lima, tel.: (011-511) 444-4015, fax: (011-511) 444-4347, e-mail: lima-td@dfait-maeci.gc.ca or Nathalie Bradbury, International Business Development, South America Division, DFAIT, tel.: (613) 996-4199, fax: (613) 943-8808, e-mail: nathalie.bradbury@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/latinamerica ✪

Barrier Free 2001

OSAKA, JAPAN — April 19-21, 2001 — Canadian exporters of health-care products and equipment for the elderly and the disabled are invited to participate in Barrier Free 2001, one of Japan's largest trade shows. The annual international trade fair on barrier-free equipment and rehabilitation for the elderly and the disabled is expected to draw 350 exhibitors, both domestic and international, and attract more than 90,000 visitors over the three-day period. Show organizers are providing up to two free display booths to foreign governments, including Canada.

Space will be on a first-come, first-served basis.

Products to be exhibited include:

- mobility aids (wheelchairs, personal mobility devices, automobiles for the disabled)
- patient-assisting aids (handrails, lifts, hoists)
- toilet equipment and related products (incontinence products, washing aids, bathing aids)
- kitchen aids
- furniture (chairs, desks, beds and accessories)
- hearing aids, aids for the visually disabled
- communication aids (alert systems)

- rehabilitation/training equipment (sports and physical recreation equipment)
- housing construction

For more information, or to request an application form, contact Kiyoji Hanasaki, Commercial Officer, Canadian Consulate General, Osaka, tel.: (011-81-6) 6212-4910, fax: (011-81-6) 6212-4914, e-mail: kiyoji.hanasaki@dfait-maeci.gc.ca or osaka.htech@dfait-maeci.gc.ca ✪

Latin American mining: ProEXPLO 2001

LIMA, PERU — April 24-27, 2001 — The Peruvian Institute of Mining Engineers is organizing ProEXPLO 2001, the second International Congress for Prospectors and Explorers, an event specifically geared towards geologists and explorers, executives and investors.

Under the theme "Exploration: The Future of Mining", ProEXPLO 2001 has prepared a series of workshops, conferences and exhibitions to inform participants of the most interesting projects in Latin America, attractive investment opportunities and technological innovations.

ProEXPLO 1999 attracted over 600 Peruvian and international participants, and was an unparalleled success in the field of Peruvian geology and prospecting.

This year's event will include tech-

nical conferences on Latin America's current leading mining projects; luncheon conferences where top executives of leading world-class exploration companies will share their experiences; forums on exploration promotion, national geological services, and exploration and the environment; a technical exhibition of new products, machinery and technology; and field trips to major Peruvian and Latin American deposits.

For more information, contact the Instituto de Ingenieros de Minas del Perú, tel.: (011-511) 349 4262, fax: (011-511) 349 3721, e-mail: proexplo@iimp.org.pe or Oscar Vásquez, Senior Commercial Officer, Canadian Embassy, Lima, tel.: (011-511) 444-4015, fax: (011-511) 444-4347, e-mail: oscar.vasquez@dfait-maeci.gc.ca ✪

Canada to take off at the Paris Air Show

PARIS, FRANCE — June 17-24, 2001 — The Paris Air Show is the premier international event in the aeronautics and space industry. Held at Le Bourget every two years, it attracts exhibitors from all sectors of aerospace. The Canadian Pavilion will be organized by the Aerospace Industries Association of Canada (AIAC) and will feature "Showcase Canada" — exhibits of more than a dozen Canadian aerospace firms and organizations. Promosalons Canada (the North American representative of French Trade Exhibitions) in partnership with AIAC, is offering a complete package of exhibit space and support services at competitive prices.

Special programs offered by the Department of Foreign Affairs and International Trade and Industry Canada (major partners in Trade Team Canada — Aerospace and Defence) will help exhibitors by identifying potential business opportunities, matching these to Canadian capabilities, and facilitating individual meetings at the show.

For more information, contact Guy Ladequis, Commercial Officer, Canadian Embassy, Paris, tel.: (011-33-1) 4443-2359, e-mail: guy.ladequis@dfait-maeci.gc.ca

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Trade Fairs and Missions.")

Focus on the Caspian region and beyond

CALGARY, ALBERTA — February 22, 2001 — The Canada Eurasia Energy & Industry Alliance (CEEIA) is organizing a luncheon meeting for Canadian companies interested in doing business in Central Asia. Canada's Ambassador to Kazakhstan, Gerald Skinner, will speak about the latest business and economic developments in Kazakhstan, Kyrgyzstan and Tajikistan, and the opportunities they present for Canadian companies. David Wilson, Director of Nations Energy Company Ltd., will talk about his firm's oil and gas production and exploration business in western Kazakhstan.

There is no cost for CEEIA members

and for non-members the fee is \$45.00.

Similar luncheon meetings are planned for March and April.

- **March** (to be confirmed): Canada's Ambassador to Ukraine, Derek Fraser, and Ukraine's Ambassador to Canada, Yuri Scherbak, on doing business in Ukraine.
- **April**: Vice-President of Operations, Bitech Petroleum Corporation, London, U.K., Jay Scott, on a "Canadian Success Story in Russia."

To register and for more information, contact Iva Schafferova, Manager, CEEIA, tel.: (403) 218-4822, fax: (403) 218-8727, e-mail: iva@ceeia.org Web site: www.ceeia.org

THE ELEPHANT AND THE MOUSE ARE HUGE TRADING PARTNERS

- **Canada and the U.S. in world's largest trade partnership:**

- Two-way trade with the U.S. was C\$622.7 billion in 1999.
- Over C\$1.7 billion of trade crosses our border EVERY DAY.*

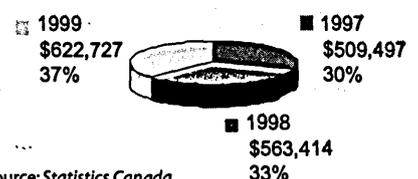
- **Reach the U.S. market from Canada:** 85.9% of Canadian exports go to the U.S.*
- **Trade keeps growing:** Trade between Canada and the U.S. grew an average of 10.4% a year from 1990 to 1999.*

For more information on investing and doing business in Canada, click on www.investincanada.gc.ca or call (613) 941-0354, fax: (613) 941-3796, e-mail: lanoy.louise@ic.gc.ca

* Source: Trade Update 2000: First Annual Report on Canada's State of Trade, Department of Foreign Affairs and International Trade, 2000 www.dfait-maeci.gc.ca/eet/state-of-trade-e.asp

CANADA AND U.S. TRADE PARTNERSHIP

Goods and Services Traded
(\$ millions Value and % Annual Growth)



Source: Statistics Canada

"There are no longer two separate Canadian and U.S. marketplaces on this continent. It has become one North American market and Canada is an ideal base from which to serve it."

Jim Miller, Senior Vice-President, Sales & Marketing
Honda Canada

Enquiries Service

DFAIT's Enquiries Service provides counselling, publications, and referral services to Canadian exporters. Trade-related information can be obtained by calling 1-800-267-8376 (Ottawa region: 944-4000) or by fax at (613) 996-9709; by calling the Enquiries Service FaxLink (from a fax machine) at (613) 944-4500; or by accessing the DFAIT Internet site at www.dfait-maeci.gc.ca



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Think Canada 2001

LATEST ISSUE
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NUMERO~~



Getting Japan to think about Canada

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To get Japan thinking more about Canada as a partner for the 21st century, the Canadian missions in Japan are gearing up for *Think Canada 2001*, a festival highlighting Canadian capabilities, to be held from March to July 2001 in locations throughout Japan.



Japan and Canada enjoy vital relationships in the arts, in global affairs and in business — including a

long history of trade in the resource and agricultural sectors. Despite this, the Japanese do not fully understand Canada as a country with a rich history, a diverse and dynamic multicultural society, and a vibrant arts scene, or the important role Canada plays in the international community. And when it comes to high technology, they are even less

Continued on page 10 - Think Canada

Hamilton wins environment award in Dubai

In a glittering ceremony last November in Dubai attended by several hundred people, including local members of the royal family and members of the United Arab Emirates Cabinet, the Region of Hamilton-Wentworth received a prestigious international award for its plans to improve air quality and adopt sustainable development strategies.

The 2000 Dubai International Award for Best Practices to Improve the Living Environment recognized the Hamilton-Wentworth Air Quality Initiative (HAQI) and VISION 2020 as one of the top 10 strategies from around the world for improving a community's environment, economy, society and overall quality of life. A key consideration in winning the award is that the initiatives rely on public, private and civic sector partnerships. *



From left to right: Qasim Sultan Al-Banna, Director General of Dubai Municipality, and Sheikh Ahmed bin Saeed Al-Maktoum, President of Dubai Civil Aviation and Chairman of Emirates Airlines, presented the award to Sonya Kapusin, Policy Analyst, and Lee Ann Coveyduck, General Manager, both from Community Planning and Development with the City of Hamilton/Region of Hamilton-Wentworth.

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Trade News".)

Vol. 19, No. 3—
February 15, 2001

GERMANY
(See supplement inside.)

Canada

The story goes that many years ago, Thomas Bata sent two scouts through India to assess the market for shoes. The first reported back: "Many people don't wear shoes; there's

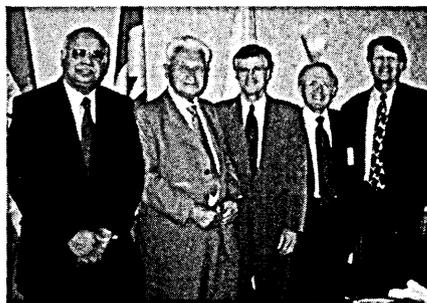
private sector association of Canadian companies doing business in India. The organization currently has 70 members, made up of multinational companies and small and medium-sized firms.

Company collaboration is key
C-IBC Executive Director Murray Jans stresses that the key to doing business in India lies in the creation of partnerships. Through an impressive roster of activities, the C-IBC facilitates connections between Canadian and Indian companies that are exploring the potential to collaborate — through joint venture, technology transfer, marketing or technical alliances, and even cost-sharing alliances.

Fills shoes as business link to India

Canada—India Business Council

no market here." The second reported: "Most people don't wear shoes; there's tremendous market potential here...." Building awareness of India's market potential — and facilitating partnership connections — is the *raison d'être* of the Canada-India Business Council (C-IBC), founded by Bata in 1982.



From left to right: Subbiah Srinivasan, VP, Met-Chem and President of C-IBC; Thomas Bata, Chairman of BATA Corp and founder of C-IBC; Peter Sutherland (centre), Canada's High Commissioner to India; Ian MacGregor, Director, Bombardier Aircraft; and Murray Jans, Executive Director, C-IBC.

India, with a population of one billion, is the world's 12th largest economy. The country's GDP, currently worth US\$466.1 billion, is growing at a healthy rate of 6%. In 1999, Canadian exports to India totalled \$418.4 million.

Toronto-based C-IBC, which has a chapter in Vancouver, is the leading

The organization also sees itself as an educator. "We see ourselves as being on the vanguard of identifying sectors that have potential and building awareness of them," says Jans. "We're a sort of flag bearer."

Building and construction and automotive parts and services are two sectors that the C-IBC has identified as having good potential.

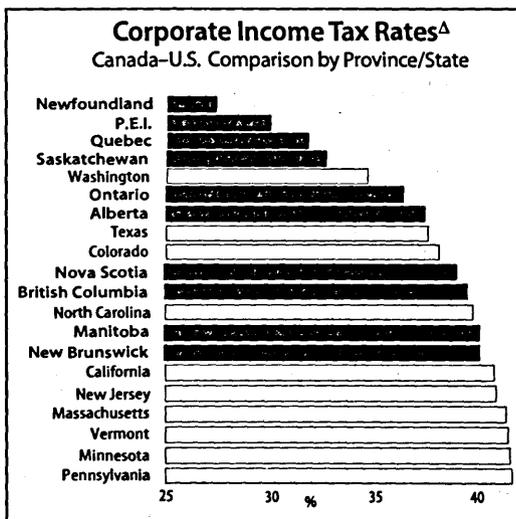
Continued on page 13 – Canada-India

Competitive tax rates in Canada? – Yes!

- **Low income tax rate:** Canada has the second lowest corporate income tax rate in the G-7 countries: France, Germany, Italy, Japan, the U.K. and the U.S. The U.S. is ranked fourth.*
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* Source: *The Competitive Alternatives Report: A Comparison of Business Costs in North America, Europe and Japan*, KPMG Management Consulting, 1999 www.kpmg.ca/english/services/consulting/publications/competitivealternatives/



^A Combined federal, provincial (or state), and local income tax rates for large manufacturing and processing firms as of July 1, 1998.

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canadexport

In Montreal you dial 9-1-1. In Medellín you dial 1-2-3. But behind the different emergency numbers lies the same Canadian expertise. Backed by the Canadian Embassy in Bogotá, Positron Public Safety Systems (PPSS) outbid stiff international competition to supply the technology for the first fully integrated Emergency Response System in Latin America.

With over 3000 installations around the world, Montreal-based Positron Inc. (parent company of PPSS) has been providing world-class end-to-end communications systems for emergency call-handling and dispatching for 30 years. The company makes most of its sales outside Canada, mainly to the United States, as well as to countries in Europe, Africa, Asia, and Latin America.

In 1997, Positron Inc., a company specializing in the design and manufacture of telecommunications products, created PPSS (with over 240 employees) to take over the development and implementation of 9-1-1 systems.

First Latin American major contract
The Colombian contract, signed in



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April 2000, was the company's first major contract in Latin America. PPSS was mandated to supply a turnkey emergency response solution, including telephony equipment, local area network (LAN), servers, workstations,

"The Ambassador's endorsement was key," says Marcelo Cardoso, Positron's International Director, who also credits the assistance of Commercial Officer Aaron Malka and First Secretary, Commercial, Stéphanie

Canadian firm provides speedy response

Colombia puts call out for "9-1-1"

software applications, and all other related equipment, as well as training.

The multi-functional command and control centre is handling calls for the entire metropolitan area of Medellín, which comprises more than two million residents living in nine municipalities.

Record implementation time

With a team dedicated to implementation, and outstanding project management, Positron had the system up and running in a record 150 days.

The speed is even more impressive given the operational complexity involved. While North American equivalents typically integrate only the call-handling capabilities of three agencies (police, fire and ambulance), the Colombian system is handling both emergency calls and dispatching resources for an additional four agencies — Civil Defence, Investigations Department, Red Cross and Vehicle Traffic Control. Other services are planning to join the centre in the future.

Embassy support

The company benefited from the support provided by the Canadian Embassy in Bogotá. Ambassador Guillermo Rishchynski participated in follow-up meetings with Medellín's Mayor and other city officials.

Allard. "They were very helpful in passing on documentation and providing Canadian official support."

In addition to several local companies, Positron was up against well-respected competitors from the United States, France and Germany.

The bid was put out to tender in December 1999. A year later, the new system, featuring Positron's technology, was formally launched at a reception hosted by the Mayor of Medellín and attended by the Canadian Ambassador, among others.

Contact Canadian posts

Enlisting Embassy help is not new for PPSS, which is registered in the WIN Exports database and has also used Export Development Corporation services. "We usually make contact with the posts first unless we're already established in a country," says Cardoso. "And when preparing for a visit, we check the Web site www.infoexport.gc.ca to see what information the Canadian government can offer us."

Cardoso, in fact, recommends that before going to any new market, companies contact the relevant Canadian post.

Respect different cultures

Positron's International Director has salient advice for training people and implementing services in other

Continued on page 8 - Positron

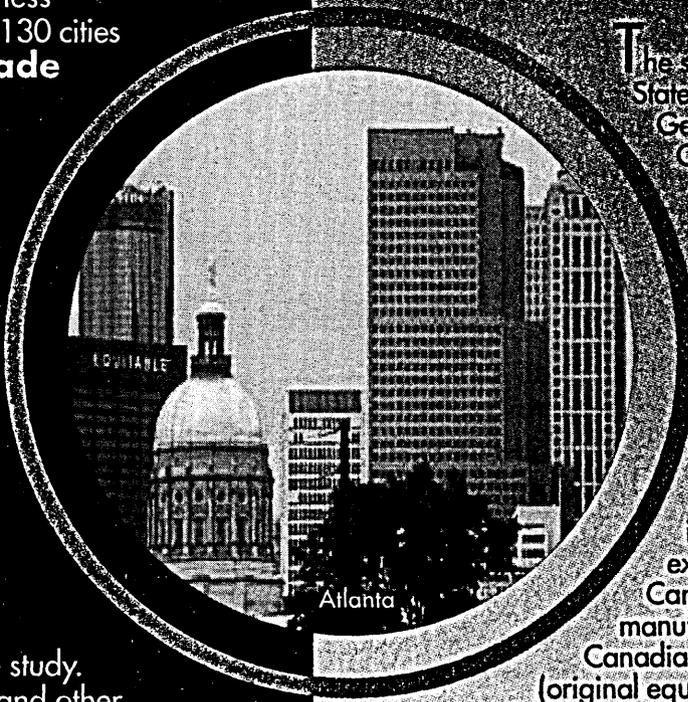


THE SOUTHEASTERN
UNITED STATES

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This is an overview of one study. For the full version of this and other studies, visit our Web site. When you are prepared to do business abroad, you can use our Web site to get in touch with our offices around the world and request personalized services electronically.

www.infoexport.gc.ca



— The Autom

The southeastern United States (Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina and Tennessee) holds significant potential for Canadian exporters of automotive aftermarket products. With more than 37 million registered vehicles — at an average age of nine-years-old — the southeastern United States is becoming an increasingly important export destination for Canada's auto parts manufacturers. In 1999, Canadian exports of auto parts (original equipment and aftermarket) to the southeastern United States reached

CAN \$892.7 million — an increase of \$204.5 million from 1996 levels.

Key Market Factors

At the end of 1999, more than 18% or 37.5 million vehicles registered in the United States were located

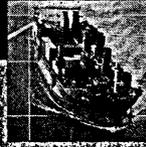
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See insert for your Automotive Industry contacts in the United States



Automotive Aftermarket



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in the southeastern United States. Florida alone had more than 11 million cars and trucks on the road, including pick-up trucks, sport utility vehicles, mini vans and heavy-duty trucks.

Over the next few years, the demand for aftermarket products in the southeastern United States is expected to show moderate growth as the country's vehicle fleet continues to age. The average vehicle age in the U.S. was 9.1 years in 1999 and is expected to increase to 9.6 years in 2003. Currently, owners of 9-year-old vehicles spend more than US\$1 billion on automotive repairs — more than any other vehicle age group. Moreover, American drivers on average are putting an increasing number of kilometres on their vehicles. Greater distances travelled every year, more vehicles on the road, and a gradual aging of U.S. vehicles will ensure that the demand for aftermarket products continues to grow.



are lasting longer, and replacement is becoming less frequent. In some cases, new opportunities are opening up, particularly in the area of in-car communications and entertainment, security and safety devices. In addition, demand for specialized components such as anti-lock braking, remote ignition, cruise-control and emission-control systems are also being stimulated by consumer preference. The growing demand for these technologically advanced systems will offer additional opportunities for Canadian manufacturers of specialized equipment.

Canadian exporters of automotive aftermarket products are well placed to take advantage of opportunities in the southeastern United States. Given the close proximity to this market, no tariffs and the solid reputation of Canadian aftermarket products, Canadian exports will continue to grow. Moreover, Canadian companies are

able to deliver high-quality, reliable and competitively priced products, which are major factors in purchasing aftermarket components.

See potential?

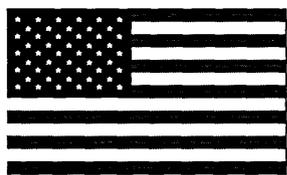
For a more in-depth look at the opportunities in this market, read the full report, *The Automotive Aftermarket in the Southeastern United States*, prepared by the Market Research Centre. It includes specific opportunities, market penetration strategies and key contacts. The report is available online at www.infoexport.gc.ca

www.infoexport.gc.ca

Could this be your market?
Complete report at
www.infoexport.gc.ca

The Automotive Aftermarket

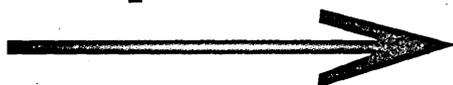
Access our market studies



The U.S. Connection

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What is ExportUSA?



ExportUSA consists of three programs: NEBS, EXTUS and Reverse NEBS, which, through the efforts of Team Canada Inc partners, support the government's initiative to increase the number of active exporters to the United States. Since 1984, over 15,000 Canadian companies have participated in these export programs.

In today's global economy, Canadian companies are encouraged to consider the U.S. as a natural extension of their domestic markets. NAFTA provides vast trade opportunities, and the U.S. serves as an ideal springboard to emerging markets worldwide.

NEBS, the New Exporters to Border States program, focuses on export education and targets Canadian companies considering exporting to the United States. NEBS introduces the essentials of exporting, including practical export information and first-hand exposure to markets in the United States.

EXTUS, the Exporters to the United States program, formerly known as NEBS Plus, is a program that serves Canadian companies already exporting to the U.S. By combining sessions with industry experts, entry to a major national/regional trade show and a networking opportunity with

distributors, representatives and buyers, EXTUS focuses on expanding the markets of successful exporters to other regions of the United States.

The Reverse NEBS program, serves Canadian companies not yet exporting to the United States by providing seminars in Canada covering the essentials of exporting.

How the program works

NEBS or EXTUS missions and Reverse NEBS seminars may vary by Canadian province or region in the U.S. depending on the location, the industry sector and the interests of the participants. The program may include the following components:

- information on exporting and export services/programs
- briefing on border procedures
- presentations by U.S. manufacturers' reps, sales agents, distributors or buyers
- briefings by industry experts and overview of regional U.S. markets
- distribution of exporter's information guide

NEBS/EXTUS only

- travel to one of our Canadian Consulates in the United States
- meeting with Canadian Consulate trade officers and networking opportunities with potential agents or distributors

- visit to a trade show and/or meetings with local wholesalers/retailers

Web site

For further information regarding the NEBS, EXTUS, Reverse NEBS programs and for a list of upcoming events, visit our Web site at: www.dfait-maeci.gc.ca/geo/usa/nebs_00-e.asp

Program costs

A non-refundable participation fee of US\$100 applies to each company representative participating in a NEBS or EXTUS mission. The fee is payable either by cheque or money order (in U.S. funds) to the Canadian Consulate hosting the mission.

The government may cover a maximum of C\$100 toward the cost of an entry fee for one registered company representative to a trade show that forms a part of the mission.

All other costs, such as accommodation, transportation (air or ground) and personal expenses, are the responsibility of the participants.

Who qualifies

NEBS — Canadian companies that are incorporated and operating in Canada, with an interest in the U.S. but not yet exporting on a regular basis.

EXTUS — Canadian companies currently exporting to the U.S. with sales of less than C\$2.3 million.

Reverse NEBS — Canadian companies interested in becoming exporters to the United States. A participation fee may be charged.

Continued on page 12 - ExportUSA

Check the Business Section of the Canada-U.S. Relations Home Page at www.dfait-maeci.gc.ca/geo/usa/business-e.asp ... for valuable information on doing business in and with the United States.

When Vancouver-based **Digital Port Control Inc. (DPC)** set out to sell its custom-designed port control system to the Caribbean Customs Law Enforcement Council (CCLEC), it had the unique challenge of convincing not just one foreign government, but several dozen. But

"We flew to the region every month to attend the CCLEC Committee meetings," explains DPC President Bob Potter. "It was like working with the United Nations — each country's Customs had different priorities and needs. Reaching consensus was a challenge."

CCC backs Digital Port Control Inc.

Breezing into Caribbean harbours

thanks to the backing of the **Canadian Commercial Corporation (CCC)**, the 15-person company is installing its secure Internet-based data collection, processing, management and retrieval system into the Customs offices of 35 Caribbean countries.

The four-year-old information technology company spent a year aggressively marketing and developing its product before the contract was signed. The new system will allow Customs officers to record the movement of small vessels clearing into and out of their ports; it also extends to light aircraft.

It was a challenge that was met; in November 1999, the Committee chose DPC's system. In fact, the final decision was unanimous, something Potter attributes in great part to the Canadian Commercial Corporation.

Potter had contacted CCC in May 1999, looking for extra backing from the Canadian government to alleviate the customer's hesitations. He got it in spades. When the CCLEC Committee invited the company to make a formal presentation of its system in Dominica in late November, the Committee also received a presentation on CCC from the Corporation's Project Manager Marie-Josée Guy. She explained that the potential contract would be a government-to-government agreement, thereby giving CCLEC the Canadian government's unique guarantee of contract performance.

The Committee members were not the only ones impressed. Says Potter: "Guy not only brought the CCC's contract guarantee, but she also reinforced our credibility — it was a very good endorsement of our company. Her presentation was short, but accomplished a lot."

Guy credits DPC for its initiative and aggressive marketing techniques.

SHAPING TRADE SOLUTIONS FOR OUR EXPORTERS



Canadian Commercial Corporation

The Canadian Commercial Corporation (CCC) is an export sales agency of the Government of Canada providing special access to the U.S. defence and aerospace markets and specializing in sales to foreign governments.

Canadian exporters can gain greater access to government and other markets, as well as a competitive advantage, through CCC's contracting expertise and unique government-backed guarantee of contract performance.

CCC can facilitate export sales that often result in the waiving of performance bonds, advanced payment arrangements and generally better project terms.

When requested, CCC acts as prime contractor for government-to-government transactions and provides access to pre-shipment export financing from commercial sources.

For more information, contact CCC, tel.: (613) 996-0034, toll-free in Canada: (800) 748-8191, fax: (613) 947-3903, e-mail: info@ccc.ca
Web site: www.ccc.ca

"It's pretty exciting because it's a company that came to us and was successful in generating something in such a short time."

It was, in fact, a matter of only weeks before CCC, acting as prime contractor, and CCLEC had a signed contract (worth almost US\$500,000), with terms agreed to by DPC. The company is now rolling out the first of 40 workstations at the Customs offices of the various ports.

Potter appreciates not only the professional assistance he received from Guy, but also CCC's continued backing. "They gave us a very nice letter of introduction to take with us to the South Pacific, where we're pursuing a new project — and this was just a preliminary stage. Having a bullet-proof guarantee from the Canadian government puts us in a very strong position."

For more information, contact Bob Potter, DPC President, tel.: (604) 601-8205, fax: (604) 608-2611, e-mail: Bobp@DigitalPortControl.com

DOING BUSINESS WITH THE U.S. FEDERAL GOVERNMENT?

Find out more from the Canadian Embassy in Washington, D.C. (www.canadianembassy.org) under "Business Opportunities: U.S. Government Procurement."

Log onto opportunities via the General Services Administration (www.gsa.gov), which facilitates purchases by the U.S. government — the world's largest consumer — and the Electronic Posting System site (www.eps.gov).

When you're ready to pursue these opportunities, the Canadian Commercial Corporation (www.ccc.ca) can assist you with the interpretation of the U.S. procurement system or ensure that as a Canadian company, you are eligible to participate.

Historically, the Czech Republic has always been self-sufficient in agricultural production. Recently, however, it has begun to import some agri-food products to offset production problems, seasonal

products, liquors, juice concentrates, wild rice or rice mixes, smoked salmon or other fish products — provided they are priced to compete with European or Asian imports. Nearly 50% of all agri-food imports come

Agriculture in the Czech Republic

shortages or unavailability of specialty products. In 1999, agri-food products accounted for 5.8% of all Czech imports.

Major commodities purchased from abroad were fruit and nuts (12.3% of agri-food imports), various prepared foods (10%), pet food (8.8%), tobacco and tobacco products (6.7%), fruit and vegetable products (5.7%), and cereal products (5.7%).

Canadian exports

Given their very high quality, some traditional Canadian agri-food products have won market shares in the Czech Republic, or could do so. Examples are live beef and dairy cattle for breeding (especially Holstein, Hereford, Aberdeen-Angus, Charolais), frozen bovine semen and bovine embryos, breeding swine (Landrace, Duroc, Yorkshire), pulses (especially lentils and beans), frozen sea fish, pork or poultry (if health certificates are renegotiated), turkey eggs for hatching, etc.

According to Czech statistics, in 1999 the country imported agri-food products from Canada worth a total of \$17.4 million (436 million Korunas). The most successful Canadian commodities were lentils (8,933 tonnes) and beans (1,220 tonnes), dog and cat food (6,436 tonnes), and prepared food (value approximately \$4 million).

In addition to its traditional imports from Canada, the Czech Republic is a promising market for other agri-food products, such as unique specialty

from the European Union, while 20% come from developing countries and 20% from Central Europe.

Background

Czech agriculture concentrates on grain production, devoting some 50% of arable land to this purpose, with the main crops being winter wheat and barley. In 1999, Czech farmers harvested 6.9 million tonnes of grain, 1.1 million tonnes of oilseeds (mainly rapeseed), 1.4 million tonnes of potatoes and 2.7 million tonnes of sugar beet. Czech grain production is efficient and usually meets all domestic demand for human/animal consumption in terms of both quality and quantity.

Export opportunities are now opening up for the country's top-quality cereals: wheat for human consumption and malt barley. Most of the rapeseed crop is industrially processed but nearly half is exported, mainly to EU markets.

Since 1991, consumption of food, alcohol and tobacco has declined steadily, and consumption patterns have changed significantly. The past decade saw falling consumption levels of meat, milk products and animal fats, with fruit and vegetables being consumed in growing quantities. The decline has been particularly heavy in consumption of meat, especially beef, butter, and milk and milk products. In contrast, Czechs consumed increasing quantities of vegetable fats, tropical fruit, vegetables and poultry.

Useful Web sites

- Ministry of Agriculture: www.mze.cz
- Ministry of Industry and Trade: www.czpi.cz
- Czech Agricultural and Food Inspection: www.czpi.cz
- Czech State Veterinary Authority: www.svs.cz
- Ministry of Finance: www.mfcr.cz
- Economic Chamber of the Czech Republic: www.hkcr.cz
- Commercial Register, Ministry of Justice: www.justice.cz
- Czech Statistical Office: www.czso.cz

For more information, contact Iлона Boldova, Commercial Officer, Canadian Embassy, Prague, tel.: (011-420-2) 7210-1864, fax: (011-420-2) 7210-1894, e-mail: ilona.boldova@dfait-maeci.gc.ca ★

Positron

— Continued from page 3

countries: "Never forget that you're not talking with Canadians. Each country has different values, different work ethics and different operational requirements; you have to adapt your way to their needs."

He recommends Latin America as a natural market for Canadian companies. "Canadian companies are very well perceived there, and the way Latin Americans do business is not that different from the way North Americans do."

For more information, contact Marcelo Cardoso, Director, International Division, Positron, tel.: (514) 345-2200, fax: (514) 731-3647, e-mail: mcardoso@positron911.com Web site: www.positron911.com

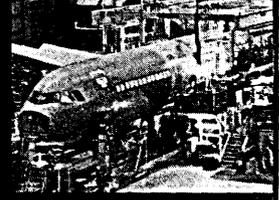
(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Sharing Trade Secrets.") ★

Germany

Being the world's third largest economy and Europe's economic and industrial powerhouse, Germany has a lot to offer to Canadian companies interested in expanding their export markets. Canada's trade with Germany has grown considerably in the last 10 years. Canadian exports to Germany not only increased significantly but also became extremely diversified. Germany is now **Canada's fifth largest trading partner**, and Canadian exports to Germany are the second highest in Europe behind the United Kingdom. In 1999, **Canadian exports to Germany reached \$2.4 billion.**

Important opportunities for Canadian exporters continue to be in the aerospace sector: Germany is Canada's most important market in Europe for aircraft and related equipment. Other sectors offer important opportunities for expansion of Canadian exports such as machinery, information technology, telecommunications, construction, housing products, automotive and medical technology, and tourism.

This special Canadexport supplement highlights some of these opportunities. Canadian companies that are interested in exploring and accessing this dynamic market can choose the many services offered by our Trade Commissioner Service in Germany.



Photos: Compliments of the Embassy of the Federal Republic of Germany, Ottawa

THE CANADIAN
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Prepared by the European Business Development Section (RENB) and its trade officers in Europe



Department of Foreign Affairs
and International Trade

Ministère des Affaires étrangères
et du Commerce International

Canada

BIOTECHNOLOGY

Market Overview

The German biotechnology sector has experienced tremendous growth in the past few years, catapulting it, in the year 2000, to the number one spot in Europe for all biotech companies. The number of biotech companies is increasing at an annual rate of about 25%, the number of biotech employees is increasing by about 45% and the turnover for these companies is increasing at an annual rate of about 35%.

Although many companies are small and just starting up, their growth has been spurred on by favourable financing conditions and a buoyant stock market. For example, in 2000, two German biotech companies used their reserves to acquire larger British and U.S. companies. The cross-border acquisitions, a first for Europe, surprised a number of analysts.

The largest clusters of biotech companies can be found in the Munich, Berlin, Heidelberg-Neckar and Cologne regions. Three quarters of the German biotechnology sector is associated with the pharmaceutical and medical industry. No other country in Europe has more genetically engineered medicines on the market than Germany, even though the majority of them are imported. This provides an excellent opportunity for Canadian biotech exports. German companies are especially strong in therapeutics and platform technologies.

The second largest subsector is the environmental sector, followed by food and agriculture biotech. Germany is an important player in the field of biological treatment of water and sewage using genetically altered bacteria. Germany leads in this sector with 26% of the international patent applications (For example, the United States has a 21% share.).

Public resistance to biotech products in Germany is primarily focussed on food and agricultural biotechnology and not on medical/pharmaceutical or environmental applications. There are efforts under way to produce agricultural biotech products that have direct advantages for the consumer and thus reverse public resistance. Canadian ag-biotech companies have been identified as potential partners in this effort.

Market Access

To increase market access in Germany, Canadian biotech companies could partner with suitable German companies. German companies are eligible to receive generous R&D grants from their government to develop new biotech products and processes. Hence, it would be well worth the effort for Canadian companies to source technology or to commercialize technology that is developed under these schemes. For example, in 1998, the German government funded biotech research (including molecular medicine) to the sum of DM1 billion. It should be noted that most of the biotech start-up companies in Germany are based on R&D (41%), followed by service/supplies (29%) and then production (20%).

In the recent past, a number of Canadian regions, companies and research institutes have entered into partnerships with their German counterparts in pharmaceutical, agricultural and environmental biotech sectors.

Information Sources

There is a market report on the German biotech sector at <http://www.infoexport.gc.ca/>

There are German biotech associations...

Association of German Biotechnology Companies:

<http://www.dechema.de/biotech/vbu.htm>

(Deutsche Gesellschaft für Chemisches Apparatewesen, Chemische Technik und Biotechnologie e.V.-VBU)

German Association of Biotechnology Industries

(DIB): <http://www.vci.de/dib>

Karlstrasse 21, D-60329 Frankfurt, Germany

...and a trade show and a special event:

BioTechnica, Hannover, October 9-11, 2001:

<http://www.biotechnica.de/> - This trade show could become the anchor for a life sciences mission headed by Agriculture Canada.

Bio-Europe 2001, European Partnering Conference, Berlin, November, 2001:

<http://www.ebdgroup.com/bio2000/index.htm>

This event will be used to organize a NEXOS mission.

For further information, contact:

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Friedrichstrasse 95
D-10117 Berlin
GERMANY

Tel.: (011-49-30) 2031-2365

Fax: (011-49-30) 2031-2142

E-mail: steffen.preusser@dfait-maeci.gc.ca

Internet: www.canada.de



HEALTH

Market Overview

Over 1,100 pharmaceutical manufacturers operate in Germany, including many large multinationals. Pharmaceutical sales showed continued strong growth. In 1999, public health insurers paid out DM36.2 billion for prescription medications (of which 41.2% were generic drugs), and total sales grew 5.2% over 1998. Germany is a net exporter of pharma products. In 1999, exports were DM28.6 billion (a 9.6% increase over 1998), while imports rose to DM21.4 billion. Germany now leads Europe in the number of biotech and biopharma firms, many of which are actively seeking partnering and technology-sharing opportunities. In addition to the chemical pharmaceutical industry, natural and homeopathic remedies have wide acceptance.

Continued pressure to reign in expenditures on national health insurance has created keen interest for high-tech, innovative solutions that reduce costs while maintaining a high standard of health care. These include keeping patients out of hospitals and doctors' offices. The number of hospitals in Germany is expected to decrease over the coming years due to the increasing use of diagnostic centres, which combine professional practices and private home-care. This, in turn, should promote the development of new market sectors, such as self-monitoring and home-care service and supplies, as well as emerging technologies such as telehealth. Hospitals are finding it necessary to replace staff with tech-

nically sophisticated equipment. Buyers are receptive to cost-effective solutions covering a broad range of medical instruments and systems for diagnostic, therapeutic, prophylactic and rehabilitative applications. Areas such as laser surgery, robot-assisted surgery, bio-compatible artificial implants, minimally invasive surgery devices, bio-pharmaceutical products and medical imaging systems show particular promise.

Market Access

The German health market is one of the largest in the world. Despite large exports, the import market is still considerable. However, this market presents a challenge for Canadian exporters. Local industry giants such as Siemens, Dräger and Bayer are well-entrenched, with the result that new exporters to the market must have sophisticated, high-quality and competitively priced products. A strong local partner or distribution network can often significantly improve market penetration, and some form of local representation is usually essential.

All medical devices and equipment must meet European regulatory requirements before they can be sold in the European Union (EU). The harmonized EU standards present a marketing opportunity for exporters. Once a product has the CE Mark, it can be sold in all 15 EU member states — a market of 350 million people.

Information Sources

There are many trade fairs...

International Dental Show (IDS), held every two years, Cologne, March 27-31, 2001:

<http://www.koelnmesse.de>
E-mail: info@koelnmesse.de

A+A - Occupational Safety and Health at Work, held every two years, Düsseldorf, May 14-17, 2001:

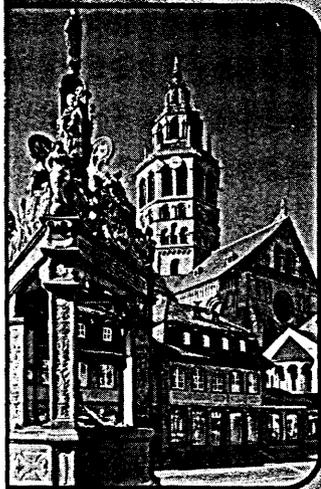
<http://www.messe-duesseldorf.de>
E-mail: Info@messe-duesseldorf.de

EXPOPHARM - International Pharmaceutical Trade Fair, held annually in a set rotation pattern between Düsseldorf, München and Leipzig, Munich, September 13-16, 2001:

(there is some English info)
<http://www.expopharm.de>
E-mail: expopharm@abda.de

REHACare International - International trade fair for those with special needs and those requiring care, held annually, Düsseldorf, October 2-5, 2001:

<http://www.messe-duesseldorf.de>
E-Mail: info@messe-duesseldorf.de



MEDICA - World Forum for Doctors' Surgeries and Hospitals - International Trade Fair with Congress, held annually, Düsseldorf, November 21-24, 2001:
<http://www.messe-duesseldorf.de>
E-mail: info@messe-duesseldorf.de

...and some useful Web sites.

Health Data Bank
<http://medizintechnik.seibt.com/>
This site contains a database of manufacturers and suppliers of medical technology

Pharmaceuticals
Federal Association of the Pharmaceutical Industry: <http://www.bpi.de/>
Association of Researching Pharmaceutical Manufacturers: <http://www.vfa.de/>

Health Journals
Daily Web newsletter covering all aspects of life sciences: <http://www.lifescience.de>

German Federal Government Ministries
Federal Health Ministry:
<http://www.bmggesundheit.de/>

For further information, contact:
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Consul and Trade Commissioner
Canadian Consulate
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Fax: (011-49-211) 35-9165
E-mail: peter.stulken@dfait-maeci.gc.ca

INDUSTRIAL MACHINERY

Market Overview

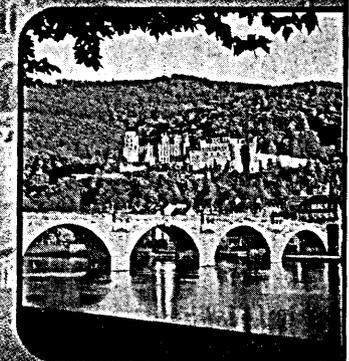
Growing demand and improved economic conditions are expected to create a record year in Germany's industrial machinery sector in 2001. Car manufacturers, subcontractors and the machine-building industry itself are making heavy investments in the modernization of their plants. The machinery and plant engineering companies in Germany have started to restructure, following the example set by the automobile and telecommunications sector. Recently, German companies have been more inclined to deviate from their "Buy Germany" policy in purchasing equipment, if the seller can establish a reliable sales and service track record. All these factors are contributing to increased demand for machinery manufacturers.

The Canadian machinery sector's major exports to Germany are pumps, compressors and office machines with niche-market products being the mainstays. Canadian companies have demonstrated their ability to export everything from moulds for German plastics' manufacturers to parts for printing equipment. German manufacturers are actively seeking Canadian companies, especially those with sales networks across North America, to produce heavy machinery compo-

nents (e.g. gears and gearboxes) that can no longer be competitively produced and shipped from Germany. The German machinery market has evolved and offers opportunities for strategic alliances and joint ventures with Germany as well as third-country firms.

Recently, Canadian industry focussing on Advanced Manufacturing Technologies (AMT), has endeavoured to penetrate the German market. Manufacturers from a broad spectrum of industry sectors use industrial automation products and services to gain a competitive advantage. For instance, the plastics, automotive and aerospace sectors, including their supply-chain partners, are aggressive in their use and application of AMT. These include capital equipment as well as business practices.

Major machinery players, such as Klöckner Industrie-Anlagen and Heidelberg GmbH, are important buyers of Canadian machinery, parts and technology. Others interested in partnering include Mannesmann and Hochtief, which are both active in Eastern Europe. German trade shows offer ideal opportunities for learning more about particular companies and launching new products.



Market Access

As in many other countries, the role of the agent and distributor is evolving. Companies wanting to export to Germany are finding success by forming strategic alliances and joint ventures with German manufacturers of complementary products.

Overall, the industrial machinery market in Germany affords very good prospects for Canadian companies that have carefully researched the market, and offer quality products and service. Although costs to enter the market are high, success can be achieved

for companies that are prepared to implement sustained marketing programs over an extended period.

Canadian firms are used to finding an agent with minimum difficulty in the United States. In Germany, choices are more limited, and the process is more time-consuming and expensive. To set up an office requires a comprehensive understanding of international law, German business practices and the cultural environment. Special attention must also be paid to budgeting, given the high cost of living, labour costs and the strength of the Deutschemark.

Information Sources

Hannover Industrial Show, Hannover, April 23-28, 2001: www.hannovermesse.de
This annual fair is the major international trade show featuring a wide spectrum of industrial machinery.

EMO, Hannover, September 12-19, 2001: www.hannovermesse.de
This is the world fair of machine tools. It takes place every four years.

INTERKAMA, Düsseldorf, September 24-28, 2001: www.messe-duesseldorf.de
This fair is an important international venue for global marketing in the areas of industrial communication, automation, measurement and analytics.

K'2001, Düsseldorf, October 25-November 1, 2001: www.messe-duesseldorf.de
Taking place every three years in Düsseldorf, K (short for Kunststoff) is the world's leading international trade fair for the plastics and

rubber industry. Opportunities exist for Canadian companies interested in marketing plastics-processing machinery.

INTERPACK, Düsseldorf, April 24-30, 2002: www.messe-duesseldorf.de/en/2002/interpack
This international fair, which takes place every three years, highlights packaging and confectionery machinery.

For further information, contact:

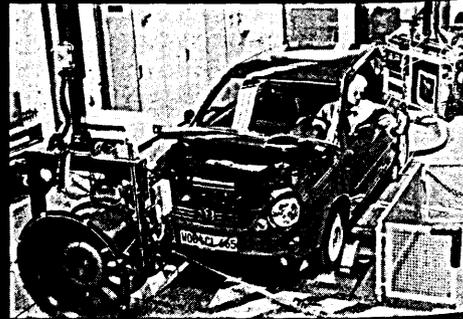
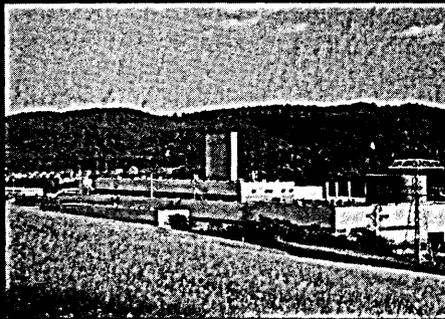
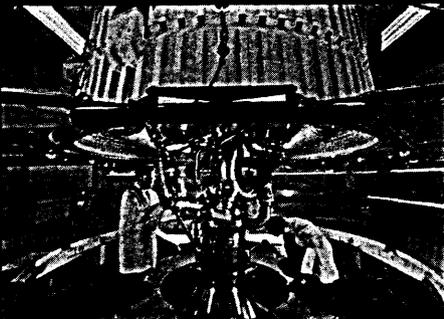
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MULTIMEDIA

Market Overview

Germany represents Europe's fastest-growing market for information technology products, including multimedia hardware, software and services. Europe's potential market is estimated at 520 billion Euro (\$705 billion). Germany's share is expected to be 21% of the total European market, which represents an extremely significant market for Canadian companies.

There are some 3,000 multimedia producers in Germany, active in all fields of the sector. However, there seems to be a concentration of businesses in the area of creating, designing and hosting corporate Internet presences. Typically, these companies will offer full service to their clients and be referred to as multimedia agencies. Hotbeds of multimedia creativity and production are the cities of Munich, Hamburg and Cologne, as well as Berlin.

The development of e-commerce applications and the emergence of interactive TV (iTV) are currently key trends in the industry. It is expected that German consumers will continue to embrace e-commerce and will increasingly conduct business online. In fact, with over 10 million account holders, Germany is now the leading country for online banking in Europe. In total, Germany currently has an online population of about 18 million. However, this figure is expected to grow to 40 million in the year 2004. Further deregulation of the German telecom market will cut prices for Internet access and will encourage more consumers to go online. Industry specialists estimate that Germany's online turnover will reach 406 billion Euro (\$550 billion) in 2004.

The emergence of interactive TV in Germany is regarded as equally promising. Although Germany only ranks eighth within the European Union in terms of digital TV access rates, it is expected that this new technology will eventually spread to the majority of German households. With the introduction of MHP (Multimedia Home Platform) as a common structure for the further development of iTV applications, powerful software for use in set top boxes is slowly becoming available. Industry experts are convinced that, after the technical difficulties of iTV have been resolved, the focus will shift from a technology- to a content-driven discussion. The projected

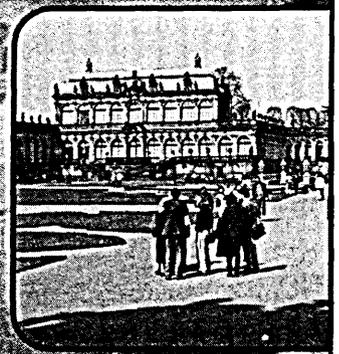
market potential for iTV applications in Germany is DM 8.5 billion (\$5.7 billion) for the year 2005.

Finally, the market for Computer-based Training (CBT) in Germany is also steadily growing. A recent study claims that an increasing number of German multimedia businesses are active in this field, including the 10 biggest multimedia producers in Germany. This figure demonstrates an enormous demand for corporate and personal CBT applications in Germany. Particularly popular are CD-ROM applications. They already represent 20% of the newly published titles introduced at the world's largest book fair in Frankfurt every year. Industry experts predict that the turnover of German CBT suppliers will rise from DM 9 million (\$6.1 million) in 1997 to DM 120 million (\$81 million) in 2002.

According to the European Information Technology Observatory (EITO), the software and services sectors are those with the strongest growth potential in Western Europe. In Germany, this is supported by the fact that although 60% of all German small and medium-sized companies currently have an Internet presence, only 9% of these sites have e-commerce capabilities. To close this gap, innovative content and new software for e-commerce applications will be required.

Even if Germany may still be a few years away from a major breakthrough in interactive TV, the country's major players are getting prepared to win market share. The future convergence of computer and TV applications will certainly create an array of new opportunities for creative content. The entertainment aspect is predominant and will call for interactive leisure software, as well as for online gaming solutions.

The CBT sector is growing but is still underdeveloped compared to the market in North America. However, as Germany's corporate community increasingly realizes the cost effectiveness of computer-based training for their employees, suppliers in this field have an opportunity to carve out market niches. Opportunities exist both in offline (i.e. CD-ROM) applications and in online (i.e. Internet-based) solutions.



Market Access

Based on a very competitive environment in Germany, a Canadian multimedia producer needs to bring something unique to the market. This may be in the technological and/or in the creative aspect of the business. In this respect, the challenge for any Canadian multimedia business will be to find a niche in the market, where full service to the German customer can be offered. In view of the constant changes in the industry, it is crucial for a Canadian player to be aware of the implications for its business activities. All products or services offered on the German market should therefore comply with the ongoing level of convergence in the market. The year 2000 has seen a number of mergers on the European media scene. The German market

is now largely controlled by major players like Leo Kirch, Springer, RTL, Burda and the Bertelsmann Group. All of them are in the process of integrating multimedia aspects into their traditional businesses, which include publishing and music, as well as film production and distribution. They are all aware of the enormous potential of this sector and want to capitalize on it. At the same time, a number of small and medium-sized companies are competing to provide multimedia services to Germany's corporate community. Companies such as Pixelpark and Livingnet usually strive to provide their clients with a full-service package for all of their online needs.

Information Sources

There are some pertinent Web sites...

German trade association of multimedia producers [some information available in English]: <http://www.dmmv.de>

Market research information on European multimedia trends [English]:
<http://www.screenigest.com>

European Information Technology Observatory: <http://www.eito.com>

Listing of 3000 multimedia companies in Germany [in German only]: <http://www.whois.de>

...and some sector-specific trade shows.

CeBIT, Hannover, March 22 - 28, 2001:
<http://www.cebit.de>
The world's largest information technology trade show has dedicated halls to all aspects of the industry.

Multimedia Market and Congress Stuttgart, May 2 - 4, 2001:
<http://www.messe-stuttgart.de/multimedia>
This trade show and convention, which is in its fifth year and is still building an international exhibitor base, focusses on multimedia.

Internet World, Berlin, May 15 - 17, 2001:
<http://www.internetworld.com>

This trade show focusses on Internet applications and services. It largely appeals to end consumers and therefore mostly attracts Internet companies that are involved in business-to-customer (B2C) commerce activities.

Exponet, Cologne, October 20 - 22, 2001:
<http://www.exponet.de>

This show focusses on the business-to-business (B2B) aspect of the Internet business. Top players of the industry are present here, and visitors are restricted to "trade only."

Frankfurt Book Fair, October 10 - 14, 2001:
<http://www.frankfurter-buchmesse.de/>

The Frankfurt Book Fair features a hall dedicated to electronic media. In addition, the show serves as an excellent platform to find partnering companies in the area of content licencing and distribution.

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Fresh Produce

The German fresh produce market is estimated to be worth \$735 million annually. Vegetables account for just over 50% of produce sales, while fruits account for the remaining sales.

Within the vegetable markets, carrots, potatoes and onions account for 78% of sales. Currently, Germany imports only minimal levels of these products, as domestic supply is able to fulfill the demand. Due to the transportation times associated with exporting to Germany, Canadian exporters will only be able to compete in areas where vegetable products have a comparatively long shelf life.

Bakery/Cereal Products

Bread products account for 50% of the bakery/cereal market, which has sales of \$590 million annually. The best opportunities for Canadian manufacturers are pasta, breakfast cereals and frozen bread/biscuits. However, a large number of German farmers have switched to growing organic wheat recently, which may have a negative impact on Canadian organic wheat exports to Germany. This has given manufacturers a steady supply for organic products, while keeping the price difference between organic and conventional lines low.

Dairy

The German dairy market has annual sales of more than \$600 million, and total dairy sales are forecast to double by the end of the year 2001. Although Canadian producers are unlikely to compete in the milk sector due to high transportation and duty costs, they may be able to gain a share of the cheese or yogurt market. In 1998, organic cheese sales increased by 10%, and organic yogurt sales grew by 19%. Strong growth is anticipated in both these sectors for the foreseeable future.

Meat

Recent meat scares such as the BSE crisis in the United Kingdom, the foot and mouth outbreak in the Netherlands, and swine fever in Germany, have contributed to the growing consumer preference for organic meats. The German organic meat market is estimated to be worth \$440 million annually. This represents from 1% to 2% of the total meat market. Although beef is relatively cheap to produce (since cattle simply need to be raised on organic grassland), other animals, such as poultry and pork, must be fed organic grains, which significantly raises costs. Organic meat tends to be 30% to 40% more expensive than conventional products, making price the most significant obstacle for growth in this market.

Market Access

Currently, there are no statistics available on the quantity of Canadian exports of organic foods. However, Canadian presence in this market is limited, but growing. The largest organic exports include maple syrup, grains and seeds (linseed, sunflower seeds, etc.). Additional opportunities for Canadian exporters include products such as honey, breakfast cereals, pasta, herbs, dried fruits, value-added soya products, blueberries, jams and fruit spreads, meats and animal feed.

Although the amount of land devoted to organic farming in the European Union (EU) is still fairly minimal (2% of total land area), there has been a significant growth in the number of organic farms over the last 15 years. Small farms in Mediterranean countries account for the majority of conversions to organic farming, with Italy representing nearly one third of all organic farms in the EU. Other predominant organic food producers include Austria, Spain, France, Greece, Denmark, Switzerland, Turkey and Sweden.

Information Sources

For further information, visit the Agriculture and Agri-food Germany Web page at:
<http://ats.agr.ca/agri-food-canada-germany>

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PHOTONICS

Market Overview

The optical technologies industry is undergoing rapid change and growth. Sectors such as traditional optics, light sources (lasers), optical microstructural systems, sensors and optical communication have been grouped under a new sector name, photonics. While the term photonics is already widely used throughout North America, it has been less well-adopted in Europe. German researchers and industry prefer to use optical technologies instead of photonics.

Driven by the enormous demand for more speed and capacity, optical broadband communication is the most rapidly growing segment of photonics. Lasers, for use in industrial processes and medical applications, are also very important.

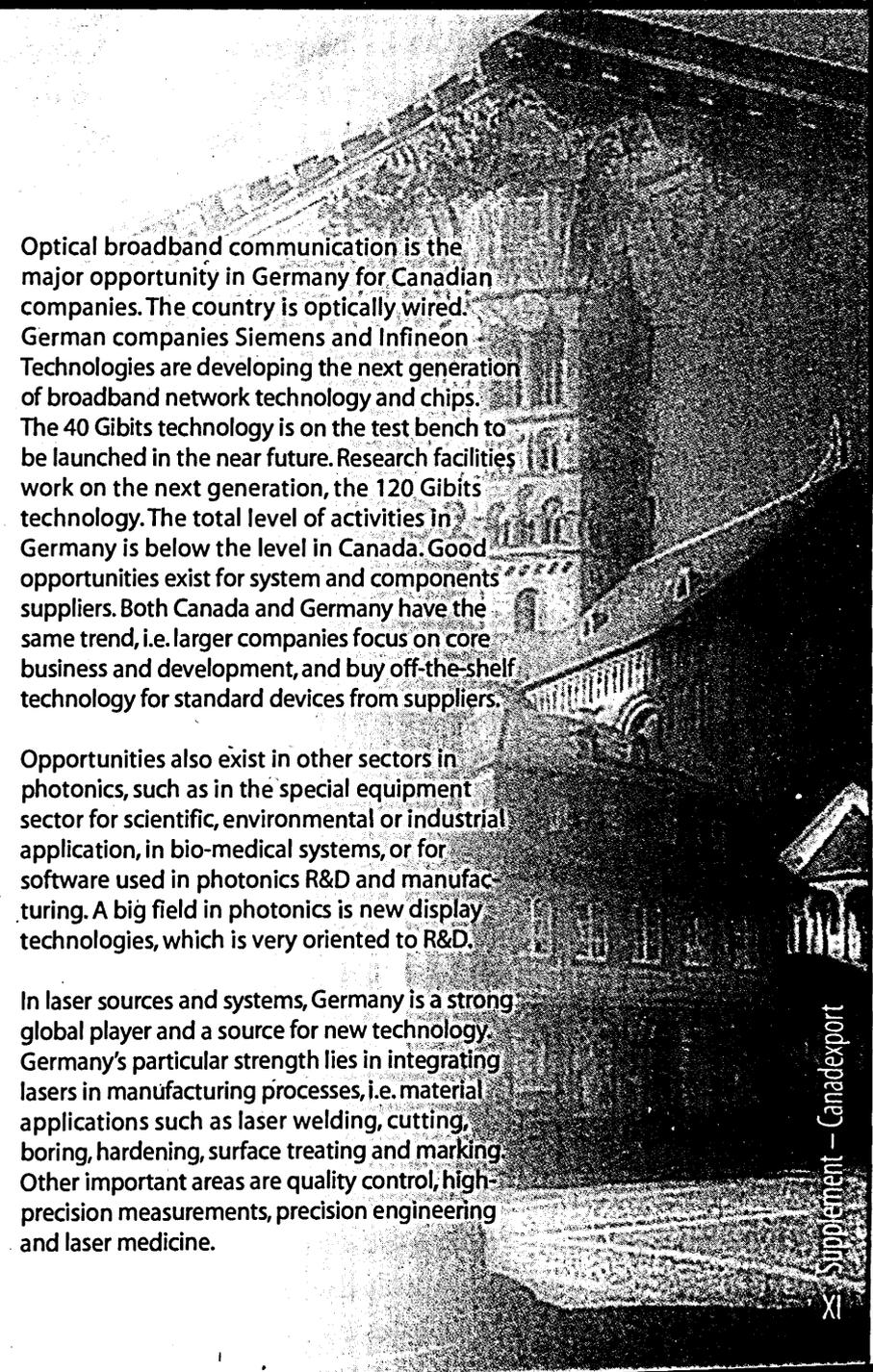
In Canada, the United States and Germany, roadmaps have been prepared or are in the process of being developed, to help companies in their navigation in this broad and fast-growing field. In Germany, the Federal Ministry for Education and Research (BMBF) has commissioned a roadmap for Germany, which was presented in May 2000 and is entitled "German Agenda for Optical Technologies for the 21st Century". This report gives direction on the emerging opportunities in photonics applications.

Because photonics really is a very recent sector term in Germany, numbers to describe the market potential in Germany are difficult to obtain.

Optical broadband communication is the major opportunity in Germany for Canadian companies. The country is optically wired. German companies Siemens and Infineon Technologies are developing the next generation of broadband network technology and chips. The 40 Gibits technology is on the test bench to be launched in the near future. Research facilities work on the next generation, the 120 Gibits technology. The total level of activities in Germany is below the level in Canada. Good opportunities exist for system and components suppliers. Both Canada and Germany have the same trend, i.e. larger companies focus on core business and development, and buy off-the-shelf technology for standard devices from suppliers.

Opportunities also exist in other sectors in photonics, such as in the special equipment sector for scientific, environmental or industrial application, in bio-medical systems, or for software used in photonics R&D and manufacturing. A big field in photonics is new display technologies, which is very oriented to R&D.

In laser sources and systems, Germany is a strong global player and a source for new technology. Germany's particular strength lies in integrating lasers in manufacturing processes, i.e. material applications such as laser welding, cutting, boring, hardening, surface treating and marking. Other important areas are quality control, high-precision measurements, precision engineering and laser medicine.



Co-operation in photonics/lasers and materials R&D are an important activity under the Bilateral R&D Agreement between Canada and Germany. Photonics R&D plays a large role in the fifth European R&D Framework Program.

Market Access

The German market is not an easy market to access. Language and differences in business culture exist. For smaller companies, the identification of a partner can be a good strategy. Larger companies have normally enough resources and financial strength to establish a presence. In Germany, trade fairs are important meeting places for management-level representatives, technical experts and buyers.

Information Sources

There are some applicable Web sites...

German Society for Applied Optics (DGaO):
www.dgao.de
European Optical Society:
www.europeanopticalsociety.org

...and industry associations...

**German Communication Industry Association
ZVEI-FV-K, Frankfurt:** www.fv-kzvei.org/fv-k/
Tel.: (001-49-69) 6302-0
Fax: (001-49-69) 6302-288

**German Association of Machinery
Manufacturers (VDMA); Working Group
Lasers, Frankfurt**
Tel.: (001-49-69) 7560-8143
Fax: (001-49-69) 7560-8111

...and trade shows.

**Laser 2001 - World of Photonics, Munich,
June 18-22:** www.messe-muenchen.de/

CeBIT 2001, Hannover, March 22-28:
www.cebit.de

Hannover Fair 2001, Hannover, April 23-28:
www.messe.de

**ECOC European Conference on Optical
Communication, Amsterdam, October 1-2:**
<http://ecoc.homepage.net>

**Optatec, Frankfurt, (date of next Optatec in 2002
not yet known):** www.schall-messen.de

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SEAFOOD

Market Overview

With a population of 82 million and an annual per capita consumption of about 14 kg (roughly 2 kg of freshwater fish and 12 kg of marine fish or products thereof), Germany is a sizeable market for seafood. Total German seafood imports in 1999 amounted to DM 3.1 billion, of which DM 45.5 million came from Canada. In 1999, 83% of the total demand on the German market for fish and fish products was imported, which illustrates the high importance of world trade to the German seafood market. In 1999, about 39% of the German seafood supplies came from (EU) member states, with about 61% coming from third countries.

The German seafood market is characterized by a strong emphasis on saltwater fish. The big sellers are herring (22.6% of the German inland use (catch weight)), Alaska pollack (19.8%), tuna and bonito (13.2%), salmon (10.4%), cod (7.0%), ocean perch/redfish (6.0%), hake (5.4%), trout (5.1%), saithe/pollock (4.6%), mackerel (2.0%), plaice (1.6%) and halibut (0.8%). Rising incomes have resulted in more consumption of luxury products like lobster and shrimp, and of convenience products. Also part of this trend is the increase in salmon consumption, primarily from Norway, much of which comes in the form of smoked products. Less affluent consumers of the New German States have reinforced demand for cheaper species.

One of the most important sectors showing steady growth in the German fish industry is the production of frozen fish products. With a large selection of products and a yearly growth rate of 4.5%, the production of "freshness that came out of the cold" has gained popularity.

Growing readiness to accept "ready-to-serve-meals" proves that further developments of these meals based on fish are welcome. The wide range of breaded fish products within this category show a marked increase, mainly due to the demand of consumers from eastern Germany. The high-quality standards, and a wide range of marinades and canned fish have become popular in eastern Germany as well.

The trend at the fish counter is shifting away from whole fish. Consumers generally prefer convenience foods. For this reason, ready-to-serve fresh fish dishes,

including specially created sauces, are increasingly offered. Sales of salads, dips and marinades are increasing.

Canned fish and marinades represent the largest portion (29%) of the German per capita consumption of seafood. In particular, Bismarck herring; rollmops; herring in dill, tomato or mustard sauce; tuna fish; or Swedish tidbits are the most popular types. The demand for precooked and shelled shrimps and prawns is also very high. In addition to the traditional fish fingers and frozen fish fillets, TV-dinner fish dishes are available. Ethnic food has conquered a secure market niche for itself. Numerous exhibitors at all the important fish fairs are displaying exotic finger foods.

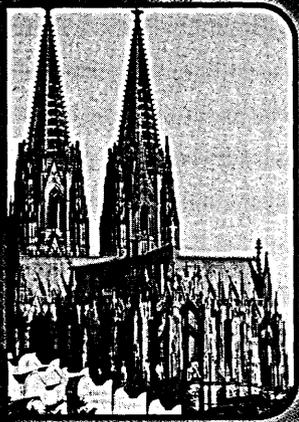
Generally, the trend in the industry is towards an even greater degree of further processing to achieve added value, as the competition for the limited home freezer space puts downward pressure on prices.

Smoked fish is not only a delicacy but also a very attractive eye catcher in the retail trade for the consumer. The side range includes salmon, eel, herring, mackerel, strips of hot-smoked dogfish, halibut, redfish and trout. The demand for smoked fish has greatly increased during the past few years. This traditional product group got its impetus mainly from improved processing techniques, refined recipes and innovative marketing.

There are a number of good prospects in the German market for those Canadian suppliers of fish and shellfish able to offer a quality product:

- Herring products are by far the most popular fish in Germany, and German processors have traditionally sought high-fat content, larger-sized Canadian herring.
- The current world tightening of mackerel supplies may augur well for Canadian suppliers; processing companies in Germany reportedly favour large hand-filleted mackerel.
- Groundfish are also popular. In recent years, Alaska pollock has largely replaced traditional species such as cod. Groundfish products from Canada such as redfish, sole and hake could be targeted for expanded sales.





Frozen fish products and prepacked convenience products are becoming increasingly attractive.

While the United Kingdom takes large amounts of canned salmon, Germany buys almost none despite large consumption of canned tuna. This suggests an area for study.

Ocean perch, an "underutilized species" in Canada, is one of the favourites of the German consumer.

German smokers offer one of the few markets for dogfish bellyflaps ("Schiller-locken").

- High and rising incomes make this country an excellent market for Canadian lobster, and offer good prospects for such luxury products as shrimp, shellfish or freshwater fish. Canada is the largest supplier of lobster but a relatively minor supplier of the freshwater fish, which accounts for about 16% of German fish consumption. At the same time, the less affluent consumers of eastern Germany have reinforced demand for cheaper forms of fish.

Market Access

In most instances, rather than export directly, Canadian exporters will use a German agent or importer. This is recommended to cope with the complex German distribution system and to ensure compliance with the relevant regulations. The German partner is expected to provide guidance on regulatory matters and, in fact, bears the responsibility for conformity of the imported product with German law. EU duty rates on seafood are high; they range from 2% to 12%, depending on the kind of product. For several species of fish (including dogfish, cod, fish roe, fish liver and surimi), the EU has temporarily waived import duties.

Germans have a growing awareness of the amount and kind of packaging material used and its relation to the environment. According to the German Packaging Ordinance of June 12, 1991, manufacturers and distributors are obliged to take back used sales packaging free of charge and to arrange for it to be reused or recycled. They are exempted from this take-back obligation, if they join a nationwide collection system. Packaging that participates in this collection system is marked with a Green Dot. The right to use the Green Dot is available to companies from within the EU. For non-EU companies, the right can only be obtained by the EU importer through a licencing contract with Duales System Deutschland AG, Köln: www.gruener-punkt.de

Information Sources

ANUGA International Food Fair, October 13-17, 2001, Cologne: <http://www.koelnmesse.de>

Fax: (001-49-22) 1821-2574

E-mail: anuga@koelnmesse.de

This fair highlights the main seafood product groups: health-food, fast-food, fish and deep-frozen products.

To assist Canadian companies wishing to export to Germany, the Canadian government has compiled helpful information on its Internet site:

<http://www.infoexport.gc.ca/sitemap-e.asp>

Another valuable government information source is **ExportSource**, which provides export contacts and other useful export-related information: <http://exportsource.gc.ca>

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WOODFRAME HOUSING AND COMPONENTS

Market Overview

Germany built approximately 400,000 new housing units in 1999 — a slight decline from recent years, and an indication of a general softening of the overall housing market. The decline, however, is entirely in multi-unit housing, while the market for single family and duplex units continues to grow and is now well above 50% of all housing units built.

German preferences in housing styles are also changing. The traditional home of brick or stone construction is declining in popularity, and the number of homes built using woodframe and similar techniques is increasing steadily. Woodframe construction now accounts for almost 20% of the single/duplex market — a substantial gain from the 5% market share held 10 years ago — and the trend towards more woodframe construction seems certain to continue as its advantages become better known among German home buyers and home builders.

Lower costs and faster construction are certainly considerations. Equally important are changing German lifestyles and evolving expectations of what a home should be. Large numbers of Germans have travelled to, or lived in, Canada and the United States (Canada alone receives more than 400,000 German tourists each year) and many of these visitors, in the course of their travels, have learned to appreciate the architectural styles and practical advantages of Canadian homes.

In the coming years, the regulatory environment in Germany will likely give further impetus to this trend. The level of energy efficiency of German homes is generally low, at least compared to Canadian standards. New regulations, expected to be phased in over the next few years, will address this weakness and will bring into force new insulation standards, very similar to the Canadian R2000 standard, which are likely to be much more difficult to achieve with traditional brick and stone construction than with woodframes. In addition, these new standards will likely require improvements to key components such as windows and doors, as well as the introduction of

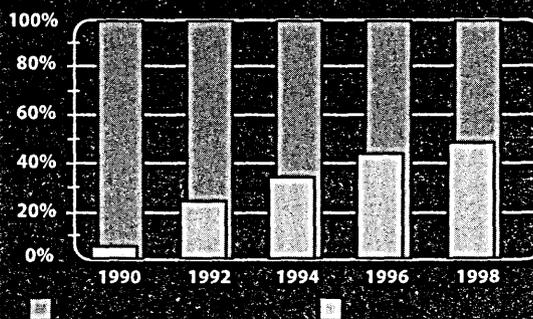
much better ventilation, heat exchange and other systems than are currently on the market — all areas in which Canadian suppliers generally have considerably more experience and better products.

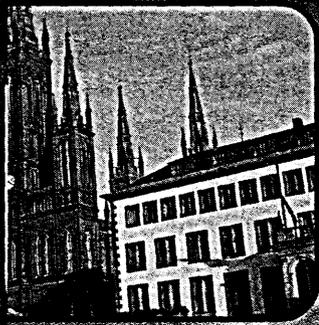
Two additional interesting developments in the woodframe component of the German housing market are: the growing strength of small contractors who build on-site (German woodframe housing has, until recently, been dominated by bigger firms producing large, pre-fab sections at their plants for assembly on-site), and the gradual adoption of woodframe designs and structural dimensions, which resemble North American woodframe systems very closely.

Both of these trends are likely to favour Canadian suppliers. On-site construction suits Canadian suppliers of housing to Germany, and the fact that German firms operating in this way have increased their share of the woodframe market to almost 50%, from under 10%, in the last decade demonstrates that this approach is both economically competitive and well-accepted by German home buyers. Likewise, the adoption of North American dimensions (or very similar dimensions) and construction techniques for German-built woodframe housing clearly indicates that such techniques are no longer foreign to the German market and have gained broad acceptance among German consumers.

Most new German housing is built, of course, by German firms. This is true for all kinds of construction, including the fast-growing woodframe segment of the German market, where German builders supplied the great majority of the approximately 40,000 woodframe houses built in 1998.

Wood Frame Single/Duplex Homes
Percentage Built Pre-Fab and On-Site



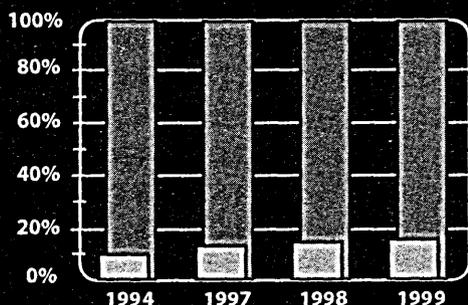


The Canadian share of this market is estimated at about 800 to 1,000 homes per year (Precise figures are not available), while other non-German suppliers (e.g. Denmark and Poland) hold similarly small shares of the market. The Euro decline starting in 1999, has made Canadian products 20% to 30% more expensive within a short time. This means that Canadian homes have lost a greater part of their price advantage. There have been clear signs of a Euro recovery since November 2000. However, Canadian export figures for 1999 and 2000 are definitely below the record years of 1997 and 1998. It is a remarkable fact that, in spite of this difficult situation, several new exporters have finished their first projects in Germany this year.

German woodframe builders have steadily developed their products, adopting many North American building techniques, designs and standard dimensions. Indeed, while German woodframe houses 10 years ago were quite different from those produced in Canada, it is today often difficult for non-experts

to distinguish between Canadian and German woodframe homes sold in Germany. In this environment, Canadian suppliers must work continuously to stay ahead of these highly adaptable German builders by offering more imaginative designs and more innovative materials and systems — a challenge that, to date, Canadian exporters to Germany have met very well. As the market moves steadily towards more energy-efficient homes

Single Family and Duplex Homes Woodframe and Non-Woodframe



over the next few years, Canadian exporters, who have much greater experience than do German builders with this kind of home, and especially with the ventilation and other systems that energy-efficient homes require, should easily be able to retain their present design and technology lead.

Market Access

There are no serious barriers to the German housing market, but a number of technical considerations do exist, and exporters need to be aware of them to prepare themselves. These include phytosanitary requirements applied to certain species of wood; German regulations covering building permits, visas and work permits; and labour regulations covering the work crews that most exporters supply from Canada to erect their houses. Information and assistance on all of these matters is available from German partner firms and from the Canadian Consulate in Hamburg.

The selection of suitable local partners is central to success in the German housing market. Such partners are essential to find home buyers and to manage the contractual arrangements with these buyers, to arrange building permits and handle other technical matters, and to help solve the incidental problems that inevitably arise. Most such partners operate in a limited geographic region in Germany, and Canadian exporters will therefore often work with several German firms to achieve a broader market coverage. For the most part, such firms are relatively small, and have varying financial and technical capabilities. Time, direct and personal contact, and experience on a few projects are usually required to cement a productive business relationship. The Canadian Consulate in Hamburg can assist in the search for such partners.

Information Sources

Bautec, Berlin, February, 2002: Bautec, held bi-annually in Berlin, is the largest trade fair in the eastern part of Germany that is focussed on building components and systems, including windows and doors.

For further information, contact:

Wolfgang Schefczyk
Canadian Consulate
Ballindamm 35
20149 Hamburg
GERMANY

Tel.: (001-49-40) 4600-2712

Fax: (001-49-40) 4600-2720

E-mail: wolfgang.schefczyk@consulates-canada.de

Internet: <http://www.canada.de>

There are some trade shows:

Interzum, Cologne, May, 2001: Interzum, held every second year, is the world's largest fair for finished and semi-finished wood products such as mouldings, furniture components and flooring.

Baufach, Leipzig, October 24-28, 2001: Baufach is a well-attended fair, held every second year in Leipzig, for building product and systems.

Deubau, Essen, January 2002: Deubau is a very large, bi-annual building systems and products fair, which primarily addresses the market in the western part of Germany.

With 14.8 million hectares of land devoted to farming, and soil and climatic conditions favouring efficient agricultural production, it comes as no surprise that Romania is one of the leading agricultural producers in Central and Eastern Europe. In 1999, the agriculture sector contributed 20% to Romania's GDP and employed over one-third of the Romanian population, making agriculture more important, per capita, in Romania than in any other Central and Eastern European country, except for Albania.

Historically, Romania was a major agri-food exporter, however, in the 1980s under the communist regime it suffered a reduction in exports while still managing to maintain its position as a net agri-food exporter.

The EU countries are Romania's most important trade partners in agri-food products, absorbing 35% of Romania's agri-food exports and contributing 45% of Romania's food imports. The CEFTA (Central European Free Trade Agreement) countries are Romania's second largest agri-food product trading partners. In 1999, Romania's main food suppliers were Hungary, Germany, Holland, Switzerland, the U.K., France and Spain, apart from Greece and Turkey.

Opportunities

There are good reasons for Canadian companies to enter Romania's agri-food, and related services, market:

- Above-average growth rates;
- A diversified market with a large consumer base;
- Low cost, skilled labour;
- Indirect access to the EU agri-food market.

Opportunities exist for Canadian companies in the following major areas:

- **food ingredients:** niche products, technology capability and food service;
- **sugar:** strong potential for joint ventures and alliances with local companies;

- **dairy:** exporting breeding stock (primarily dairy cows), milk processing technology and expertise, including the organization of a locally integrated milk-collection system;

goods, plus the import tax (ad valorem), furthering the disadvantage for Canadian exporters.

- **non-tariff barriers:** phyto-sanitary and sanitary-veterinary certificates and regulations;
- **bureaucracy:** Approvals, rulings

Market overview

Romania – Agricultural sector

- **fast foods:** The rising number of single and two-person households in Romania, combined with a faster-paced lifestyle and an aging population, is increasing the consumption of frozen, pre-cooked, and prepared foods.
- **hotel, restaurant and institutions sector;**
- **agricultural machinery and equipment:** new or used, including on-farm equipment and devices;
- **bakery:** breakfast cereals, frozen dough and other baked goods;
- **Genetically Modified Organisms.**

Constraints and challenges

While considering the many opportunities that exist in the Romanian agri-food market, Canadian companies should also be aware of potential problems:

- **Custom's clearance:** time-consuming and frequently frustrating, especially regarding the application of tariffs;
- **tariff barriers:** The Romanian import tariff for agri-food items is substantially higher for Canada than for EU or CEFTA countries for which import duties have either been eliminated entirely, or are in the process of being reduced. Moreover, both the VAT and excise tax are calculated on the value of

and interpretations of laws and regulations are susceptible to political influence and corruption.

- **legal system:** Romanian law remains very fluid.
- **banking system:** Canadian companies dealing with the Romanian market must deal with local banks, which remain unresponsive to commercial needs. A simple transfer of funds or a currency conversion can be expensive.
- **capital markets:** The stock exchange, RASDAQ, venture capital and other investment funds are in an early stage of development.

For more information, contact Claude Charland, Commercial Counsellor, or Octavian Bonea, Commercial Officer, Canadian Embassy, Bucharest, tel.: (011-401) 222-9845 (46) (47), fax: (011-401) 312-0366, Web site: www.dfait-maeci.gc.ca/bucharest/ *



—Continued from page 1

familiar with Canada's position as one of the most innovative, technologically advanced countries in the world. Ask many Japanese about Canada, and they are more likely to talk about hockey, scenic beauty and the Mounties.

Think Canada 2001

Building on the success of the Team Canada Mission to Japan in 1999, **Think Canada 2001** will be the largest Canadian festival ever to come to Japan, and will feature over 125 cultural, commercial, social and political events aimed at demonstrating to the Japanese what Canada is all about — and why it is so vital to Japan.

AIR CANADA



The festival's commercial aspect will include Canadian food and beverage events, tourism, education and consumer products events, as well as seminars on venture capital and investment. A naval visit to Nagoya will feature an on-board showcase of Canadian technology.

The organization and financial sponsorship of the festival is a joint effort between the Canadian government and the following sponsors:

Gold Sponsors: Air Canada, Manulife Century Life Insurance Company, Nortel Networks Japan.

Silver Sponsors: K.K. Teleglobe Japan, Pivotal Corporation, Sekisui House.

Bronze Sponsors: AGF Management Limited, Alias/Wavefront K.K., Cameco Corporation, Canadian Pacific Ltd., Canadian Wheat Board, COFI, Entrust Technologies Ltd., INCO, Indal Technologies Inc., Maple Leaf Foods (Japan) Inc., Methanex Corporation, Okamoto International, Platform Computing Corporation, Smart Technologies Inc.

Events

The following is a list of some of the upcoming events at **Think Canada 2001**. A full schedule will be posted in mid-March on the following Web site: www.dfait-maeci.gc.ca/ni-ka

- **Parade of Canadian Homes** — May 12–13 — various locations

throughout Japan. A unique opportunity for the Japanese to view Canadian-designed homes, or homes built largely with Canadian materials. **Contact:** Eric Laverdure, Trade Commissioner, Japan Division, DFAIT, e-mail: eric.laverdure@dfait-maeci.gc.ca or John Zimmerman, Second Secretary (Commercial), Canadian Embassy, Tokyo, e-mail: john.zimmerman@dfait-maeci.gc.ca

- **International Food Ingredients and Additives 2001** — May 16–18 — Tokyo. Space will be available in the Canadian Embassy's booth for a limited number of Canadian exhibitors. **Contact:** Jo Anne Roy-Foster, Trade Commissioner, Japan Division, DFAIT, e-mail: joanne.roy-foster@dfait-maeci.gc.ca
- **Furniture Study Mission to Japan** — May 21–25 — Tokyo (other locations to be determined). A varied



Manulife Century

program providing Canadian participants with a unique opportunity to study the Japanese furniture market. **Contact:** Matthew Fraser, Trade Commissioner, Japan Division, DFAIT, e-mail: matt.fraser@dfait-maeci.gc.ca

- **Innovative Canadian Building Products Showcase** — May 29 — Greater Tokyo (other locations to be determined). A showcase of products and services in the Cana-

dian building products industry, including new engineered wood products, unique pre-fabricated homes, building products using recycled materials, design software, insulation materials, and innovative architectural techniques. **Contact:** Eric Laverdure, Trade Commissioner, Japan Division, DFAIT, e-mail: eric.laverdure@dfait-maeci.gc.ca or John Zimmerman, Second Secretary (Commercial), Canadian Embassy, Tokyo, e-mail: john.zimmerman@dfait-maeci.gc.ca

- **High-Tech Caravan** — April 16–June 20 — Fukuoka, Hiroshima, Kobe, Nagoya, Sendai, Morioka, Sapporo. A unique opportunity for Canadian

NORTEL NETWORKS™

high technology companies to explore the potential of Japan's regional markets. The Caravan will work with local governments and partners, such as the Japan External Trade Organization (JETRO), to highlight Canadian capabilities. **Contact:** David Steuerman, Third Secretary (Commercial), Canadian Embassy, Tokyo, e-mail: tokyo.htech@dfait-maeci.gc.ca

- **Canadian Housing Fair at Housing Design Centre** — May 21–early June — Kobe. A fair promoting Canadian high-tech residential building materials. **Contact:** Yoshio Horiuchi, Commercial Officer, Canadian Consulate General, Osaka, e-mail: yoshio.horiuchi@dfait-maeci.gc.ca
 - **Canadian Beer Showcase** — June 9 — Osaka. A showcase of Canada's micro-brewery industry, presented in co-operation with the Japan Craft Beer Association. **Contact:** Toshihisa Seki, Commercial Officer, Canadian Consulate General, Osaka, e-mail: toshihisa.seki@dfait-maeci.gc.ca
 - **Sapporo International Trade Fair** — June 21–24 — Sapporo. A fair focusing on the building products
- Continued on page 12 — Think Canada*

In his policy address delivered last October, one area emphasized by Hong Kong Chief Executive Tung Chee-Hwa was education. Annual recurrent expenditures on education are to increase by about \$400 million. In 1998, the Hong Kong government set up a \$1 billion Quality Education Fund to improve the quality of basic education. Over 2,700 projects have been approved at a total cost of more than \$300 million, benefiting 1,200 schools.

In addition, the government is investing over \$640 million in a five-year (1998-2003) strategy promoting information technology in education; this will benefit all secondary and elementary school students. Some 63% of Hong Kong's schools, or 605 institutions, have installed the minimum required number of computers, with the others slated to follow by May 2001. In this school year, 241 schools will set up multimedia learning centres. Right now all secondary schools and over 90% of elementary schools have Internet access.

Opportunities

- To enrich the teaching and learning resources available to teachers and students, last August the government launched a comprehensive education portal site, www.hkedcity.net/english/inews/index.html. This provides access to education-related information and resources, and promotes lifelong learning. A link with the portal will help Canadian education product and service providers reach Hong Kong teachers, students and parents.
- The examination-oriented curriculum in Hong Kong schools leaves little time for students to read books other than their textbooks. Now a government initiative seeks to help children develop an interest in reading, acquire self-learning skills and enhance their language skills. The initiative provides \$3.2 million in one-time grants (worth \$4,000 each) to non-profit kindergartens

and childcare centres. The funds are to be used for buying library books and teaching materials, including large-print books. For Canadian book publishers, this is

- Over the next five years, the government will provide training for school principals and teachers, support the establishment of a General Teaching Council and

Hong Kong — focus on education

an opportunity to market their children's books in Hong Kong.

- A further \$2 million will be allocated to design enrichment courses for gifted students. The government will also continue to promote integrated education in secondary and elementary schools, so that children with special education needs can receive appropriate education in regular schools. It is estimated that the additional expenditure involved will rise to \$10 million in four years. Canadian programs and products targeting these two types of students could find a strong market in Hong Kong.
- Within 10 years, the government wants the proportion of senior secondary school graduates going on to higher education to reach 60%, double the current level. It will help institutions of higher learning, private enterprises and other organizations provide options other than the traditional sixth-form education (preparing students for university A-level exams); these could include professional diploma courses and non-degree courses, and the establishment of community colleges and private universities. Canadian course and on-line program providers and education institutions could establish partnerships with Hong Kong players in this area.

initiate continuing professional development for teachers. Canadians with expertise in teacher training could work with local partners to offer professional courses or high-quality on-line programs.

- Measures to upgrade the English standard of teachers, students and working adults include: the Language Benchmark for English subject teachers; the Native English-Speaking Teacher Scheme; native English-speaking English-language teaching assistants for secondary and elementary schools; and the proposed establishment by September 2001 of a Vocational English Centre to run the Hong Kong Vocational English Program. Innovative English language learning programs for all levels are in high demand in Hong Kong.

For more information, contact Kitty Ko, Commercial Officer, Canadian Consulate General, Hong Kong, tel.: (011-852) 2847-7448, fax: (011-852) 2847-7441, e-mail: kitty.ko@dfait-maeci.gc.ca Web site: www.hongkong.gc.ca *



IFInet is your Internet gateway to procurement business funded by International Financial Institutions (IFIs) and UN agencies.
www.infoexport.gc.ca/ifinet/menu-e.asp

The International Business Opportunities Centre (IBOC) provides a matching service — connecting foreign buyers with Canadian companies. The Centre provides timely, relevant and targeted business leads from the desks of foreign buyers to the doorsteps of Canadian companies.

The following lists some of the Centre's current trade opportunities — for a wider selection, visit the Web site at www.iboc.gc.ca/eleads

Canadian exporters needing assistance in preparing international bid documents may want to use the international contracts expertise and services offered by the Canadian Commercial Corporation. This Crown Corporation is located at 50 O'Connor Street, Suite 1100, Ottawa, ON K1A 0S6, tel.: (613) 996-0034, fax: (613) 995-2121.

THAILAND — Fire Extinguishing System for Power Transformer — Notice received from the Canadian Embassy in Bangkok, Thailand. The Metropolitan Electricity Authority has issued an invitation to bid (tender no. WB3-9328-ABX) for a fire extinguishing system for power transformers. Cost of tender documents: Baht 2,000 (US\$85 for delivery via special courier). Closing date: April 5, 2001. Contact IBOC, fax: (613) 996-2635, e-mail:

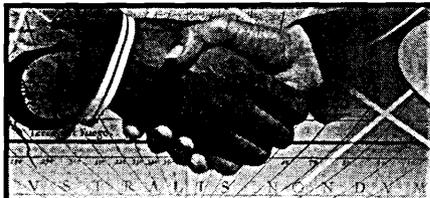
International Business Opportunities Centre

eleads@dfait-maeci.gc.ca quoting case no. 010104-00042. For details: www.iboc.gc.ca/webleads.asp?id=1552en

JORDAN — Investment in Sulphuric Acid and Phosphoric Acid Plants and Nitrogen, Phosphorous, Potassium (NPK) Granulation Plant — Notice received from the Canadian Embassy in Amman, Jordan. The project comprises two sulphuric acid lines with a 2x2000 t/day capacity and two phosphoric acid lines with a 2x710 t/day capacity. The phosphoric acid and sulphuric acid plants and associated facilities will be located at Eshidiya. In addition, a NPK granulation plant of 1.2 million t/year capacity with a dedicated jetty will be located at the Industrial Free Zone in the port of Aqaba. The sulphuric acid is Monsanto technology, while the phosphoric acid and granulation are Norsk Hydro technology. The contractor is responsible for providing the process technologies for the plants.

The supply of the phosphate rock will be secured from Eshidiya Mine at 1.8 million t/year and can be transported from Eshidiya to Aqaba by rail or truck. Jordanian partners will own about 40% of the company's total capital. A foreign investor or a group of foreign investors are being sought to own up to 60% of the company's capital. Closing date: April 30, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010108-00063. For details: www.iboc.gc.ca/webleads.asp?id=1570en ★

IBOC trade opportunities — find out more at www.iboc.gc.ca



International Business Opportunities Centre

As Team Canada Inc's Sourcing Centre, the International Business Opportunities Centre (IBOC) matches business opportunities from around the world with the business interests of Canadian exporters, particularly small and medium-sized enterprises. IBOC offers a value-added service to trade commissioners by directly contacting Canadian companies about foreign trade leads.

To pursue our international trade leads, check out our Web site at www.iboc.gc.ca (particularly our E-Leads® and Web-Leads®).

ExportUSA

— Continued from page 6

Canadian companies that wish to participate in these missions and seminars must agree to be entered into DFAIT's World Information Network for Exporters (WIN Exports) database.

How to apply

Contact your nearest International Trade Centre (ITC) for further information and registration. ★

Think Canada 2001 — Continued from page 10

sector, held every two years. Contact: Eric Laverdure, Trade Commissioner, Japan Division, DFAIT, e-mail: eric.laverdure@dfait-maeci.gc.ca or John Zimmerman, Second Secretary (Commercial), Canadian Embassy, Tokyo, e-mail: john.zimmerman@dfait-maeci.gc.ca ★

(For the unabridged version and the High-Tech Caravan schedule, see www.infoexport.gc.ca/canadexport and click on "A Yen for Japan".)

Despite some caution compared to a year ago, Canadian firms are bullish about business prospects in Asia Pacific. This was a key finding of a survey of businesses

region. What's more, 16% of respondents expect substantial investment increases, up from 9% last year.

Over the longer term, the optimism is more pronounced. In the next two

of respondents, followed by resource companies and business services suppliers.

APFC is a Vancouver-based think tank partially funded by the federal government. It undertakes strategic research to provide guidance on Asia Pacific topics for Canada's public and private sector. It conducts its investment intentions survey annually.

For more information, contact Ron Richardson, Executive Editor, Asia Pacific Foundation of Canada, tel.: (604) 684-5986, fax: (604) 681-1370, e-mail: ron.richardson@apfcapfnet.org Web site: www.asiapacific.ca *

Canadian firms still bullish on Asia Pacific

active in the region, released January 9 by the Asia Pacific Foundation of Canada (APFC).

For 2001, some 46% of survey respondents expect to boost their investments. Though down from last year's 56%, the figure still outstrips the 40% of firms planning only to maintain current investment levels and the 6% planning to cut their stakes in the

to five years, 65% of respondents expect to boost investments. Though lower than last year's 74%, this still represents almost two thirds of companies surveyed. Most bullish are firms operating in India and Australia, followed by China and Japan.

Carried out last December, the survey covered 93 Canadian companies present in Asia Pacific. Manufacturing firms made up the largest proportion

Canada-India Business Council

— Continued from page 2

On November 30, the Council co-hosted, with the Canada Mortgage and Housing Corporation (CMHC) and Ontario Exports Inc., an "Opportunities in India" information seminar within the Construct Canada 2000 trade fair, held November 29-December 1, 2000, in Toronto.

Sector-specific trade missions

Next week's trade mission, co-sponsored by C-IBC in partnership with CMHC, Ontario Exports Inc., DFAIT, the Canadian High Commission (CHC) in New Delhi, and the Builders Association of India, is also targeted at the building and construction sector. Other recent C-IBC-sponsored trade missions to India include a power mission in 1997, an agri-business mission in December 1998, and a multi-sector executive business mission in October 1999.

Council initiates business networks

The Council is facilitating business

networks for collaborating on specific projects. In mid-2000, for example, the C-IBC identified and brought together three Canadian companies with a wide range of expertise in the health care sector, as well as a potential partner in Hyderabad, to build a privately/publicly funded teaching hospital with diagnostic and laboratory facilities.

The C-IBC hosts or co-hosts a plethora of information seminars, addressing topics such as India's taxes and government structure and sector-specific opportunities. Many of these activities are organized in conjunction with DFAIT and the CHC. "We see ourselves as being an augments for the programs of the Department and the Canadian High Commission," says Jans.

The C-IBC also has alliances with both Canadian and Indian industry associations to team up for sector-specific activities such as trade fairs and match-making sessions.

Erratum

In the January 15, 2001, issue of *Canadexport*, on page 13, the oil and gas export figures in the article "Developing opportunities in Brunei Darussalam" should have read as: "Brunei currently exports 220,000 barrels of oil and 1 billion cubic feet of gas per day."

Voice for sectoral views

On the advocacy side, the C-IBC considers itself the key private sector voice on any advisory committee to government. Not least, the Council offers the expertise of its own directors under a mentoring program in which directors help members to assess and manage the various risks of doing business in India. Says Jans: "Our directors collectively have about 100 years of experience to share."

With such expertise, not to mention the invaluable services of the organization as a whole, the C-IBC continues to fill the shoes of its founder.

For more information, contact Murray Jans, Executive Director, C-IBC, tel.: (416) 214-5947, fax: (416) 862-0625, e-mail: info@canada-indiabusiness.ca Web site: www.canada-indiabusiness.com *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Business Chambers and Associations")

Looking for Japanese business partners? Join the *Japan External Trade Organization (JETRO) Trade Tie-up Promotion Program (TTPP)*, an innovative, free Internet-based service that can help companies find potential business partners in Japan.

and Japanese versions on JETRO's Web site www.jetro.go.jp/ttppe (English) or www.jetro.go.jp/ttppj (Japanese).

TTPP allows you to submit your information to Japanese firms by registering your ID, password, and company profile; your technology/product;

As well, two JETRO Senior Trade Advisors are posted in Vancouver and Guelph. JETRO is committed to the Team Canada approach, and works closely with all levels of government (including the Department of Foreign Affairs and International Trade (DFAIT)) and industry organizations to support Canadian companies in their efforts to enter the Japanese market.

For more information, contact JETRO, Toronto, tel.: (416) 861-0000, Web site: www.canada.jetro.org

IN CANADA: Jean-Pierre Petit, Trade Commissioner, Japan Division, DFAIT, tel.: (613) 996-2467, fax: (613) 944-2397, e-mail: jeanpierre.petit@dfait-maeci.gc.ca

IN JAPAN: Pamela Hay, Second Secretary, (Commercial), Trade Commissioner, Canadian Embassy, Tokyo, tel.: (011-81-3) 5412-6200, fax: (011-81-3) 5412-6247, e-mail: tokyo.fn@dfait-maeci.gc.ca ✪

How to connect with Japanese companies

JETRO's Trade Tie-up Promotion Program

By registering on the system, you can promote your interests and discover the interests of Japanese companies through contact with potential partners using pre-formatted e-mails.

Designed as a one-stop shop for business-matching in a variety of categories, this program provides an excellent opportunity for Canadian companies to link with Japanese counterparts for various types of strategic co-operation including: import/export of products/parts; technology transfer; investment; business tie-ups; establishment of offices/factories; and office services. The system is available in both English

and an image (optional).

TTPP also provides access to proposals from Japanese firms where you can peruse technical information; view proposals; and establish contact with Japanese firms.

JETRO is a non-profit, Japanese government-related organization dedicated to promoting mutually beneficial trade and economic relationships between Japan and other nations. Headquartered in Tokyo, JETRO has a network of 38 offices in Japan and 80 overseas offices located in 59 countries and regions.

JETRO has three offices in Canada — in Toronto, Montreal and Vancouver.

Canadian and Moroccan companies join forces

Propar International of Canada and Metaghreb, part of the Somepi Group in Morocco, have signed a \$5 million partnership agreement establishing Metaghreb citernes SA, which will manufacture gas cylinders for stationary and mobile use.

This agreement demonstrates the growing interest for developing business relations and strategic partnerships between Canada and Morocco.

For more information on Moroccan business opportunities, contact Léopold Battel, Canadian Embassy, Rabat, tel.: (011-212-7) 68 74 00, fax: (011-212-7) 67 21 87, e-mail: leopold.battel@dfait-maeci.gc.ca ✪

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Trade News")

Canada Export Awards 2001



See what winning can do for your company!

"Winning a Canada Export Award is a huge endorsement for our company, especially since our high national standards for quality and safety are well regarded in the industry [aqua culture industry-oysters]. Being recognized for our innovation, and, in turn, our success internationally, is a big boost for us," said Sam Bowman, President and CEO of Pearl Seaproducts of British Columbia and winner of a Canada Export Award in 2000 (the *Sechelt Reporter*, October 23, 2000).

The application deadline for the 2001 awards is March 31.

For more information or to obtain an application form, visit the Canada Export Awards Web site at www.infoexport.gc.ca/awards-prix or contact Lucille Latrémouille-Dyet, Canada Export Awards Officer, DFAIT, tel.: (613) 944-2395. ✪

DHAKA, BANGLADESH — March 11-14, 2001

Organizers

- Canadian High Commission, Dhaka, Bangladesh
- Department of Foreign Affairs and International Trade (DFAIT)
- Industry Canada

Objectives

- To increase the exports of Canadian telecommunications and information technologies (IT) equipment, services and know-how to Bangladesh.
- To explore the opportunities for the transfer of Canadian technology to Bangladesh and investment in telecommunications services or high-tech manufacturing; and outsourcing of research and development, software services or high-tech manufacturing in Bangladesh.
- To understand the government of Bangladesh's plans for the expansion of high technology industries, and the role of the Bangladesh Prime Minister's new Task Force for

Telecommunications and information technologies mission to Bangladesh

Development of Information Technology in Bangladesh.

Program

March 11

- Briefing on doing business in Bangladesh and overview of the telecommunications and information technologies sectors.

March 12-13

- Meetings and presentations with officials of the Ministry of Post and Telecommunications, Spectrum Management Board, Bangladesh Telephone and Telecommunications Board, cellular phone providers, Internet service providers, computer networking companies, technology training centres, universities and colleges, and industry associations in Dhaka.

March 14

- One-day round trip to Chittagong,

Bangladesh's second largest city and main port, for presentations and meetings with the telecom and IT industry and the Chamber of Commerce.

For more information, contact Tanweer ul Islam, Senior Commercial Officer, Canadian High Commission, Dhaka, tel.: (011-88-02) 988-7091/97, fax: (011-88-02) 882-3043, e-mail: tanweer.islam@dfait-maeci.gc.ca or Ben Gailor, South Asia Division, DFAIT, tel.: (613) 995-8596, fax: (613) 996-5897, e-mail: ben.gailor@dfait-maeci.gc.ca or Aaron Baillie, Commerce Officer, South Asia International Business Development, Industry Canada, tel.: (613) 990-4299, fax: (613) 990-3858, e-mail: baillie.aaron@ic.gc.ca *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Trade Fairs and Missions".)

Caracas International Food Show

CARACAS, VENEZUELA — March 25-28, 2001 — Sponsored by the Venezuelan Food Industry Chamber and the Ministry of Industry and Trade, the 8th International Food Show is the only show in Venezuela open to all sectors of the agri-food industry, and features a large international presence including the United States, the European Union, and the Andean and Caribbean region.

The International Food Show is the best opportunity for Canadian companies to promote new products, services and technologies in this key Latin American market. With a population of 24 million, a reasonably high per capita income, and close ties with Canada, Venezuela is a market ripe for increased sales of Canada agri-food products and technologies. Canadian agri-food exports to Venezuela are nearly \$200 million. Venezuela is the largest per capita agri-food importer in Latin America.

The Canadian Embassy in Caracas has arranged with PREX INTERNACIONAL, the show's organizer, to have a Canadian Pavilion where the Commercial Section of the Embassy will provide support to participating Canadian companies.

For more information, contact Joe Pidala, PREX NORTHAMERICA INC., Tampa, Florida, tel.: (813) 258-0308, fax: (813) 251-2607, e-mail: prex@prexnorthamerica.com Web Site: <http://prexexpositions.com> or David Ramirez, Commercial Officer, Canadian Embassy, Caracas, tel.: (011-582) 263-4666, fax: (011-582) 263-5349, e-mail: david.ramirez@dfait-maeci.gc.ca *

LOOKING FOR WOMEN'S APPAREL REPS IN THE U.S.?

CHICAGO — March 17-20, 2001 — Come and meet face-to-face with the Midwest's finest reps at the upcoming Apparel Rep Locator Trade mission. The program includes booth space at the StyleMax Show at the Merchandise Mart, which features over 3,000 lines, a networking reception at the Canadian Pavilion for local reps, and an educational seminar on market entry strategy, given by Chicago's best apparel reps.

This trade mission is open to Canadian manufacturers of women's apparel, and has been enormously successful for the past three years. Don't wait any longer to enter this exciting market in a region with two-thirds of the population of all of Canada.

For more information, contact your local International Trade Centre officer, or Ann F. Rosen, Business Development Officer, Consulate General, Chicago, tel.: (312) 616-1870 ext. 3357, e-mail: ann.rosen@dfait-maeci.gc.ca *

Chicago Software Association Conference

CHICAGO, ILLINOIS — March 22, 2001 — Canadian companies are invited to participate in the Chicago Software Association (CSA) Fifth Annual Partnering Conference

Milan International Furniture Exhibition

MILAN, ITALY — April 4-9, 2001 — The Department of Foreign Affairs and International Trade (DFAIT) and Industry Canada are organizing a mission to the Milan International Furniture Exhibition on the heels of a recent Memorandum of Understanding signed between DFAIT and Italy's Ministry of Trade to encourage the partnering of Canadian and Italian businesses, including small and medium-sized enterprises. The Montreal Italian Chamber of Commerce has been asked to organize a national recruitment of Canadian companies for this event. In addition to the show, visits are planned to furniture plants and the design school in Milan.

For more information, contact Loreta Giannetti, Desk Officer (Trade) for Italy, Southern Europe Division, DFAIT, tel.: (613) 996-5263, e-mail: loreta.giannetti@dfait-maeci.gc.ca or Huguette Parker, Manufacturing Industries Branch, Industry Canada, tel.: (613) 954-3105, e-mail: parker.huguette@ic.gc.ca Web site: www.isaloni.it *

sponsored by the Canadian Consulate General, IBM and the Freeborn & Peters law firm.

This conference has resulted in a number of successes for previous Canadian participants:

- Last year, Jaws, Inc., now of Toronto, became the Internet backup and storage solution partner for Compaq in Illinois and Wisconsin.
- In 1999, Waterloo Maple of Waterloo, Ont., partnered with SPSS Science of Chicago to distribute SigmaPlot 4.0 for Windows with Maple V R5.1.
- Since 1998, Geoanalytics, a Madison, Wisconsin, GIS consulting and software development application service provider (ASP), has grown to become Montreal-based Govern Software's largest reseller and implementer.
- In 1997, Selkirk Financial Technologies of Vancouver found that the Chicago marketplace was so lucrative that they opened an office there.

Both Canadian and Chicago-area companies will have the opportunity to make short presentations at the conference followed by one-on-one discussions with potential partners. As well, there will be a briefing for Canadian companies on the marketplace in the midwestern United States.

The CSA Partnering Conference is also an excellent venue to pursue new clients. CSA's 600-plus member companies include software development, Internet, electronic commerce, and multimedia companies; value-added resellers (VARs); systems integrators; consultants; Internet service providers (ISPs); (ISVs); ASPs; Web developers and designers; providers of portals, platforms, fulfilment, transaction support, wholesale and wireless telecom, among others.

For more information, contact Michael Muth, Canadian Consulate General, Chicago, tel.: (312) 616-1870 ext. 3365, fax: (312) 616-1878, e-mail: mike.muth@canada.com Web site: www.canadachicago.net/trade-e.html or consult the CSA Web site: www.csa.org *

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Enquiries Service

DFAIT's Enquiries Service provides counselling, publications, and referral services to Canadian exporters. Trade-related information can be obtained by calling 1-800-267-8376 (Ottawa region: (from a fax machine) at (613) 944-4500; or by accessing the

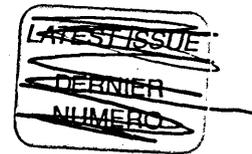
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The sky's the limit in China

Environmental software a hit

Dept. of External Affairs
Min. des Affaires extérieures
OTTAWA

FEB 23 2001

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March 1, 2001

MERCOSUR
(See supplement inside.)

Canada

In just four years, **Lakes Environmental Software Inc.** has become a world leader in air pollution impact software, its products even sought after by the U.S. Environmental Protection Agency (EPA). Now a contract in China is heralding sky-reaching opportunities not only for the small Waterloo-based company but for other Canadian environmental technology firms as well.

Lakes Environmental offers software for air pollution impact and human health risk-assessment studies. Designed to support U.S. EPA regulations, the company's software incorporates geographic information systems (GIS) with advanced graphical capabilities and existing mathe-

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matical models to create extremely powerful, yet easy-to-use software packages.

Founder and president Jesse Thé formed the company in 1996 after analyzing the air pollution impact products offered by the two major U.S. firms that effectively monopolized the field. "I realized we had much better technology and know-how than these companies did," explains Dr. Thé. "We decided to take a chance. It was a big risk."

Risk brings results

The risk paid off. Since 1996 Lakes Environmental's sales have increased 100% every year and the company has grown from 3 to 15 employees. The company exports 95% of its

Continued on page 2 — Lakes

Lakes
Environmental

Chicago — a U.S. hi-tech Mecca

Plug into COMDEX 2001

CHICAGO — April 2-5, 2001 — "Putting Technology to Work," the theme of **COMDEX Chicago 2001** — formerly COMDEX Spring — reflects the trade show's shift away from traditional consumer electronics toward more main stream, business-to-business (B2B) applications.

More than 80,000 are expected to attend the show, which will focus on

application service providers (ASPs), e-mobility solutions, networking technologies — wireless, broadband, storage, and security — e-commerce applications and infrastructure, the LINUX operating system, and Web publishing innovations, including digital media.

COMDEX Chicago has played a longstanding role in Canada's trade
Continued on page 6 — COMDEX 2001



— Continued from page 1
products, largely to the United States.

The Win Exports-registered company has also developed risk-assessment software for determining the risk of

[through joint venture] to get the contract in China," explains Dr. Thé.

The contract, signed in September 2000, was for the sale of Lakes Environmental's ISC-AERMOD View

Lakes Environmental Software Inc.

toxic pollutants to human health and to eco-systems. In fact, Dr. Thé traces the Chinese contract partially to the attention received for being the only company able to develop software to implement the guidelines in the human and ecological risk-assessment protocols developed by the EPA in 1997.

While receiving rave reviews in the United States, the company was asked by the Department of Foreign Affairs and International Trade to submit a proposal to the Japan External Trade Organization (JETRO), which was searching worldwide for companies with innovative technology to bring to Japan.

Embassy facilitates partnership

The only company chosen, Lakes Environmental found itself on a JETRO-financed trip to Japan in March 1999. There it was given exposure to potential partners at meetings set up by Trade Commissioner Andrew Smith at the Canadian Embassy in Tokyo.

"As a direct result of this exposure, we were contacted by a Japanese company, which teamed up with us

software, an air pollution impact software package that integrates the three most widely used EPA models. Regulatory authorities in 149 cities in all 39 regions of China have been using the software since October 2000.

Opening doors for other Canadians

Dr. Thé considers the sale to be the first step into other environmental-related activities in China — which could provide opportunities for other Canadian firms. "Once the software has been used to estimate the size of the air pollution problem, there will be opportunities for risk-assessment software and services, pollution control design services, and pollution control equipment. We fully anticipate being able to co-ordinate the implementation of Canadian technology in China."

Tap into government services

Making contact with the appropriate trade commissioners is the first step Dr. Thé recommends to new exporters. "From the beginning we've contacted trade officers all over the world and

received good tips and information."

Finding a local partner is also important for penetrating Asian markets, as is receiving government support. "If a client sees your government is dedicating time to you, then you must have a worthwhile activity," says Dr. Thé.

Dr. Thé also recommends going the extra mile. While the Chinese contract was still in the negotiation stages, Lakes Environmental took the initiative to have its software translated into Mandarin.

It was an expense that paid off.

For more information, contact Jesse Thé, President, Lakes Environmental Software Inc., tel.: (519) 746-5995, fax: (519) 746-0793, e-mail: jesse@lakes-environmental.com Web site: www.lakes-environmental.com

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Sharing Trade Secrets".)

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(DFAIT Geographic Bureaus)

West coast businessman Claude Tchao knows that communication can happen in places you least expect it. Joining the 1999 Team Canada trade mission to Japan to promote his seafood supply company, Tchao ended up signing a memorandum of understanding (MOU) in his capacity as CEO of Divelink International Technology Inc. Through its cutting-edge underwater communications technology, now being promoted and distributed throughout Japan, the Vancouver company is revolutionizing the traditionally silent world of scuba diving.

Incorporated in 1999, Divelink has developed the only voice-activated, hands-free underwater communications unit on the market. Unlike its competitors, which employ a push-button system, Divelink's system can differentiate between voice versus other sounds — notably the constant hissing of bubbles. "Because our machines can identify voice, it frees your hands under water, which is the most important thing in diving," explains Tchao.



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WIN EXPORTS

The diving community — both recreational and professional — is beginning to recognize the safety, productivity and confidence-enhancing benefits of such a device. To date, Divelink has sold 8,000-9,000 units

Big splash in Japan

B.C. Divelink tech

in 28 countries, including the United States, Australia and in Europe.

Team Canada paves the way

In a previous incarnation as Stone Electronics Ltd., Divelink had already made inroads in the United States. It was through the Florida distributor that Tchao became aware that Marine Star Rays of Osaka was interested in providing Japan-wide distribution. Tchao planned to make contact with the company chairman during the 1999 Team Canada mission to Japan.

Tchao had signed up for the mission in his capacity as Chairman of Richmond-based Tri-Star Seafood Supply Ltd. From his positive experience on the 1997 Team Canada trade mission to Korea, the Philippines and Thailand, Tchao was expecting to significantly raise the profile of his Win Exports-registered company in Japan.

What he wasn't expecting was to receive so much attention for Divelink — including the signing of the MOU with Marine Star Rays — that he had no time to promote his seafood products at all.

Team Spirit

The benefits of the mission began before the Team Canada plane even arrived in Osaka. On board, Tchao met a Canadian lawyer who ended up helping him set up the MOU with Marine Star Rays.

"There is a genuine team spirit that pervades these missions," says Tchao. "I can't begin to describe how much we've been helped by interacting with other business and government participants." Through the

lawyer's connections, Tchao is also looking into a joint-venture possibility for Tri-Star with a Toronto company.

Mission enhances prestige

Just two weeks after the MOU signing, the Chairman of Marine Star Rays flew at

his own expense to Vancouver to finalize the exclusive distribution contract.

"It would never have happened without Team Canada," explains Tchao. "Our status as a delegate gave us the prestige we needed in order to meet the Chairman of Marine Star Rays and



to reassure him of our company and its products. By providing a professional yet informal setting, Team Canada facilitated our discussions and created a comfortable business environment. It really gave a small Canadian company the chance to gain tremendous exposure in Japan."

Fostering relationships important

The Japanese market is not easy to penetrate. The largest barrier, says Tchao, is language. "Relationships are very important to the Japanese. You have to take the time to understand their culture and earn their trust. That means hiring translators and interpreters and making face-to-face visits. The expense is huge."

The expense is, however, worth it for a company whose product is being promoted and distributed in the country's \$7 billion diving market.

While the United States is the most accessible market for the products of Tchao's various companies, the busy entrepreneur continues to participate in Team Canada missions to push into Asia Pacific markets. His next stop was China — on the Prime Minister's

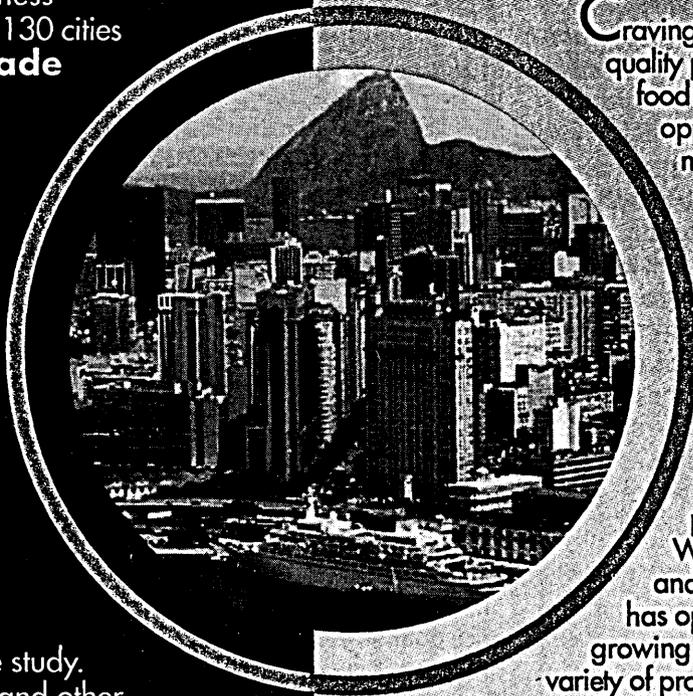
Continued on page 11 — Divelink

BRAZIL – The Snack

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This is an overview of one study. For the full version of this and other studies, visit our Web site. When you are prepared to do business abroad, you can use our Web site to get in touch with our offices around the world and request personalized services electronically.

www.infoexport.gc.ca



Cravings for healthier, higher-quality products in Brazil's snack food market are creating opportunities for Canadian manufacturers. In 1998, snack food sales totalled \$2.2 billion, with imports accounting for \$66.7 million. Over the last decade, socio-economic factors have reshaped this market. Brazilians have more than doubled their snack food consumption per capita since 1991.

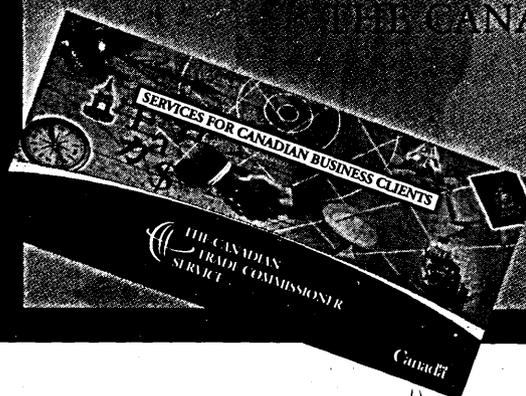
What was once a tight and wholly domestic market has opened up to meet growing consumer demand for a variety of products, including imported luxury and light/diet snack foods.

A Changing Market

The number of vending machines, gas station retailers, convenience stores, and large-scale supermarkets that carry snack foods has increased significantly since the early 1990s.

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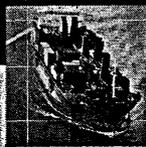
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Food Market



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With an increase in both the number of products available and the number of locations which carry snack foods, it is not surprising that sales have increased at a rate of 15-20% annually in recent years.

Other factors that have aided sales of snack foods are longer working hours and the continuing entrance of women into the Brazilian workforce. As a result, it is no longer the norm for Brazilians to eat large meals during lunch breaks at home. Instead, consumers are eating more prepared meals and snacking between (or instead of) meals.

Opportunities

Like most consumers world-wide, Brazilians have become more health conscious in recent years. Consequently, products advertised as low in fat, low in salt, or baked instead of fried, have gained an increased amount of attention. Many supermarkets have begun marketing private-label alternatives as well as luxury or gourmet private-label goods. Since foreign suppliers account for nearly all sales in this category, these niche markets may provide excellent opportunities for Canadian manufacturers.



Retail and Promotion

Brazil's retail sector has undergone a significant transformation in recent years. In addition to the consolidation of supermarket chains, the number of supermarkets, hypermarkets and convenience stores has increased substantially. Retailers have also expanded many product lines. These changes have begun to affect shopping patterns as a growing number of consumers shop in fewer locations because of the product diversity now available in retail outlets.

Strong product support through promotional and marketing activities is an absolute necessity for a product to succeed in Brazil. Currently, there is very little brand awareness of Canadian products among Brazilians. As a result, manufacturers must be prepared to advertise on television (the most popular method), or in magazines, newspapers, or on radio. An emphasis should

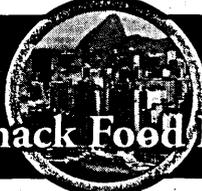
be placed on the quality of Canadian products as Brazilian consumers generally consider Canadian goods to be of high quality. In addition, consumers have displayed a willingness to purchase higher priced snacks if the product is of good quality.

See Potential?

To learn more about these market opportunities, the competitive environment, and market entry strategies, please read the full report, *The Snack Food Market in Brazil*. The report prepared by the Market Research Centre of the Trade Commissioner Service is available on-line at www.infoexport.gc.ca

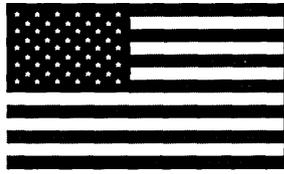
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The Snack Food Market

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Information technology (IT) opportunities

Greater Washington

A new report entitled *Information Technology: Opportunities in the Greater Washington Region for Canadian Firms* is now available on the following Web site: www.infoexport.gc.ca/menu-e.asp. Canadian IT firms hoping to penetrate the U.S. federal procurement market and private sector industry, can benefit from this report which details the "e-dominance" of the Greater Washington region, birthplace of the Internet. Developed in the 1970s as a U.S. Defense Department research experiment, the Internet has emerged as one of the leading industries in the Greater Washington region, and the source of many IT opportunities.

The Greater Washington region, which includes northern Virginia, offers technology entrepreneurs both hard infrastructure in the form of capital, federal procurement funds, and extensive telecommunications networks, as well as soft infrastructure encompassing a vast array of service providers and intellectual resources housed within the region's 3,600 associations, 44 universities, and 447 federally supported research facilities. The region's 12,000 technology firms make Greater Washington second

only to Silicon Valley in terms of high-tech activities and opportunities.

To sell successfully to the U.S. government, Canadian companies must be persistent, willing to learn, and must be prepared to invest time and effort. They need accurate information, a

sound entry strategy, as well as the skills and resources to implement and sustain that strategy. A variety of agencies and resources are available to help. The secret is to use this report to find out who does what, where they are located, and how to use them.

For more information, contact Gerard Brathwaite-Sturgeon, Second Secretary, Commercial, Canadian Embassy, Washington D.C., tel.: (202) 682-7746, fax: (202) 682-7619, e-mail: gerard.brathwaite-sturgeon@dfait-maeci.gc.ca Web site: www.canadianembassy.org/business *

Comdex 2001

— Continued from page 1

promotion efforts in the U.S., which is Canada's largest and most important export market for the information and telecommunications technologies (ICT) sector. Sponsored by the Department of Foreign Affairs and International Trade (DFAIT), the Canadian Pavilion will offer Canadian exhibitors an all-inclusive package that includes a prime location in the Pavilion, as well as the services of a marketing communications consultant, at no extra charge.

The consultant can help prepare marketing plans and design media strategies for the event. As well, exhibitors will receive information about market opportunities and trends, and will be assisted in developing customized strategies for entering the U.S. market, based on their individual objectives. Prior to COMDEX, one-on-



one meetings with potential business partners can also be arranged. This services package avoids the usual promotional headaches faced by individual exhibitors, letting them focus instead on promoting their products and services.

Chicago — a prime location for information technology (IT)

Chicago, a major business centre, is rapidly growing into one of the most important technology centres in the U.S. Recent U.S. statistics demonstrate the Chicago area's rising importance in the IT market:

- Buying power is ranked first in the U.S.;
- 288,000 people are employed in the IT sector, ranking it the second highest IT employer in the U.S.;

Continued on page 11 - Chicago

Check the Business Section of the Canada-U.S. Relations Home Page at www.dfait-maeci.gc.ca/geo/usa/business-e.asp ... for valuable information on doing business in and with the United States.

When the foreign air forces stationed at 5 Wing Goose Bay opted to sole source their cleaning contracts with Burden's Janitorial Services Ltd., company owners Lily and Bill Burden discovered they had an ally in more than just their customers. Their small family-run busi-

ness has benefited from the Canadian Commercial Corporation's (CCC) contract negotiation services and discount receivables option, securing the company's future with lucrative contracts for at least another three years.

CCC and Goose Bay company allies

ness has benefited from the Canadian Commercial Corporation's (CCC) contract negotiation services and discount receivables option, securing the company's future with lucrative contracts for at least another three years.

For 25 years, the Burdens bid on cleaning contracts tendered through Public Works and Government Services Canada by the forces at the low-level flight training facility for NATO Allied forces in Goose Bay. Even when successful, the company seldom won a contract lasting more than two years. In addition, the nature of the contracting process caused delays in reimbursing Burden's for payments made to its employees — something the

company could ill afford. Things became more promising in 1997, when the German Air Force (GAF) and Royal Air Force (RAF) requested a sole-source contract with Burden's. In accordance with government regulations and international agreements, the forces are required to purchase such

services through the Department of National Defence (DND). In July 1998, DND approached CCC requesting sole-source contracting services for foreign governments. CCC subsequently negotiated a contract for Burden's worth \$3 million over three years.

A critical benefit for Burden's is a CCC program that helps companies manage their cash flow. The company has been approved for discounting its receivables, ensuring that for a discount, it receives payment from CCC within 15 days, regardless of whether the Corporation has received payment from the buyer.

"We are so pleased with CCC," says Lily Burden. "As a small business, we would not have been able to continue with the Allies if we'd had to keep waiting for payroll reimbursements. This gives us the capital we need to pay our housekeepers."

In August 2000, CCC renegotiated separate contracts with the GAF and RAF. The new contracts, valued at approximately \$1.5 million each, are now in place for another three years, with an option for two more years after that. The negotiation process involved each customer's agreement to pay an extra 1% to cover the cost of the discounted receivables.

"The customers were each willing to go that extra percentage," explains CCC Project Manager Suzanne Gougeon. "That's how much they

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The Canadian Commercial Corporation (CCC) is an export sales agency of the Government of Canada providing special access to the U.S. defence and aerospace markets and specializing in sales to foreign governments.

Canadian exporters can gain greater access to government and other markets, as well as a competitive advantage, through CCC's contracting expertise and unique government-backed guarantee of contract performance.

CCC can facilitate export sales that often result in the waiving of performance bonds, advanced payment arrangements and generally better project terms.

When requested, CCC acts as prime contractor for government-to-government transactions and provides access to preshipment export financing from commercial sources.

For more information, contact CCC, tel.: (613) 996-0034, toll-free in Canada: (800) 748-8191, fax: (613) 947-3903, e-mail: info@ccc.ca Web site: www.ccc.ca

appreciate both CCC's and Burden's services."

Lily Burden, in turn, appreciates all the assistance and advice she has received from Gougeon on the contracts. "Suzanne worked with me when we were coming up with a price, to make sure we didn't sell ourselves short. She was also very good at explaining how everything — including sole sourcing and discounting of receivables — works."

The contracts have led to even further business with the recent arrival of the Italian Air Force (ITAF) at 5 Wing. Hearing about the excellent services Burden's provides to its fellow forces, ITAF has signed a one-year contract (worth \$240,000, with an option for two more years) through DND and CCC under the same terms.

The ongoing and new contracts have sustained the jobs of 40 of Burden's 44 employees — something not to be minimized in this remote Labrador community.

For more information, contact Lily Burden, co-owner, Burden's Janitorial Services Ltd., tel.: (709) 896-3777, fax: (709) 896-2764. ★

DOING BUSINESS WITH THE U.S. FEDERAL GOVERNMENT?

Find out more from the Canadian Embassy in Washington, D.C. (www.canadianembassy.org) under "Business Opportunities: U.S. Government Procurement."

Log onto opportunities via the General Services Administration (www.gsa.gov), which facilitates purchases by the U.S. government — the world's largest consumer — and the Electronic Posting System site (www.eps.gov).

When you're ready to pursue these opportunities, the Canadian Commercial Corporation (www.ccc.ca) can assist you with the interpretation of the U.S. procurement system or ensure that as a Canadian company, you are eligible to participate.

CAE Ltd., specialists for 40 years in full-flight training simulators, is opening a pilot training centre in São Paulo, Brazil. The centre, slated to open in April 2001, is one of three that CAE will be establishing around the world to train commercial airline pilots. Other CAE centres will be opening up in Madrid, Spain and Toronto.

"With no independent training centres in the region, it presented an excellent opportunity for the launch of our first training centre."

The São Paulo centre will initially operate three full-flight simulators, manufactured by CAE in Montreal: an Airbus 320, a Fokker 100 and an MD-11. Two additional full-flight simulators,

The Brazilian currency, political situation, and economic uncertainty following that country's last financial crisis, were all factors that CAE had to carefully consider before deciding to set up the São Paulo centre. But CAE's business case was strengthened by the many positive factors on the horizon for Brazil, including a buoyant future market for aircraft fleets, predictions by Boeing and Airbus of increasing passenger traffic in the region, and the launch, by Embraer, of a new line of regional jets in the 70 to 100 seat category.

From the outset, the Canadian government in Brazil, through its local consular offices in Rio de Janeiro and São Paulo, assisted CAE — providing helpful information about establishing foreign businesses in Brazil as well as local contacts for key Brazilian ministries. CAE continues to work closely with the Canadian government officials in São Paulo, regularly monitoring economic and political developments as they are a continuous influence on the future strategic positioning of CAE's South American Training Centre.

For more information, contact Chris Fauquier, Managing Director, CAE Brazil Flight Training Centre, tel.: (011-55-11) 9604-1030, fax: (011-55-11) 3057-0689, e-mail: caebras@terra.com.br

CAE lands pilot training centre Contract in Brazil



The company's move into commercial pilot training is the result of the strategic plan, announced last year, to reposition CAE and aggressively grow its core businesses, with the focus on markets with strong growth potential.

CAE's venture into commercial flight training, starting in Brazil, will build on the experience it has gained training military pilots — the company has already embarked on a 20-year joint program with the R.A.F. to operate a medium-support helicopter training facility in the U.K.

"South America is one of the fastest growing commercial airline markets in the world," explains André Gareau, Vice-President, Global Training Services.



a B737NG and an A330/A340, will be installed later in the year. Any future growth in regional airlines can be accommodated by the 6-bay centre. Already two major Brazilian airlines, TAM and Varig, have signed on with CAE for long-term flight training service.

The GATS virtual consultations

This is a reminder to all services exporters to participate in the GATS virtual consultation process, which will allow you to give direct input to our services trade negotiators.

The Canadian government is currently negotiating with its GATS trading partners to improve Canadian services exporters access to foreign markets. Some months ago, in order to reach more companies, the government established a GATS e-mail consultation process with services exporters to learn more about their international activities and any challenges that they encounter. To date, four

e-mail surveys have been sent out, along with messages providing feedback on the input received.

This GATS virtual consultation process is comprised of a series of short e-mailed survey questions asking for input on a range of services trade issues. Responding to each mini-survey takes less than 60 seconds. Simply enter the e-mail address initially registered on the database, respond to the questions and click the "Submit" button. Participants receive a summary of the responses from across the country letting them know where other Canadian services firms stand on these issues, along

with suggestions for how to manage difficulties they may face in exporting. All individual responses are kept confidential and only aggregate data is analyzed and released.

If you are a service exporter but not yet registered with WIN Exports or CCC, you can volunteer to participate by e-mailing your request to gats@dfait-maeci.gc.ca and indicating "Add us" in the subject box.

For specific information about the services trade negotiations, visit the Government of Canada Services 2000 Web site: <http://services2000.ic.gc.ca>

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Trade News")

MERCOSUR

ONE OF THE WORLD'S FASTEST-GROWING ECONOMIC BLOCS

The four founding members of Mercosur — Brazil, Argentina, Paraguay and Uruguay — represent a dynamic and growing regional market, one that comprises 240 million consumers (which is two thirds of the number of consumers covered by the North American Free Trade Agreement) and a combined gross domestic product (GDP) topping the \$1 trillion mark.

Mercosur is Canada's number one export market in South America, with two-way trade in 1999 valued at \$3 billion, 80% of which was with Brazil. This trade level is the result of a steady upward trend over the past decade. Between 1992 and 1999, Canadian exports to the bloc rose 50%. In the first 10 months of 2000, trade levels reached \$2.7 billion. Given this progress, it is hardly surprising that the Canadian missions in Brazil, Argentina and Uruguay are eager to help Canadian businesses to explore opportunities in this high-growth region. In 1998, the Canada-Mercosur Trade and Investment Co-operation Arrangement (TICA) was signed with the objective of enhancing bilateral trade and investment even more. The TICA also established a framework for collaboration with the Free Trade Area of the Americas (FTAA), the World Trade Organization (WTO) and the Cairns Group.



Mercosur came into being in March 1991, when Argentina, Brazil, Uruguay and Paraguay signed the Treaty of Asunción, which established the Common Market of the South (*Mercosur* in Spanish) to promote free circulation of goods and services, capital and labour among its members. It became operational as a Customs Union in 1994. Chile and Bolivia became associate members, signing free trade agreements with Mercosur in the mid-1990s.

Since 1995, when partially harmonized common external tariffs (CETs) were implemented, almost 85% to 90% of all internal Mercosur trade has been duty-free. Special provisions allow each member country to retain its own specific list of exceptions, which allows for higher tariff rates to be charged on listed items. Exceptions currently include automobiles, computers, telecommunication equipment and capital goods. However, by 2006, these exceptions are slated to fall under the CET. Mercosur's liberalization of internal trade flows has significantly increased trade among member countries: between 1990 and 1999, internal trade rose by 300%. After a slight dip in 1999 — a result of the devaluation of the Brazilian Real — trade levels among the members headed upwards again in 2000.

Mercosur was conceived as much more than a simple economic entity. Ultimately, its members envision a common market embracing the entire region, and, for this reason, its ongoing agenda includes discussions involving free movement of labour across borders, social and educational reforms, environmental protection, consumers' rights and the establishment of a common foreign policy. Setting up a common monetary framework is also an area of interest for Mercosur countries over the longer term.

Free trade arrangements are currently being negotiated between Mercosur and the European Union, the Andean Community and South Africa, reflecting Mercosur's intent to have favourable market access to as many regions and economic blocs as possible.

Canada's exports to the Mercosur region are diverse and include: paper products, machinery, malt, minerals, plastics, rolling stock and pharmaceuticals. Investments are concentrated in aluminium, oil and gas, mining, power, alcoholic beverages, and telecommunications equipment and services.

Prepared by the South America Division (LSR) in collaboration with Canadian embassies and consulates in Brazil, Uruguay and Paraguay



Department of Foreign Affairs
and International Trade

Ministère des Affaires étrangères
et du Commerce International

Canada

THE CANADIAN
TRADE COMMISSIONER
SERVICE

BRAZIL

BACK ON TRACK FOR GROWTH

With a GDP of an estimated \$651 billion dollars as well as the largest population in Latin America, Brazil has become Canada's largest trading partner in South America. The stabilization of the Brazilian currency, the Real, resulted in a sharp drop in inflation in the mid-1990s. Inflation is now under control; interest rates, formerly hiked to protect the Brazilian Real, have declined; and the economy is enjoying a 4% annual growth rate. The Brazilian government's combined program of austerity and privatization has steered the country towards steady growth, which, though interrupted in 1999 by a significant devaluation of the Brazilian currency, is again on the rise.

Signs of recovery are already evident in Canada's relationship with Brazil, with two-way trade for the first 10 months of 2000 increasing 10% over the same period in 1999. Commodities, which were Canada's traditional exports, have been displaced by value-added and manufactured goods. Canadian suppliers have staked out territory in mobile cellular systems, telecommunication and informatics equipment and services, environmental equipment and services, aircraft engines, leisure water craft, automotive parts, advanced manufacturing equipment, prepared foods, and remote sensing and geographic information systems. Canadians are importing a wide range of products from Brazil, including coffee, fruit juices, automotive parts and accessories, metals and minerals, shoes and petrochemicals.

In 1997, President Cardoso led a 100-strong delegation to Canada, and, in 1998, Prime Minister Jean Chretien's Team Canada's visit to Latin America included over 500 Canadian businesses. Contracts signed were worth hundreds of millions of dollars. **The Export Development Corporation (EDC)** has designated Brazil as one of five priority markets and has, accordingly, opened an office in São Paulo to cover Brazil and Mercosur. As well, **Agriculture & Agri-Food Canada** has designated Brazil as its priority market in South America.

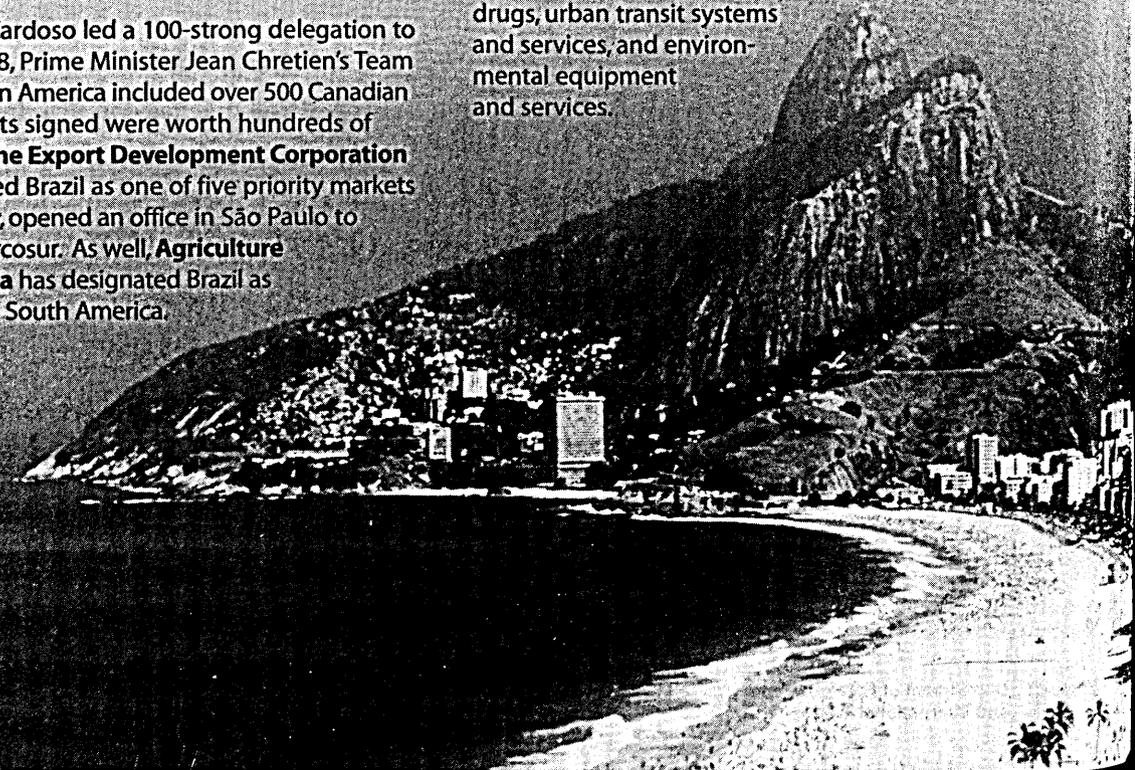


INVESTMENT

Brazil is the world's second-largest recipient of Foreign Direct Investment (FDI), after China. Total FDI in Brazil reached \$45 billion in 1999, with an estimated \$7 billion invested by Canada, primarily in Brazil's telecommunications sector. As Brazil continues its move to privatize sectors, including petrochemicals, transportation and utilities, the investment climate will be more attractive to foreign investors.

OPPORTUNITIES

Because of the diversity of this market, opportunities exist in a broad range of sectors. Nonetheless, Canadian missions in Brazil have identified the following key sectors for trade and investment opportunities: information technologies, telecommunications equipment and services, processed foods, livestock and genetics, generic drugs, urban transit systems and services, and environmental equipment and services.



FAST FACTS ABOUT BRAZIL

Capital:	Brasilia
Population:	170 million (2000)
GDP:	\$651.1 billion (2000*)
GDP Growth Rate:	4% (2000*)
Inflation Rate:	7.1% (2000*)
Canadian FDI:	\$7 billion*
Memberships:	Economic Commission for Latin America and the Caribbean (ECLAC), G-77 [group of 77 developing countries, largest third-world coalition in the UN], G-20 [group of 20 represents 19 countries, the EU, the IMF and the World Bank], WTO, Inter-American Development Bank (IADB), International Monetary Fund (IMF), Mercosur, Organization of American States (OAS), Rio Group, United Nations (UN)

Major Canadian Exports to Brazil:

news print, electrical equipment, vehicle parts and accessories, gas turbines, oil (non-crude), sulphur, wheat (including durum), malt and fertilizer

Major Canadian Imports from Brazil:

coffee, fruit and vegetable juices, electrical machinery, vehicle parts and accessories, aluminum ore, oil (non-crude), footwear

* - estimated

CONTACTS

The Canadian Embassy in Brazil

Commercial Division

Tel.: (011-55-61) 321-2171

Fax: (011-55-61) 321-4529

E-mail: brsla@dfait-maeci.gc.ca

Internet: <http://www.dfait-maeci.gc.ca/brazil>

The Canadian Embassy in Brazil has primary responsibility for issues relating to market access and federal government procurement.

The Consulate General in São Paulo

Commercial Division

Tel.: (011-55-11) 5509-4321

Fax: (011-55-11) 5509-4260

E-mail: infocentre-spalo@dfait-maeci.gc.ca

Internet: <http://www.dfait-maeci.gc.ca/brazil>

The Consulate General in São Paulo receives most of the trade enquiries for Brazil. They can be contacted initially through their Internet site or by e-mail. The Internet site is an excellent place to obtain general information on exporting to Brazil and on sectorial studies, as well as an activities list detailing trade shows and other scheduled promotional events. This list can be accessed on the Internet.

The Canadian Consulate in Rio de Janeiro

Commercial Division

Tel.: (011-55-21) 543-3004

Fax: (011-55-21) 275-2195

E-mail: rio@dfait-maeci.gc.ca

Internet: <http://www.dfait-maeci.gc.ca/brazil/rio>

The Consulate in Rio specializes in market assistance in the oil and gas equipment and services sector, and the defence and aerospace sectors.

The Canadian Government Trade Office in Belo Horizonte

Commercial Division

Tel.: (011-55-31) 3213-1651

Fax: (011-55-31) 3213-1647

E-mail: canconbh@fiemg.combr

Internet: <http://www.dfait-maeci.gc.ca/brazil/saopaulo/bh/trade>

The Trade Office provides general market assistance in power and energy projects, metals, mineral products, mining equipment, technologies and services.

The Embassy of the Federative Republic of Brazil in Canada

Commercial Division

Tel.: (613) 237-1090

Fax: (613) 237-6144

E-mail: mailbox@brasembottawa.org

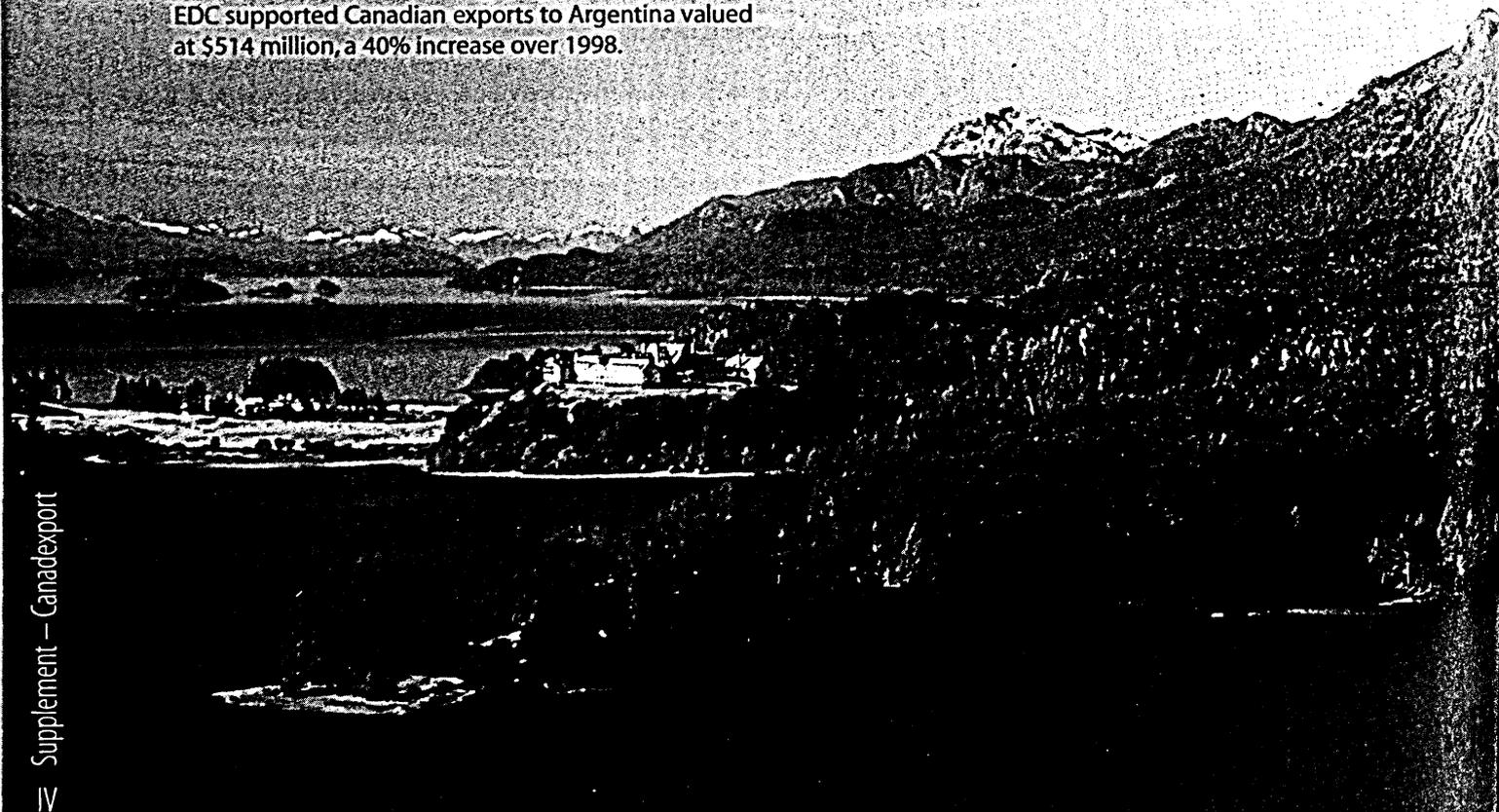
ARGENTINA

AN EMERGING MARKET FOR FOREIGN INVESTMENT

In spite of the current economic difficulties being experienced by Argentina, prospects for Canadian exporters remain relatively promising over the medium and long term, especially in the investment sector where Argentina is one of the leading emerging markets for foreign direct and indirect investment opportunities. The recent sluggish economic performance had somewhat dimmed investor confidence in Argentina, although the US\$40-billion, IMF-sponsored debt-refinancing package announced in December 2000 has had a significant effect in reducing Argentina's risk lending rate and its consequent image in the international bond market.

Two-way trade between Canada and Argentina fell in 1999 to \$515 million, from a peak value of \$641 million in 1997, no doubt as a response to the recession. Approximately 50% of Argentine exports to Canada are agri-foods, and a further 23% are leather products, with the balance including steel-mill products and crude petroleum. In return, Canada exports machinery, agricultural products, mineral and metals, telecommunications equipment, mechanical and electrical appliances, news print, plastics and chemicals to Argentina. In 1999, the EDC supported Canadian exports to Argentina valued at \$514 million, a 40% increase over 1998.

To stimulate the economy and create jobs, the Argentine government has recently launched an ambitious Federal Infrastructure Plan, which includes some 2,800 public works projects, including highway construction; water resource management; irrigation works; rail, airport and navigation projects; and water and sanitation services, all to be carried out during the next five years. A massive home-building plan is also in development to offset the critical housing shortage that has resulted from a burgeoning urban population.



INVESTMENT

With the dismantling of many barriers to foreign investment, Canada has become a major investor in Argentina. In 1990, its investments amounted to a mere \$123 million, but, by 1999, Canadian FDI reached \$2.47 billion, ranking Canada as the seventh-leading foreign investor in Argentina.

OPPORTUNITIES

Canada has targeted a wide range of sectors for its investment dollars, with oil and gas, power, mining, the agri-industry, banking and telecommunications topping the list. Additional opportunities exist for Canadian firms in transportation, food processing, forestry, geomatics and education. Emerging sectors include areas in which Canada has proven expertise: the environment, the automotive industry and tourism.

CONTACTS

The Canadian Embassy in Argentina

Commercial Division (also responsible for Paraguay)

Tel.: (011-54-11) 4805-3032

Fax: (011-54-11) 4806-1209

E-mail: bairs-commerce@dfait-maeci.gc.ca

Internet: <http://www.dfait-maeci.gc.ca/bairs>

The Embassy of the Argentine Republic in Canada

Commercial Division

Tel.: (613) 236-2351

Fax: (613) 235-2659

E-mail: webmaster@argentina-canada.net

Internet: <http://www.argentina-canada.net>



FAST FACTS ABOUT ARGENTINA

Capital:	Buenos Aires
Population:	37 million (2000*)
GDP:	\$285 billion (2000*)
GDP Growth Rate:	0.8% (2000*)
Inflation Rate:	-0.9% (2000*)
Canadian FDI:	\$2.47 billion
Memberships:	ECLAC, WTO, IADB, IMF, INTERPOL, Mercosur, OAS, Rio Group, UN

Major Canadian Exports to Argentina:
electrical machinery, optical equipment, uranium oxides, insecticides, household paper products, news print and seeds

Major Canadian Imports from Argentina:
copper ore, crude oil, prepared meat, preserved food, wine, fruits and juices, peanuts, raw hides and skins

* - estimated



CANADIANS FIND GOOD OPPORTUNITIES IN MERCOSUR

Canadian companies from all industrial sectors are finding opportunities in the countries of Mercosur. The following highlights just some of the Canadian activity in this lucrative and growing market.

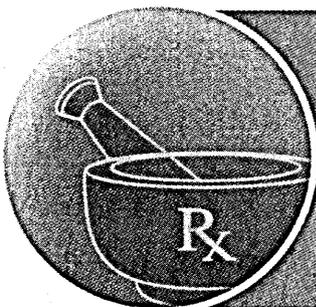
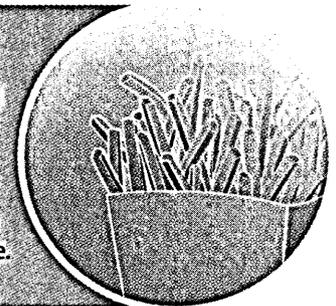


ENVIRONMENT

Zenon Environmental of Ontario, operating in Brazil since 1997, is concentrating on projects for the re-use of industrial wastewater, in a market where water is expensive and new environmental laws are making the discharge of wastewater more and more expensive. The company designed a wastewater-treatment system for a São Paulo theme park that allows for 100% water re-use.

FOOD AND BEVERAGE

Brome Ducks, Ltd., Clearly Canadian Beverage Corp., Food Marketers International (FMI) Ltd. and McCain Foods Ltd. are some of the Canadian companies selling food and beverage products in the Brazilian market. McCain dominates the country's frozen french fries market, through its subsidiary McCain Alimentos do Brasil Ltda. McCain Foods will also be increasing its production capacity in Argentina through construction of a new plant. Currently 60% of the Argentine production is exported to the Brazilian market, while the remainder is destined for Argentina, Uruguay and Chile.



HEALTH AND PHARMACEUTICALS

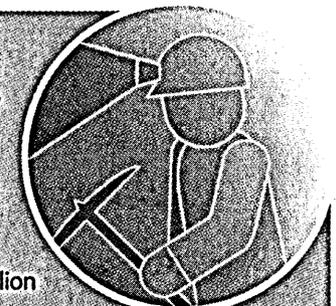
Apotex Incorporated has gained access to the Brazilian pharmaceutical market through a joint venture with Ibfarma. Active in Brazil since 1998, Apotex is positioned to gain market share in Mercosur, once common regulations come into effect in all member countries. The Global Group has also established a joint-venture agreement, with a local São Paulo company, Mobilinea Industria e Comercio de Moveis Ltda, which will manufacture Global's line of products for distribution throughout Latin America. Annual sales exceed \$1 million.

MINING AND ENERGY

The Canadian Consulate in Rio de Janeiro has assisted dozens of Canadian companies in the mining and energy sectors to seal deals in Brazil. During the 1998 Team Canada mission to Latin America, Ontario-based Lakefield Research formed a joint-venture laboratory to provide sample preparation, analytical testing and other services related to the exploration, mining and environmental industries.

Through a local representative, ESBB International Inc. Energy of Quebec recently won a US\$2.5-million contract to supply emergency towers to Brazilian power utility CEMIG.

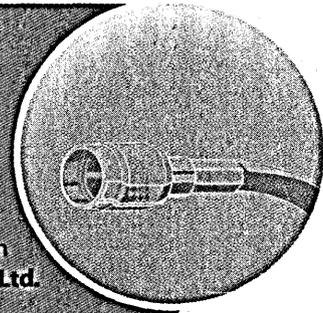
Optech, Inc., Doz Technologies Inc., Altoro Gold Corp. and Barrick Gold are a just a few examples of the many Canadian companies active in Brazil's mining sector, while HydroSoft Energie, AGRA Monenco Inc. and Trench Ltd. have projects in the energy sector.



NEW INFORMATION TECHNOLOGIES

Through an exclusive distributor in Brazil, Vancouver-based **ACL Services Ltd.** is selling its leading audit software to 180 clients, including banks and government agencies. ACL has been providing market-leading technology and services for data inquiry, analysis and reporting since 1987 and has representatives in over 30 countries. Brazil is the company's number one market in Latin America.

Among the many other Canadian IT companies taking advantage of opportunities in Brazil are **Cognos Inc., Corel Corporation, Moore Corporation Ltd., ZTI** and **Oasis Technology Ltd.**



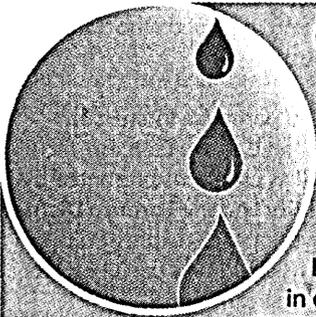
OIL AND GAS

Koch Petroleum Canada, whose activities include heavy oil and gas exploration and production; and crude oil supply, trading and transportation, has acquired 99.99% of the voting capital of Brazilian oil company ATP Petroleo. ATP Petroleo operates in the north-eastern state of Rio Grande do Norte, where it produces 500 barrels of oil per day.

During the past few years, Canadian companies, attracted by favourable business opportunities, have also made large investments in Argentina's oil and gas sector. In November 2000, **Agrium**, in equal partnership with the leading local oil and gas company YPF, began operations of its US\$630-million "Profertil" plan in Bahia Blanca to produce 1.1 billion tons of urea fertilizer per year.

In December 2000, **Canadian Hunter Exploration Ltd.** purchased, for \$75 million, a 15.7% working interest in Sipepetrol Argentina S.A., in the Chihuidos Exploration Permit and the Sierra Chata Exploitation Concession, both in the Neuquen Basin.

Other Canadian companies, including **Alberta Energy Company, Rio Alto** and **Crestar Energy**, are also substantially expanding their activities and increasing their investments in Argentina's oil-field operations.



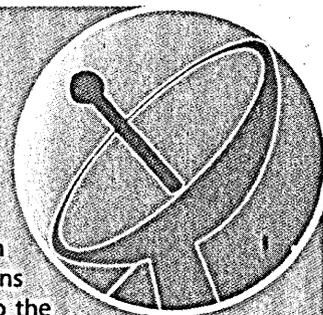
TELECOMMUNICATIONS

Canadian telecommunications companies are also finding ample opportunity in Brazil. Among them are **Bell Canada International Inc., Canbras Communications Corporation, Teleglobe Inc., Telesat Canada, Telesystem International Wireless (TIW) Inc.** and **Spectra Telecom Inc.**

In **Uruguay**, **CGI**, a leading Canadian consulting company, has, since 1994, been working on an institutional strengthening project with ANTEL, the Uruguayan national telecommunications utility. CGI and ANTEL are currently negotiating the terms of a \$US10-million extension to the project. CGI has plans to significantly increase its presence in Uruguay. Last year, CGI assigned regional responsibilities to its office in Montevideo, including the management of their corporate account and project delivery for Allianz (the second most important insurance group worldwide) to their Montevideo Office for all Latin America. CGI is optimistic that several projects, among those it is pursuing in Argentina, Uruguay, Chile and Brazil, will be signed in the months ahead.

Nortel Networks initiated its activities in Brazil in 1990, signing a strategic alliance with a local company, Promon. Since 1998, when Nortel bought its strategic partner's manufacturing facilities in Campinas to comply with Brazilian regulations, the Canadian company has been delivering locally manufactured cellular base stations. Through Nortel's various activities, Brazil has become its major growth market.

Til-Tek Antennas Inc., active in Brazil since 1997, has opened its own offices in São Paulo, using the manufacturing capabilities of its former local representative company. The company is actively selling to B-band operators that are currently installing in Brazil. The market is expected to grow substantially, with Til-Tek holding a competitive edge.



CANADIAN SUSTAINABLE CITIES INITIATIVE

Canadian companies are finding good business opportunities through the Sustainable Cities Initiative (SCI) being undertaken in several cities around the world, including the Brazilian city of **Salvador** and, most recently, the Argentine city of **Córdoba**.

Under the SCI, Canadian private-sector, government and non-profit organizations are joining forces with local authorities and companies to develop integrated strategies and solutions to the range of urban problems generated by rapid urbanization.

A strong and committed partnership has been established in Salvador, particularly in the areas of sustainable economic development and tourism, water and wastewater issues, transportation, sustainable waste management, infrastructure, municipal management, energy management, information technology and smart communities.

In December 2000, 13 Canadian companies met with Córdoba City Hall officers and representatives of local industrial associations during a mission to define the "roadmap" for six areas of co-operation – transportation, water/wastewater, solid waste management, telecommunications, energy, and

sustainable economic development/tourism. The Canadian and local teams agreed that opportunities for business exist in all sectors, through technology transfer, joint venture, consulting services, and sales. There are opportunities for other Canadian companies to join this initiative.

SCHOOL.NET INITIATIVE

A School.Net Mission from Uruguay to Ottawa and Toronto in January 2001 is opening up opportunities for Canadian educational institutions and Information Technology companies. The mission was attended by representatives of the National Administration of Public Education (ANEP), the National Administration of Communications, and the Presidency of the Republic. It highlighted Industry Canada's School.Net program, distance education, continuing professional training, second-language training in public schools, and promotion of the software industry.

The Uruguayan delegates showed particular interest in presentations of School.Net, SkillNet.Ca, and Carleton, McGill and Montreal Universities, as well as programs presented by **Electronics Workbench**, **Centrinity** and the **Toronto District School Board**. The representatives of ANEP expressed their belief that the Canadian programs could be a useful tool for the restructuring of the Uruguayan institution.

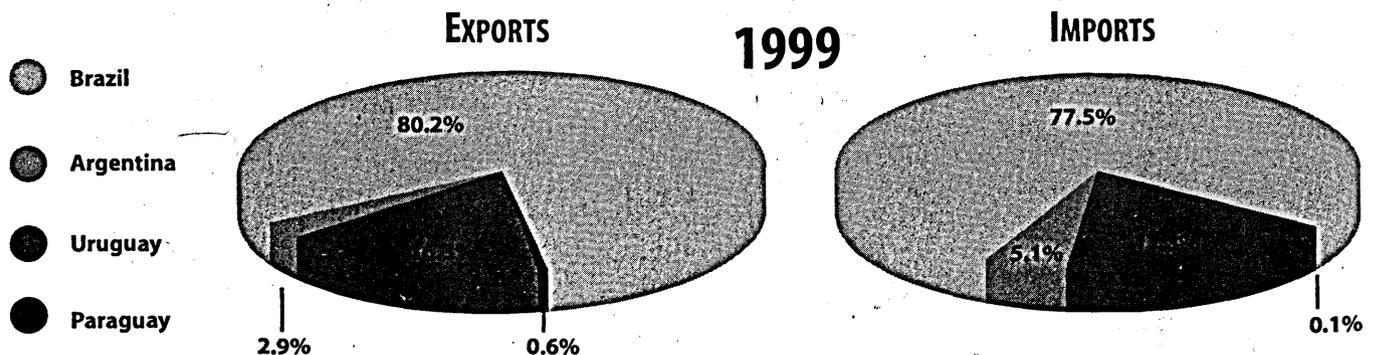
Exports/Imports between Canada and Mercosur Countries, 1999

Trade with Canada (C\$ millions)	1995	1996	1997	1998	1999
Exports to Brazil	1310.6	1428.7	1674.9	1381.8	1037.8
Imports from Brazil	1038.4	1133.6	1314.1	1377.1	1358.7
Two-way Trade	2349.0	2562.3	2989.0	2758.9	2096.5
Balance	272.2	295.1	360.8	4.7	-320.9

Trade with Canada (C\$ millions)	1995	1996	1997	1998	1999
Exports to Argentina	237.4	205.1	409.0	342	211
Imports from Argentina	169.9	186.4	231.4	259	304
Two-way Trade	407.3	391.5	640.5	601	515
Balance	67.5	18.7	177.6	83.3	-93

Trade with Canada (C\$ millions)	1995	1996	1997	1998	1999
Exports to Uruguay	23.0	23.1	24.0	24.0	37.5
Imports from Uruguay	24.7	33.5	66.4	60.8	89.1
Two-way Trade	47.7	56.6	90.4	84.8	126.6
Balance	-1.7	-10.4	-42.4	-36.8	-51.6

Trade with Canada (C\$ millions)	1995	1996	1997	1998	1999
Exports to Paraguay	11.8	6.1	11.1	14.0	7.49
Imports from Paraguay	3.5	2.9	3.3	3.7	1.55
Two-way Trade	15.3	9.0	14.4	17.7	9.04
Balance	8.3	3.2	7.8	10.3	5.94



PARAGUAY

CONNECTING WITH CANADA

Paraguay has an historic connection with Canada. It dates back 75 years to 1926, when 2,000 Canadian Mennonites emigrated to the Chaco region of Paraguay following the passage of legislation requiring English to be the language of instruction in Canadian Mennonite schools. These German-speaking Mennonites were welcomed with open arms by the Paraguayan government of the day, so eager to develop the Chaco region that it allowed the new immigrants to conduct their own schools in German and exempted them from military service. This Mennonite community in Paraguay has since grown to 28,000, with 8,000 holding Canadian citizenship. It is very important in some sectors of the Paraguayan economy, such as the dairy industry.

Today, the government of Paraguay is again reaching out to Canadians. The Paraguayan Ministry of Foreign Affairs is currently sending technical specialists from its Informatics Division to learn more about our Government On-line initiatives. Paraguay views Canada as a model for its own emerging telecommunications industry, and considers this sector ripe for investment. During a five-day session held in Ottawa, the first delegation from Paraguay researched a number of initiatives, including School.Net, an Internet-based distance-education system linking rural schools, and government services distributed over the Web, particularly the software and hardware used by the Department of Foreign Affairs and International Trade (DFAIT) in its Intranet and Internet pages. At first glance, the issue of Internet connectivity might seem far removed from Paraguay's traditional focus on agriculture. However, considering that 50% of Paraguayans live in rural areas, linking such a far-flung population is clearly a priority.

Two-way trade between Paraguay and Canada for the first 10 months of 2000 was \$6 million. Although trade remains limited, some opportunities exist for Canadian goods and services in **agri-business**: seed potatoes, swine and cattle breeding stock/seed/embryos, herbicides and pesticides, and veterinary products; in **telecommunications**: switching stations and data transmission; and in **energy**: hydro distribution, transmission and sale; and oil and gas exploration and distribution. Proposed privatization of the state telecommunications, electricity, oil, and postal companies, though highly controversial, may eventually offer opportunities for Canadian firms. At present, EDC has no facilities set up in Paraguay, but is studying the market on a case-by-case basis.



CONTACTS

The Canadian Embassy in Argentina
Commercial Division (also responsible for Paraguay)
Tel.: (011-54-11) 4805-3032
Fax: (011-54-11) 4806-1209
E-mail: bairs-commerce@dfait-maeci.gc.ca
Internet: <http://www.dfait-maeci.gc.ca/bairs>

The Embassy of the Republic of Paraguay in Canada
Chargé d'affaires: Helena Felip
Tel.: (613) 567-1283
Fax: (613) 567-1679
E-mail: embapar@magmacom.com
Internet: <http://www.magmacom.com/~embapar>

FAST FACTS ABOUT PARAGUAY

Capital:	Asunción
Population:	5.3 million (1999*)
GDP:	\$7.7 billion (1999)
GDP Growth Rate:	0.5% (1999)
Inflation Rate:	6.8% (1999)
Canadian FDI:	N/A
Memberships:	Latin American Integration Association, ECLAC, G-77, WTO, IADB, Mercosur, OAS, Rio Group, UN

Major Canadian Exports to Paraguay:
mechanical and electrical machinery, boilers, tobacco, toys and sports equipment

Major Canadian Imports from Paraguay:
electrical machinery, wood, hides and skins, sugars, spices, coffee and tea

* - estimated

URUGUAY

A MARKET FOR SERVICES

Uruguay, the smallest of the four Mercosur countries, has a long history of democracy and is one of Latin America's pioneers in the implementation of social programs. Its liberal foreign-investment regime, good international credit rating and Mercosur membership combine to make Uruguay an attractive economic partner for Canada. Like Canada, Uruguay has an expanding service-based economy and a well-educated population, ideal for Canadian companies seeking to invest in, or establish, an export operation in Mercosur. Canadian firms can look to the EDC for unrestricted access to insurance and financing programs. As well, the CCC and the Foreign Investment Protection Agreement can lend a helping hand to Canadian businesses new to the region.

Although the economy has not yet fully recovered from the 1999 Brazilian currency crisis, observers predict that the GDP will finally begin to grow in 2001. Two-way trade between Canada and Uruguay, though relatively modest, has nevertheless been increasing. In 1997, it amounted to slightly more than \$90 million and had risen to \$127 million by 1999. Of this, Canadian exports totalled \$37.5 million, and imports accounted for the remainder. The negative trade balance has been offset by the expanding service sector in Uruguay, which is largely favourable to Canadian export interests. Indeed, Canadian companies have obtained service contracts in a number of areas,

notably in telecommunications, forestry and the environment — particularly in water treatment and sanitation. Canada and Uruguay have recently renewed the Memorandum of Understanding on environmental co-operation, which has already spawned transfer projects related to clean technologies, environmental risk-analysis, and oil-spill countermeasures and response.

Canada and Uruguay continue to enjoy friendly diplomatic relations, marked by the opening of the Canadian Embassy in Montevideo and the appointment of the first resident ambassador. President Batlle of Uruguay has underscored the importance of the bilateral relationship by dropping the visa requirements for Canadian visitors to Uruguay. The President's decree was implemented within days of the announcement in November 2000, and the decision was warmly received by the Canadian business community in Montevideo.



FAST FACTS ABOUT URUGUAY

Capital:	Montevideo
Population:	3.3 million (1999)
GDP:	\$19.3 billion (1999)
GDP Growth Rate:	-3.2% (1999)
Inflation Rate:	5.6% (1999)
Canadian FDI:	N/A
Memberships:	Andean Pact (observer), CCC, ECLAC, G-77, WTO, IADB, Mercosur, OAS, Rio Group, UN

Major Canadian Exports to Uruguay:
telephony equipment, computers, plastics, household paper products, news print, potatoes (seed and fresh), lentils

Major Canadian Imports from Uruguay:
meat (beef and lamb), raw hides, fish and seafood, citrus fruit, clothing (gloves and coats), seeds

CONTACTS

The Canadian Embassy in Uruguay
Commercial Division
Tel.: (011-598-2) 902-2030, 901-5755
Fax: (011-598-2) 902-2029
E-mail: mvdeo@dfait-maeci.gc.ca
Internet: <http://www.dfait-maeci.gc.ca/montevideo>

The Embassy of Uruguay in Canada
Commercial Division
Tel.: (613) 234-2727
Fax: (613) 233-4670
E-mail: uruott@iosphere.net
Internet: <http://www.iosphere.net/~uruott>



ASSISTANCE TO CANADIAN EXPORTERS

PROGRAM FOR EXPORT MARKET DEVELOPMENT

From DFAIT's network of trade commissioners, who assist Canadian exporters in over 125 locations around the world, to the federal/provincial/private partnerships of Team Canada Inc., Canadian companies have a wealth of valuable support at their disposal. One example is DFAIT's Program for Export Market Development, which provides financial assistance to companies to develop new export markets on a cost-shared basis. For more information, see <http://www.infoexport.gc.ca> or contact the nearest International Trade Centre at <http://www.dfait-maeci-gc.ca>

THE EXPORT DEVELOPMENT CORPORATION AND MERCOSUR

Canadian companies used EDC trade finance and risk-management services to conduct more than \$45 billion in sales and foreign investments during 2000. About 5% of this business volume was done in the Mercosur countries. In 2000, the volume of Canadian exports and investments that were financed or insured by EDC in the Mercosur countries was \$2.42 billion, a 5% increase over the 1999 volume of \$2.30 billion. To facilitate transactions, EDC has set up various financing facilities in the Southern Cone, including lines of credit with Bank Boston, Banco do Brasil and other financial institutions, as well as direct loans with private-sector organizations such as Codelco, Telefónica de Argentina S.A., Telecom Argentina and YTF S.A., to name but a few. In addition, over the past few years, EDC has participated in more than 10 structured finance projects in Latin America, including the BCP Telecomunicações project in Brazil. To help create new business opportunities and build stronger trade relations between Canadian and Mercosur businesses, EDC has established a permanent representative in São Paulo, Brazil.

CONTACTS

Mr. Claudio Escobar

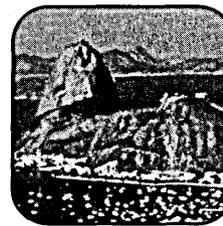
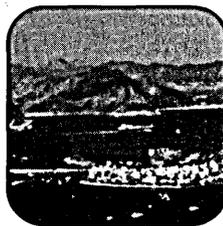
EDC Regional Director for Brazil and the Southern Cone countries
Av. das Nacoes Unidas 12901
CENU Torre Norte, Andar 16
CEP 04578-000, São Paulo SP,
BRAZIL
Tel.: (011-55-11) 5509-4321
Fax: (011-55-11) 5509-4260
Internet: cescobar@edc-see.ca

CANADIAN COMMERCIAL CORPORATION

CCC is an export sales agency wholly owned by the Government of Canada. It partners with Canadian exporters to successfully negotiate and win sales in difficult markets on favourable terms. In particular, CCC provides enhanced and special access for Canadian exporters to foreign governments and international organizations. In 1999-2000, CCC helped Canadian exporters to make sales worth over \$1.1 billion to some 40 countries around the world — a record high. CCC offers a range of export sales, consulting and contract-management services, and access to pre-shipment export financing through its Progress Payment Program. This Program helps small and medium-sized companies that have sales of \$50 million or less and are in good standing with their bank to overcome the difficulties in arranging pre-shipment financing to cover production costs for export sales. For more information, contact CCC at Tel.: (613) 996-0034; toll-free in Canada: 1-800-748-8191; Fax: (613) 995-2121; E-mail: info@ccc.ca; and Internet: <http://www.ccc.ca>

CIDA-INC

Working in co-operation with the Canadian private sector, the Canadian International Development Agency's Industrial Co-operation Program (CIDA-INC) acts as a bridge between commercial and developmental interests. It reduces the risks to Canadian firms by sharing the costs unique to doing business in developing countries and those associated with providing training, the participation of women, and a clean environment. For more information, contact CIDA-INC at Tel.: (819) 953-5444, Fax: (819) 953-5024, E-mail: info@acdi-cida.gc.ca and Internet: <http://www.acdi-cida.gc.ca/inc>



THE CANADIAN COUNCIL FOR THE AMERICAS

Functioning as the primary private-sector link between Canada, Latin America and the Caribbean, the Canadian Council for the Americas (CCA) is a networking and information service that helps to stimulate the expansion of Canadian commercial interests into these regions.

The CCA, which was founded in 1987, has played a key role in Canada's economic relations with the Americas. It now has 600 members coast to coast, ranging from some of Canada's most high-profile companies to newer, emerging enterprises that recognize the value of trading outside Canada.

The CCA is currently chairing the Business Network for Hemispheric Integration, a network of leading business organizations in the Americas, which includes, among its many roles, the promotion of private-sector involvement in the FTAA process.

CCA's Board of Directors includes representatives from both DFAIT and Canadian businesses. The Honorary Board includes ambassadors, high commissioners and chargés d'affaires to Canada. The CCA has branches in Vancouver, Calgary, Toronto and Montreal. Membership enquiries are always welcome at:
E-mail: cca@ccacanada.com
Internet: <http://www.ccacanada.com>

THE FREE TRADE AREA OF THE AMERICAS MINISTERIAL AND THE SIXTH AMERICAS BUSINESS FORUM

The sixth Free Trade Area of the Americas Trade Ministerial will be held April 6, in Buenos Aires, Argentina. The FTAA is the centrepiece of efforts to advance prosperity in the Hemisphere through economic growth and development. The FTAA negotiations, which are an ambitious under-taking among the 34 democratic countries of the Americas, are scheduled to complete a comprehensive free trade deal by 2005. These negotiations hold the promise of creating the world's largest free-trade area with 800 million people and a combined GDP of nearly US\$11 trillion. An FTAA offers Canadian investors and exporters the prospect of greater market access for goods and services, stronger disciplines, protection for foreign investment and improved dispute-settlement procedures.

Canada is committed to the FTAA process and remains actively involved in the negotiations. The Canadian business community has had the opportunity to provide input into the FTAA process through various mechanisms that have been established for this purpose. They will again have a further

opportunity to do so along with business representatives of the other 33 countries at the Americas Business Forum (ABF) in Buenos Aires, April 5 and 6, 2001. Input from the ABF's private-sector delegates will become an integral part of the FTAA process as recommendations are made to trade ministers.

Additional information on the FTAA and the ABF, can be found on the Web sites listed below.

General information: <http://www.dfait-maeci.gc.ca/tna-nac/ftaa>

Canada's negotiating positions and priorities:
<http://www.dfait-maeci.gc.ca/tna-nac/FTAAreport-full-e.asp>

Official FTAA homepage: <http://www.alca-ftaa.org>

The Sixth Americas Business Forum, Buenos Aires:
<http://www.vi-fema-abf.org>

and <http://www.americascanada.org/businesstrade/menu>

The Fifth Americas Business Forum, Toronto:
<http://www.abfcanada.com/english>

USEFUL WEB SITES

MERCOSUR

Official information on Mercosur: <http://www.mercosur.org>
Red Mercosur, Investigaciones Economicas del Mercosur: <http://www.redmercotur.org.uy>

CANADA

Canadian Education Centre in Buenos Aires: <http://www.cecbuenosaires.net.ar>
Canadian missions in Brasilia, São Paulo, Rio de Janeiro: <http://www.dfait-maeci.gc.ca/brazil>
Canadian trade information: <http://www.exportsource.gc.ca>
CCA (Toronto) [Brazil-Canada Chamber of Commerce]: <http://www.cacanada.com/bccc>
CIDA-INC assistance to exporters: <http://www.acdi-cida.gc.ca/inc>
EDC assistance to exporters: <http://www.edc.ca>
Industry Canada's business information site: <http://www.strategis.ic.gc.ca>
International Financial Institutions: <http://www.dfait-maeci.gc.ca/ifinet>

ARGENTINA

Argentina business: <http://www.invertir.com>
Argentine media (English language): <http://www.buenosairesherald.com>
Canadian Argentina Chamber of Commerce: <http://www.argcanham.com.ar>

BRAZIL

Brazilian Central Bank: <http://www.bancocentralbrasil.gov.br>
Brazilian Ministry of Finance: <http://www.fazenda.gov.br>
Camara de Comercio Brasil-Canada, São Paulo: <http://www.ccbc.org.br>
InfoBrazil: <http://www.infobrazil.com>

PARAGUAY

Governments on the WWW: Paraguay: <http://www.gksoft.com/govt/en/py.html>
Paraguay News <http://www.paraguaynews.com>
Worldguide: http://www.lonelyplanet.com/destinations/south_america/paraguay/index.htm

URUGUAY

Governments on the WWW: Uruguay <http://www.gksoft.com/govt/en/uy.html>
Ministry of Foreign Affairs <http://www.mrree.gub.uy/dpc>
Uruguay Investment Agency: <http://www.uruguayxxi.gub.uy>
Worldguide: <http://www.lonelyplanet.com/dest/sam/uru.htm>

Supplement Canada export

Japan's Kyushu/Okinawa region is home to 15 million people, and accounts for five of Japan's top 20 cities, all of which have metropolitan populations in excess of 600,000. The region's GNP is higher than those of Australia and New Zealand combined, and is greater than that of any other Asian country, other than China. In

Kyushu boasts a mix of large, medium and small corporations, which represent a good match for Canadian exporters, especially SMEs. There is less foreign competition here than in many other areas of Japan, thus increasing opportunities for Canadian firms to engage in a business relationship with a local firm and potentially

Kyushu regional market

terms of purchasing power, the area is equivalent to Ontario and Quebec, but is concentrated in an area smaller than Nova Scotia.

Kyushu was the birthplace of Japanese industry: Bridgestone, Nippon Steel, Mitsubishi and other giant corporations. Today, it is known as "Silicon Island" because more than 40% of Japan's integrated circuit production is concentrated here.

Fukuoka, Japan's fourth largest urban centre, is considered by both Japanese and U.S. corporations to be the best market to test new products in Japan because of its demographic profile and openness to new products.

Opportunities

In terms of volume, Canada exports mostly raw materials to Kyushu, such as coal, lumber, grains, beef and canola. These bulk commodities tend to be imported by large Japanese trading houses that purchase these products through their own Canadian offices.

With gradual deregulation, the weakening grip of large trading firms on Japan's import and wholesale sectors, and the fact that Kyushu is very remote from Tokyo, markets are developing for direct imports of more value-added goods, such as processed foods, beverages, building materials, furniture and clothing.



accelerating the rate at which some deals are struck.

Local companies tend to be more receptive than their counterparts in larger cities/central areas, and they tend to be very interested in acquiring new items to differentiate themselves from the competition.

Because the Kyushu region attracts relatively few non-Asian business visitors, Canadian company representatives usually have easier access to decision makers than they would in Tokyo or Osaka.

A recent development in the Kyushu food and consumer product sector was the opening of the country's first Costco store in the spring of 1999. The concept is new to Japan but the company is reporting growing sales and is planning to open more stores in Japan. A number of Canadian products are already on the shelves, and are selling well. Canadian firms that are interested in Costco as an outlet for their products in the Japanese market should check with the Canadian Consulate in Fukuoka for Costco contacts.

Constraints

Canadian companies interested in exploring this market should be aware of the following constraints:

1. **Product adaptation:** Business success in Kyushu (and Japan in general) will depend on the exporter's flexibility in adapting products to meet scrupulous Japanese preferences and buyers' specifications (taste, packaging).
2. **Establishing good relationships:** Kyushu businesspeople attach a high importance to this aspect. Relationship building requires frequent trips to the region.
3. **Language:** The probability that buyers in Kyushu will speak English fluently is lower than in Tokyo or Osaka.
4. **Lack of import experience:** Many potential Kyushu buyers have little experience with import procedures, having traditionally relied on trading houses. The more the exporter is willing to assume the burden of getting the imported product to the buyer and shouldering the associated risks (e.g. currency fluctuations), the better the chances of entering into a direct relationship.
5. **Shipment size:** First-time orders by Kyushu buyers are often not large enough to achieve economical shipping units (i.e. full container loads).
6. **Service:** After-sales service is an important aspect of any transaction; customers value easy access to someone who can understand their requests and take appropriate action quickly.
7. **Others face these barriers too:** Put in the effort, be creative, propose solutions, and you may get ahead of your competitors!

Success stories

One of the largest Japanese importers of Canadian beef is a Kyushu company, and a Kyushu restaurant chain is importing 15,000 cakes (two containers) from Canada each month.

Two Kyushu airlines have purchased Canadian DASH-8 aircraft (well-suited to serve the region's numerous small islands).

There are a number of housing developments across Kyushu, where

Continued on page 12 - Kyushu

The Czech Republic is in the process of enacting new environmental laws to comply with European Union (EU) legislation. The environmental protection policies adopted and implemented in 1995 have already brought tangible results, significantly reducing emissions and

Environmental sector

The Czech Republic

improving air and water quality. These policies largely relate to improving the effectiveness of regulatory instruments, through the use of incentives and increased investment.

The Czech Republic currently applies its Environmental Impact Assessment (EIA) system to a broad range of projects. Emissions and discharges from polluting enterprises must now satisfy national standards. A strong Czech Environmental Inspection program has been implemented to improve and enforce compliance with national laws. Educating the public is a key aspect of the program: economic and environmental data are now easily accessible, environmental reports are published regularly, and application of international environmental standards is increasing.

Large environmental investments approved in the mid-1990s have been directed primarily toward reducing air and water pollution, and cleaning up contaminated soils. Expenditures for environmental protection, financed mostly by the private sector, have risen steadily, reaching 3% of GDP today. Controlling emissions from power stations is a priority. New requirements related to EU legislation suggest that the overall level of environmental expenditure is not likely to decrease in the near future.

Although progress during the transition period has been remarkable, there are still areas of concern. Foreign

companies, either individual or in partnership, which offer expertise and new technologies to solve environmental problems are welcome.

Water

Effluent discharges, particularly from larger municipal and industrial sources,

have been significantly reduced between 1990 and 1997: 54% in suspended solids, 77% in oil substances and a 87% reduction in acidity or alkalinity. Despite these achievements, Czech water quality remains poor. Pollution — nutrients and microbial contamination — continues to plague water reservoirs and small rivers and creeks. A large number of measuring stations continue to use groundwater quality standards that are below the norm.

Waste

The Czech Republic faces a number of problems in the field of waste management:

- mining operations, manufacturing, industry, and utilities produce and accumulate large quantities of waste, with a high proportion of hazardous waste;
- land fill sites are the primary waste disposal systems;
- waste is seldom reused as a source of secondary raw materials and energy;
- many sites remain contaminated by previous industrial and military activities.

There has been a dramatic reduction in the number of inappropriately operated waste disposal facilities (landfills and incineration plants) over the last few years. A "cleaner production" program has encouraged companies to improve efficiencies in

production and to generate less waste. A new Waste Management Act came into effect on January 1, 1998, replacing inadequate legislation. The Act follows principles and approaches adopted in EU waste regulations.

However, recycling and utilization technologies for secondary raw materials remain inadequate, as is the capacity of the recycling industry. Land filling remains the most commonly used waste disposal method, including hazardous waste, for the simple reason that landfill fees are too low to encourage the use of more environmentally sound waste management techniques. Existing incineration capacity, though small, is not fully utilized.

Opportunities

Over the next ten years, the market for environment-related products and services in the Central European region will expand dramatically. As well, national legislation and the demands of the European Union — a precondition of future membership of the EU — will ensure that environment spending in these countries will rapidly rise. Opportunities will become available in waste-water treatment, waste management, recycling techniques, and utilization and recycling technologies for secondary raw materials.

Ideal location

The Czech Republic is well situated to serve Central Europe's fast-growing markets and to satisfy investors' demands for high-quality and cost-effective services.

Skill, quality, productivity

The Czech Republic has a very skilled, and relatively low-cost, workforce. Academic researchers have successfully collaborated with Czech firms, benefiting from the strong technical and design skills offered by the Czech workforce and the stimulation they apply to even small companies. Many of these are owned by former academic researchers as a means to perform their own groundbreaking research.

Continued on page 11 - Czech environment

The Hannover Fair

HANNOVER, GERMANY — April 23 – 28, 2001 — The annual Hannover Fair, held in Hannover's Trade Fair Centre, brings together six of the leading specialty trade fairs under one roof: **Factory Automation, Materials Handling and Logistics (CeMAT), Surface Treatment, SubCon Technology, Energy, Research and Technology.** The event draws top decision makers in technology from around the globe. Last year's show attracted 7,250 exhibitors from 65 countries and 270,000 professional visitors.

Today, with the trend to merge information technology (IT) with mechanical, electronics and electrical engineering, the borders defining the various branches of technology have become blurred. System solutions are increasingly replacing single products. The Hannover Fair is the only international fair to clearly demonstrate this trend.

CZECH ENVIRONMENT

— Continued from page 10

Government incentives

The Czech government uses a range of incentives to encourage foreign investors, such as national incentives, which are offered to substantial investments of more than US\$10 million. Other benefits are available for smaller projects in certain parts of the country. Some special incentives are used to promote the production and sale of products that reduce energy consumption and lower pollution levels.

For more information, contact: Jitka Vrbova, Commercial Officer, Canadian Embassy, Prague, tel.: (011-420-2) 7210 1863, fax: (011-420-2) 7210 1894, e-mail: jitka.vrbova@dfait-maeci.gc.ca *

The Hannover Fair also provides exhibitors with a chance to participate in an event known as the **Global Business Forum**, with the theme "Where New Economy Meets Global Industry". Here, exhibitors and companies offering services, concepts and platforms for global trade can present their products to an international audience and perhaps establish new contacts. The Forum is being organized by Local Global, Germany's leading Internet organization for exporters. Activities will include panel discussions, seminars, multi-media presentations and service stands.

A wide range of organizations are eligible to participate in the **Global Business Forum**. These include government bodies; organizations associated with special economic or free trade zones, chambers of industry and

commerce, organizations associated with business databases and B2B; trade and business promotion agencies, multinational institutions; banks; financial service providers; consultants; trading companies; publishing companies; and industry associations.

For more information on the **Global Business Forum**, contact Ricarda Binder, tel.: (011-49-0) 711-225588-20, fax: (011-49-0) 711-225588-1, e-mail: blinder@local-global.de

For more information on the Hannover Fair, contact Jennifer Cooke, Deutsche Messe AG, tel.: 1-800-727-4183, fax: (416) 364-6557, e-mail: comar@hfcanada.com Web site: www.hfcanada.com or www.hannovermesse.de

For further information on the industrial machinery market in Germany, contact John Schofield, Consul and Senior Trade Commissioner, Canadian Consulate, Düsseldorf, tel.: (011-49-211) 1 72 17 17, fax: (011-49-211) 35 91 65, e-mail: john.schofield@dfait-maeci.gc.ca Web site: www.canada.de *

Chicago

— Continued from page 6

- 193,551 business establishments, ranking it third in the U.S.;
- America's fourth largest technology region, ahead of Boston, according to Forbes
- Venture capital investment increased 850% in 2000 over 1999;
- More computer programmers than any other American metropolitan area — 235% more than in Silicon Valley;
- Home to 7 of the 30 leading e-consultancies; and
- The world's only interconnection point for international advanced networks: more data flows through Chicago's Internet infrastructure than anywhere else in the world.

For more information, contact Pat Fera, U.S. Business Development Division, DFAIT, tel.: (613) 944-9475, fax: (613) 944-9119, e-mail: pat.fera@dfait-maeci.gc.ca *

Divelink

— Continued from page 3

Team Canada mission to Beijing, Shanghai and Hong Kong last month. Tchao may well again return home with orders for more than seafood.

For more information, contact Claude Tchao, CEO, Divelink, tel.: (604) 273-1419, fax: (604) 273-9217, e-mail: mgmt@teamgroup.bc.ca Web site: www.divelink.net *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Team Canada Success Story".)



IFInet is your Internet gateway to procurement business funded by International Financial Institutions (IFIs) and UN agencies.
www.infoexport.gc.ca/ifinet/menu-e.asp

Hong Kong has a computerized identity card system that is fast approaching the limits of its capacity. Last October, the government's Security Bureau announced a proposal to move to multi-application smart

Possible non-immigration applications include: drivers' licences; reporting changes of address to government departments through information kiosks linked to the Electronic Service Delivery system;

The APCS also presents opportunities. A special Immigration Department task force is to review the feasibility of introducing the APCS in Hong Kong. A consultant study will examine compatibility with the current system.

Smart identity card system proposed

Opportunities in Hong Kong

cards with embedded memory chips capable of storing thumb prints, facial portraits and personal data. Estimated to cost \$600 million, the new smart ID card system could be up and running by early 2003.

library cards; storage of digital certificates (electronic IDs issued by the certifying authority for use in e-commerce transactions); and the provision of financial

infrastructure (e.g., e-purse).

Further feasibility studies and consultations on such applications are required before they can be implemented.



Multiple applications

The first government agency to implement the system will be the Hong Kong Immigration Department, which is responsible for issuing IDs. Basic data to be recorded on the card's memory chip include personal particulars such as name, date of birth, a photograph and thumb prints.

A swipe of the card and provision of a thumb print will enable a special reader to instantly show the names and other details of a traveller between Hong Kong and mainland China. The card is expected to have a 10-year life, during which it could be swiped a minimum of 100,000 times.

The smart card system will also enable law enforcement officers to track down illegal immigrants and those who overstay their permits: the reader will indicate whether a person's stay permit is valid. In addition, the card will be the foundation for an eventual Automated Passenger Clearance System (APCS) planned for introduction by the Immigration Department.

Multiple opportunities

A consultant study completed in mid-2000 explored some products, technologies and services related to the smart ID card system. Specifications for the system will be based partly on the items already examined in the study, with additional input from the Immigration Department. Areas of opportunity for Canadian companies include:

- polycarbonate cards and memory chips;
- ID card readers and ID card personalization equipment;
- thumb print scanners and readers;
- photo capturing systems;
- data-cryptographic technologies and systems;
- computer stations and servers; computer imaging systems and computer software;
- technologies and techniques for data protection; and
- privacy impact assessment services at various stages of the project.

The procurement process for the new ID card system will be by open tender through the Hong Kong Government Supplies Department. To receive calls for tenders, expected to be issued in February/March 2001, register with: Supplies Officer (Supplier Registration), tel.: (011-852) 2231-5289, fax: (011-852) 2807-2764, Web site: www.info.gov.hk/gsd/tender.htm

The Immigration Department will play a key role in implementing the system. Companies are advised to contact Raymond W.M. Wong, Principal Immigration Officer, Information Systems Development, tel.: (011-852) 2829-3829, fax: (011-852) 2824-1675.

For more information, contact: Eunice Wong, Commercial Officer, Consulate General of Canada in Hong Kong, tel.: (011-852) 2847-7414, fax: (011-852) 2847-7441, e-mail: eunice.wong@dfait-maeci.gc.ca Web site: www.hongkong.gc.ca *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Roadmap to China and Hong Kong")

Kyushu regional market

— Continued from page 9

Canadian technology or building materials (doors, windows, kitchens, flooring, etc.) are being used. These Western-style houses open the door to exports of Canadian furniture.

A Kyushu company is importing Canadian luxury cabin cruisers and distributing them across Japan.

For more information, contact Josiane Simon, Consul and Trade Commissioner, Canadian Consulate, Fukuoka, tel.: (011-81-092) 752-6055, fax: (011-81-092) 752-6077, e-mail: josiane.simon@dfait-maeci.gc.ca *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "A Yen for Japan")

The International Business Opportunities Centre (IBOC) provides a matching service — connecting foreign buyers with Canadian companies. The Centre provides timely, relevant and targeted business leads from the desks of foreign buyers to the doorsteps of Canadian companies.

The following lists some of the Centre's current trade opportunities — for a wider selection, visit the Web site at www.iboc.gc.ca/webleads/webleads.asp

Canadian exporters needing assistance in preparing international bid documents may want to use the international contracts expertise and services offered by the Canadian Commercial Corporation. This Crown Corporation is located at 50 O'Connor Street, Suite 1100, Ottawa, ON K1A 0S6, tel.: (613) 996-0034, fax: (613) 995-2121.

INDIA — Welding Trolley with Magnetic Tracks — Bids are invited from experienced manufacturers or their authorized representatives for tender no. 6013015001 for three welding trolleys with magnetic tracks, as per spec no. RCF/EL/MTC/ Welding Trolley/99. Cost of bid documents: Rs. 2000 (US\$ 200). Closing date: April 10, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010116-00137. For details: www.iboc.gc.ca/webleads.

International Business Opportunities Centre

[asp?id=1617en](http://www.iboc.gc.ca/webleads.asp?id=1617en) (Notice received from the Canadian High Commission in New Delhi.)

HONG KONG — Development of Integrated Registration Information System and IT Services — The Government Supplies Department has issued an invitation for tender ref. PT/0444/2000 (AA310732000) for the development of an Integrated Registration Information System (IRIS) and the provision of IT services for the Land Registry. An on-site survey including documentation review and business environment familiarization for the tenderers will be arranged by Land Registry. Tenderers can register up to three representatives for the on-site survey. (Visit the Web site at www.info.gov.hk/landreg). Closing date: April 20, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010129-00332. For details: www.iboc.gc.ca/webleads.asp?id=1677en (Notice received from the Canadian Consulate General in Hong Kong.)

BOSNIA and HERZEGOVINA — Privatization of Grain Processing/Food Production Co. — Sarajevo's Cantonal Privatization Agency announces a public invitation to bid on Klas DD Sarajevo through an international open tender. Some of Klas products are: mill products (wheat flour, wheat farina — gris corn flour); baker products (a large variety of breads and rolls, filo, bread crumbs, confection

products); pasta (20 varieties of egg pasta, 13 varieties of pasta with additional ingredients); sweets: halva, cookies, biscuits, industrial cakes, waffles. Applicants are required to disclose the party for whom they are acting and must attach precisely defined authorization. Additional information, a brief company profile, the rules of tender, bid form, confidentiality statement and draft share purchase agreement are also being posted on the following Web site: www.apf.com.ba Closing date: April 24, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010201-00389. For details: www.iboc.gc.ca/webleads.asp?id=1693e (Notice received from the Canadian Embassy in Sarajevo.)

BOSNIA and HERZEGOVINA — Privatization of Wood Processing Company — Sarajevo's Cantonal Privatization Agency announces a public invitation to bid on Bjelasnica DD Hadzici through an international open tender. Bjelasnica has two main product lines offering a variety of lumber and wood products: sawmill products consisting of processed fir, spruce and beech logs; and construction joinery producing wooden palettes; doors and door frames; windows and window frames; and floor and wall panelling. Additional information, a brief company profile, the rules of tender, bid form, confidentiality statement and draft share purchase agreement are also being posted on the following Web site: www.apf.com.ba Closing date: April 24, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010201-00390. (Notice received from the Canadian Embassy in Sarajevo.)

IBOC trade opportunities — find out more at www.iboc.gc.ca *



International Business Opportunities Centre

As Team Canada Inc's Sourcing Centre, the International Business Opportunities Centre (IBOC) matches business opportunities from around the world with the business interests of Canadian exporters, particularly small and medium-sized enterprises. IBOC offers a value-added service to trade commissioners by directly contacting Canadian companies about foreign trade leads.

To pursue our international trade leads, check out our Web site at www.iboc.gc.ca (particularly our E-Leads® and Web-Leads®).

Annual Cross-Border Exchange in Buffalo

BUFFALO, NEW YORK — April 5, 2001 — A dynamic "Canadian-American Medical Corridor" is emerging in the region stretching from Toronto through Buffalo to Rochester, New York, home to more than 850 life sciences companies — the fourth largest concentration in North America!

The Health Care Industries Association (HCIA) in upstate New York invites Canadian medical companies to seek strategic partnerships at the **5th Annual Cross-Border Exchange** in Buffalo. Since it was initiated in 1996, over 100 medical equipment manufacturers/service firms/research institutions from both sides of the border attend each year to network, receive regulatory updates from the experts and, most importantly, to find partners to market their products and services to the rest of the world. Several alliances have been created over the years including Pharmax Ltd. of Toronto with STS DuoTek in Rochester, New York; and

Specialty Paper Products, of Unionville, Ontario, with BCG Medical in Buffalo, New York.

The Canadian Consulate General in Buffalo along with the Association of Ontario Medical Manufacturers (AOMM), the Health Care Industries Association (HCIA) of upstate New York, Ontario Exports Inc. and Empire State Corp. are co-sponsors of this event. The full-day program will include updates from both Health Canada and the U.S. Food & Drug Administration, as well as panels on buying consortiums, border management, reimbursement and a keynote speaker from the U.S. Medical Device Manufacturers Association (MDMA).

For more information, visit the Web sites: www.aommcanada.com and www.wnyhcia.com or contact Mary Mokka, Business Development Officer, Canadian Consulate General, Buffalo, tel.: (716) 858-9556, fax: (716) 852-4340, e-mail: mary.mokka@dfait-maeci.gc.ca Web site: www.canada-congenbuffalo.org *

Environment 2001 Conference in Tel Aviv

TEL AVIV, ISRAEL — May 1-3, 2001 — The Department of Foreign Affairs and International Trade (DFAIT) will participate in the first **International Conference and Exhibition for Environmental Technologies**. This event will showcase environmental goods, services and technologies from Israel and around the world, and will serve as a venue to discuss Israel's environmental challenges and the interconnectedness of regional solutions and activities in the entire Middle East region.

Canadian companies are invited to participate in this trade fair and international conference. The booth — where participating firms can display material, hold meetings, and make presentations over the three-day event — is one of a number of

planned activities aimed at profiling Canadian companies, highlighting Canadian expertise and facilitating contacts with prospective buyers, partners and agents. The Canadian Embassy will tailor one-on-one meetings, roundtable seminars, site visits and hospitality events as part of an individualized program to provide participants with the most in-depth exposure to this market.

The Middle East is a huge market with a population of more than 200 million. Rapid growth and industrialization have brought about serious problems of air pollution, water quality and treatment, and disposal of hazardous and solid waste. **Environment 2001** will serve as a forum for discussion of timely solutions to environmental problems

Plast-Ex 2001



THE CANADIAN
TRADE COMMISSIONER
SERVICE

TORONTO — April 30- May 3, 2001 — The Canadian Trade Commissioner Service will have a major presence at **Plast-Ex 2001**, North America's second largest plastics show. **Plast-Ex** is expecting close to 500 exhibitors and nearly 12,000 industry participants from around the world. They will all be there — resin producers, mould makers, producers of plastics products and machinery makers.

Plast-Ex is an international event and a great occasion to meet with trade commissioners and learn about export opportunities. Make your plans early!

For more information, visit the **Plast-Ex** Web site at www.plastex.org or contact Ken Cumming, DFAIT, at (613) 944-0117.

www.infoexport.gc.ca

facing Israel and the Middle East region.

For more information, contact Elaine Butcher, Middle East Division, DFAIT, tel.: (613) 944-6994, fax: (613) 944-7975, e-mail: elaine.butcher@dfait-maeci.gc.ca or Atalia Kahan, Senior Commercial Officer, Canadian Embassy, Tel Aviv, tel.: (011-972-3) 636-3351, fax: (011-972-3) 636-3385, e-mail: atalia.kahan@dfait-maeci.gc.ca or visit the Web site at: www.environment-israel.com *

BANGKOK, THAILAND — May 16-20, 2001 — Environmental technology takes the spotlight at **Entech/Pollutec Asia 2001**, the 11th International Exhibition of Environmental Protection and Pollution Control Technology and Thailand's largest environmental trade show. Organized by Miller Freeman Thailand, the event will be held this year at the new Bangkok International Trade and Exhibition Centre.

In 2000, the show featured over 150 exhibitors from 24 countries, attracting close to 30,000 visitors. This year, 200 exhibitors from 25 countries have signed up, and attendance should set a new record.

At the high-profile event, companies showcase their technologies,

Entech/Pollutec Asia 2001 in Bangkok

learn about the latest opportunities in the Thai environmental market, and establish business relationships with government agencies and local private firms.

Investment in environmental protection and pollution control is on the increase in Thailand. To learn about opportunities for Canadian firms in the Thai environmental sector, visit: www.infoexport.gc.ca/main-e.asp?act=9&sid=584&oid=291&cid=50

For more information, contact:

- Commercial Section, Canadian Embassy, Bangkok, tel.: (011-66-2) 636-0540, fax: (011-66-2) 636-0568, Web site: www.dfait-maeci.gc.ca/bangkok/frame-e.asp?PAGE2=trade/menu-e.htm

[bangkok/frame-e.asp?PAGE2=trade/menu-e.htm](http://www.dfait-maeci.gc.ca/bangkok/frame-e.asp?PAGE2=trade/menu-e.htm)

- Carolyn Knobel, Third Secretary (Commercial), e-mail: carolyn.knobel@dfait-maeci.gc.ca
- Surin Thanalertkul, Commercial Officer, e-mail: surin.thanalertkul@dfait-maeci.gc.ca
- Patcharin Jedadajin, Project Manager, Miller Freeman Thailand, tel.: (011-66-2) 642-6911/-6918, ext. 24, fax: (011-66-2) 642-6919/-6920, e-mail: patcharin@thai-exhibition.com Web site: www.thai-exhibition.com or www.thai-exhibition.com/Entech_Pollutec_Asia/entech_pollutec_asia.htm ★

Seoul's largest environmental trade show

SEOUL, KOREA — June 11-14, 2001 — **Envex 2001** is the largest annual environmental trade show in Korea and is the best place to meet Korean environmental industry leaders and a local partner. At **Envex 2000**, 216 companies exhibited, 40% of which were from outside Korea. The Canadian Embassy in Seoul is organizing a Canadian Pavilion and will offer exhibitors:

- pre-show evaluation of market prospects
- identification of qualified contacts
- a briefing on doing business in Korea
- a Canadian environmental technology showcase seminar
- one-on-one meetings following the seminar
- free interpreting services

Deadline for registration for the Canadian Pavilion is **March 20, 2001**.

Background

By 2005, the Korean government plans to spend \$98 billion on the environment, of which \$45 billion will be used to build 600 environmental facilities. Korea is currently 55% short of sewage treatment plants and 90% short of waste incineration plants.

The Ministry of the Environment (MOE) priorities are water quality (approximately 50% of the MOE budget), solid waste management, and air quality. Water quality is especially critical because of the deterioration of drinking water sources for major cities, including Seoul. Solid waste management is becoming a pressing concern as existing landfill sites fill up. Volatile organic compounds and urban ozone are the main air quality issues.

The Korean market offers good opportunities for Canadian suppliers of advanced water treatment technologies, in particular those used for recycling water. The best way to penetrate the market is through an alliance with a local manufacturer who performs final assembly with high-tech components imported from the Canadian supplier.

For more information, contact Yon-Ho Choi, Commercial Officer, Canadian Embassy, Seoul, tel.: (011-82-2) 3455-6051, fax: (011-82-2) 755-0686, e-mail: envex@seoul.gc.ca ★

Canadian Lifestyle Showcase in Japan

KOBE, JAPAN — April 26-May 8, 2001 — The Canadian Consulate General in Osaka will hold a **Canadian Lifestyle Showcase** as part of this spring's "Think Canada 2001" campaign. The Showcase will be held in central Kobe during the popular "Golden Week".

Canadian companies interested in pursuing the Japanese market will have the opportunity to access the lucrative Kansai consumer base. The show will feature a demonstration of Canadian lifestyles, and will

include products such as fashionable coats, sweaters, outerwear, sporting goods, outdoor activity equipment, household furniture, interior accessories, as well as fine foods and beverages.

For more information on participating, either in person or through a representative, contact the Canadian Consulate General in Osaka, tel.: (011-81-6) 6212-4910, fax: (011-81-6) 6212-4914, e-mail: osaka.htech@dfait-maeci.gc.ca ★

Making Trade Shows Work

Once again, the seminars, **Making Trade Shows Work**, with North America's foremost trade and consumer show expert Barry Siskind will be offered across Canada. In just one day, Barry will take you through his step-by-step approach guaranteed to double your trade show results. Registration for the full day is \$175.

Mention that you read about this in *Canadalexport* and receive a \$25 discount.

WINNIPEG — March 15

NIAGARA FALLS — April 4

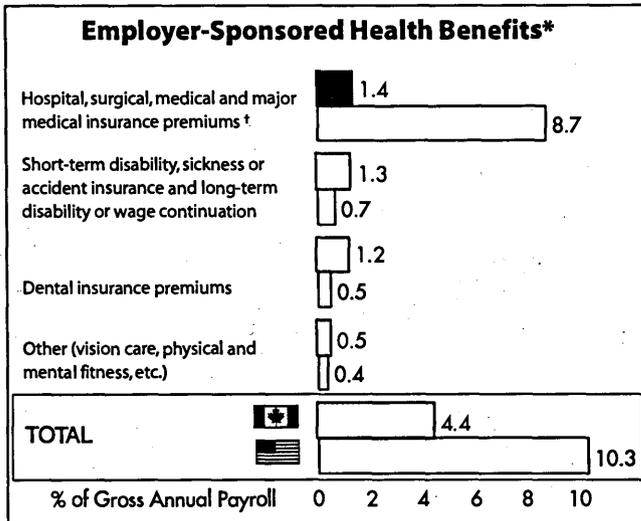
SAINT JOHN, N.B. — April 26

EDMONTON — May 16

For more information, call 1-800-358-6079 or visit www.siskindtraining.com *

Canadian business costs show hidden savings

- **Lower health care costs:** Health care costs in Canada, as a percentage of the annual payroll, are 22% lower than in the U.S. — 2.1% compared with 9.6%.*
- **Lowest payroll taxes:** Payroll taxes are lower in Canada than in any other G-7 country — 16.3% vs. 24.9% in the U.S.^A
- **Lower statutory and employer benefits:** Canada ranks significantly lower than the U.S. as benefits, Canadian employer-sponsored plans and time not worked are only 27.1% of salary and wages compared to 41.7% in the U.S.*
- **Lower premiums and liability:** Workers' compensation in Canada applies lower premiums and limits company liability, unlike the U.S. where unlimited liability is the norm.



^A Source: *Revenue Statistics, Organization for Economic Co-Operation and Development (OECD), 1965/98.*

For more information on investing and doing business in Canada, click on www.investincanada.gc.ca or call (613) 941-0354, fax: (613) 941-3796, e-mail: lanoy.louise@ic.gc.ca

Canada Export Awards 2001



Apply now for recognition as one of Canada's top exporters!

"The Canada Export Awards have given us fantastic visibility both domestically and internationally," said Med-Eng Systems Inc. Director of Marketing Bogdan Capruciu. "It is a way of saying thank you for the work we've done." Third-time winner of a Canada Export Award, Med-Eng Systems Inc. of Ottawa also received the Lifetime Achievement Award in 2000.

The application deadline for the 2001 awards is March 31.

For more information or to obtain an application form, visit the **Canada Export Awards Web site** at www.infoexport.gc.ca/awards-prix or contact Lucille Latrémouille-Dyett, Canada Export Awards Officer, DFAIT, tel.: (613) 944-2395. *


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exportsource.gc.ca

Enquiries Service

DFAIT's Enquiries Service provides counselling, publications, and referral services to Canadian exporters. Trade-related information can be obtained by calling 1-800-267-8376 (Ottawa region: 944-4000) or by fax at (613) 996-9709; by calling the Enquiries Service FaxLink (from a fax machine) at (613) 944-4500; or by accessing the DFAIT Internet site at www.dfalt-maeci.gc.ca.

Return requested if undeliverable:
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Ottawa, ON K1B 3V9

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TEAM CANADA 2001: MISSION ACCOMPLISHED

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- 16 Conferences/Seminars/ Meetings

On February 17, Team Canada 2001 concluded a week-long mission to Beijing, Shanghai and Hong Kong, scoring \$5.7 billion in new deals for Canadian enterprises and strengthening the intergovernmental ties between Canada, China and Hong Kong.



Photo: Randy Lagerway

Team Canada 2001 was the largest trade mission in Canadian history, with over 600 business delegates, eight provincial premiers, three territorial leaders, the Minister for International Trade and the Secretary of
Continued on page 12 - Team Canada

Alexandre Lafleur, Andrea Wang, Minister for International Trade Pierre S. Pettigrew (third from left) and 12 year old Keith Peiris (Cyberteks Design) discuss the teenagers' businesses at the Team Canada networking event for Young Entrepreneurs held February 16 at the Peninsula Hotel in Hong Kong.

A fountain of leads for environmental mission **Texas-Mexico border water market**

Canadian participants in the Trade Team Canada environmental mission to the Texas-Mexico border region, February 4-9, received a welcoming "abrazo" (embrace) from the environmental business communities in San Antonio and Laredo, Texas, and Nuevo Laredo and Monterrey, Mexico.

Tom Wright, Director General at Industry Canada (IC) led the 32-delegate mission, an interagency effort leveraging the resources of the Canadian Consulate General in Dallas, the Canadian Consulate in Monterrey, the Canadian Commercial Corporation (CCC), the Canadian International Development Agency (CIDA), and the Export Development Corporation (EDC). The North American Development Bank (NADBank) in San Antonio, Texas, co-sponsored the Mission and enlisted the participation of municipalities on both sides of the

The mission, which focused on the water/wastewater environmental sector, produced firm leads and contract proposals, thereby establishing a foothold for Canada's environmental industry in one of North America's most dynamic regional markets.

Continued on page 6 - Texas-Mexico

Vol. 19, No. 5 -
March 15, 2001

CANADIAN COMMERCIAL CORPORATION
(See supplement inside.)

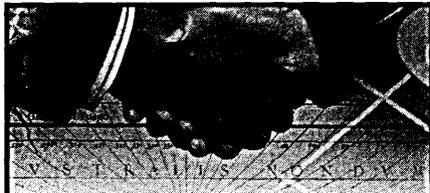
International Business Opportunities Centre

The International Business Opportunities Centre (IBOC) provides a matching service — connecting foreign buyers with Canadian companies. The Centre provides timely, relevant and targeted business leads from the desks of foreign buyers to the doorsteps of Canadian companies.

The following lists some of the Centre's current trade opportunities — for a wider selection, visit the Web site at www.iboc.gc.ca/webleads/webleads.asp

Canadian exporters needing assistance in preparing international bid documents may want to use the international contracts expertise and services offered by the Canadian Commercial Corporation. This Crown Corporation is located at 50 O'Connor Street, Suite 1100, Ottawa, ON K1A 0S6, tel.: (613) 996-0034, fax: (613) 995-2121.

CROATIA — Laboratory Equipment for Milk Reference Laboratory — Croatia has received a loan from the International Bank for Reconstruction and Development towards the cost of the Farmer Support Services Project. It is intended that part of the proceeds of this loan be applied to eligible payments under the contract for procure-



International Business Opportunities Centre

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To pursue our international trade leads, check out our Web site at www.iboc.gc.ca (particularly our E-Leads® and Web-Leads®).

ment of laboratory equipment (for milk reference laboratory). The Ministry of Agriculture and Forestry invites sealed bids from eligible bidders for the supply of laboratory equipment in five lots: Lot 1: Vertical autoclave, analytical balance, precision balance, ultra-pure water purification system, general glassware washing machine; Lot 2: Laboratory research microscope; Lot 3: Apparatus for milk and milk products analysis, apparatus for bacteria counting in milk, near-infrared reflectance analyzer; Lot 4: Viscosimeter for rheological measurements; Lot 5: Scanning UV/VIS spectrometer, HPLC system (for food analysis), gas chromatograph, Macro Kjeldahl system, high-temperature microwave muffle furnace. Bidders may bid for one or more lots, but the bid for each lot must be complete and separate. Cost of bid documents: US\$150. Closing date: April 18, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010212-00507. For details: www.iboc.gc.ca/webleads.asp?id=1775en (Notice received from the Canadian Embassy in Zagreb, Croatia.)

THAILAND — Development of Integrated Registration Information System and IT Services — The Electricity Generating Authority of Thailand is

inviting bids for the supply of 1,250 tons of aluminum ingots for electrical conductor for the 500 kV Pluak Daeng-Nong Chok Junction Transmission Line under the 500 kV Transmission System Project for Independent Power Producers. Cost of bid documents (available till April 25, 2001): US\$90. Closing date: May 10, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010202-00399. For details: www.iboc.gc.ca/webleads.asp?id=1716en (Notice received from the Canadian Embassy in Bangkok, Thailand.)

INDIA — C.N.C. Turning Centre — Under global tender no. G-47/2001 - COFMOW/G, section no. 206/2001, the Indian Railways, Central Organisation for Modernisation of Workshops, on behalf of the President of India, invites bids from experienced manufacturers

Continued on page 11 — Opportunities

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canadexport

David Simpson and Michael Start are virtual celebrities in Beijing these days. The principals of DFS Smith Carter Architects & Engineers in Joint Venture are finding their faces plastered on Chinese billboards and magazine back covers. They give ultimate credit for the attention — for themselves and their unique housing development project — to Dr. Henry Norman Bethune, whose folk-hero status among the Chinese has made Canadians, and things Canadian, welcome in China.

Norman Bethune, a Canadian medical doctor who lived, and died, in China in the late 1930s, trained thousands of Chinese to be medics and saved lives

called the Rose Garden. Work on the master plan began in August 2000 and is nearly complete. Construction on



Unique housing project in Beijing

Building on Bethune

with the mobile blood transfusion unit he invented.

"Canadians owe a big debt of gratitude to Dr. Bethune," says Simpson. "When I'm introduced as a Canadian to Chinese people, often their first words are 'Norman Bethune.' He's our Ambassador for Canada."

Firms behind famous Canadian buildings

The joint-venture partners have been teaming up for projects for the past six years. Their respective individual companies are behind many famous Canadian buildings.

DFS Inc. Architects, with 32 employees in offices in Montreal and Saint John, is renowned for designs such as Ottawa's Chateau Laurier, while Winnipeg-based Smith Carter Architects & Engineers Inc., with nearly 100 employees, has designed many Canadian embassies.

The joint-venture firm's most recent offshore contract is with a private Beijing developer for the design of a master plan for a wealthy subdivision,

the first five houses is expected to be finished by spring 2001, and 250 more are expected by the end of the year.

Unique blend of West and East

The houses are a unique mingling of Canadian technology with the ancient Oriental principles of feng shui, the practice of balancing the invisible lines of energy (chi) in the environment thought to influence the course and quality of life.

The house exteriors will reflect a North American, in particular Canadian, appearance, and will incorporate technology — vapour barrier, building envelope, central air conditioning and heating — previously unheard of in Beijing.

While Canadian technology is an obvious selling point, it is not the sole reason the architects' faces are being publicized. "While it's a little unnerving seeing our pictures in the media, I realize we're also here for our marketability as Canadians," says Simpson. "Western lifestyle is very popular right now among educated and well-off Chinese."

Bridging the cultural gap

Despite their marketability, the Canadians nevertheless have had a huge cultural gap to bridge, particularly in developing business relations. Fortuitously, in that regard, both architectural firms have in their employ architects fluent in both Mandarin and English.

"Between us, we have four Mandarin-speaking employees," explains Simpson. "Their involvement in the negotiations has substantially increased the confidence of our client. Most of the trust we've earned has been through their ability to speak frankly about us and our capabilities."

Evidence of how strong that trust is becoming is the number of introductions the Canadians are receiving from their Beijing developer. "As a result of our delivering on our contract, our client is introducing us to his friends and associates," says Simpson. "There are spin-offs all over the place."

Team Canada enhances credibility

The partners have also benefited from joining the recent Team Canada

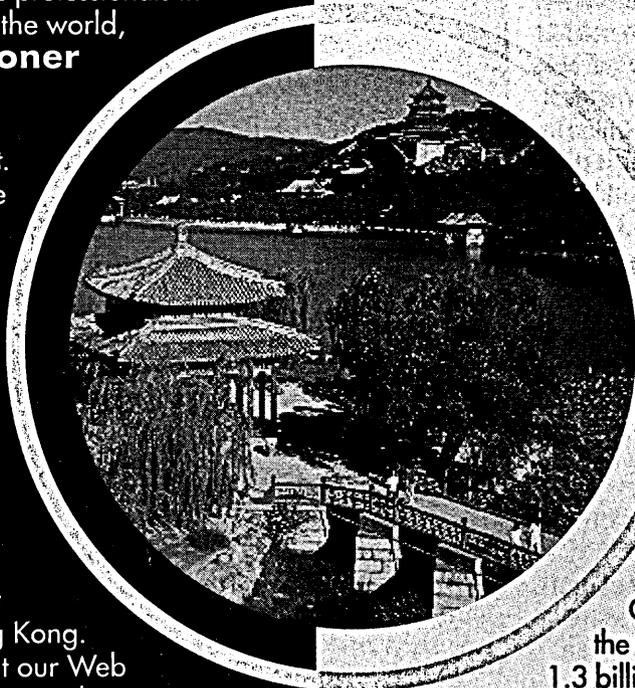
Continued on page 11 - Smith Carter

CHINA AND HONG KONG

With a team of 500 business professionals in more than 130 cities around the world, the **Trade Commissioner Service** has the market knowledge you need to succeed in your target market. Our Market Research Centre and our offices abroad have prepared over 600 market studies available for free on our Web site. These studies will help you identify foreign business opportunities and learn more about your target market.

The following is a brief overview of various market studies on China and Hong Kong. To read the full reports, visit our Web site at www.infoexport.gc.ca. When you are prepared to do business abroad, you can use our Web site to get in touch with our offices around the world and request personalized services electronically.

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Market Study Easier for C

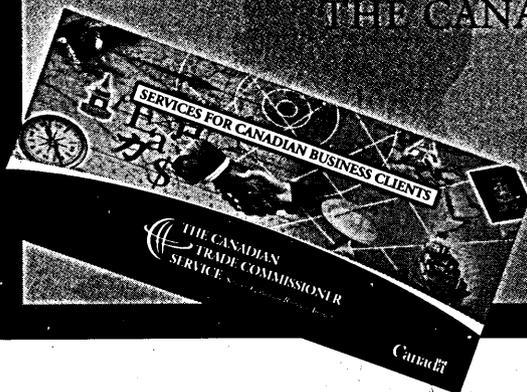
Tomorrow's Markets
Together, China and Hong Kong represent Canada's third-largest trading partner. In 1999, Canada's bilateral trade with these markets totalled \$13.9 billion.

China's economy has more than quadrupled since the start of economic reform and market liberalization in 1978. Its GDP now ranks seventh in the world. With a population of 1.3 billion, 30% of whom are under the age of 15, China is a large, and complex collection of regional markets.

For its part, Hong Kong experienced exceptional growth in 1999-2000. Its openness to trade and its unique position as one of the main ports of entry

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See insert for your sectoral contacts in China and Hong Kong.



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to the Chinese market make it attractive to Canadian businesses in various sectors. Hong Kong's population currently stands at 6.8 million and is growing rapidly. It is expected to reach 8.9 million by 2016.

Opportunities

Although more than half of Canada's exports to China and Hong Kong consist of wood pulp, grains, seeds, fruit, fertilizers and machinery, many less traditional sectors afford potential for growth and business opportunities.

Among the region's sectors found most attractive by foreign investors and exporters are the following:

- transportation, especially for intelligent transportation systems;
- electronic software and trade, especially in the banking and financial areas;
- construction and construction materials;
- environmental products and services, especially in Hong Kong, where Canada is known as a supplier of quality products; and



- information and communications technologies (ICT), especially those related to on-line education.

Market access

China's imminent accession to the World Trade Organization will make this market more accessible to Canadian products and services. Establishing a solid infrastructure is an essential part of transitioning to a market economy, and Canadian companies have an opportunity to get in on the ground floor as the Chinese market's infrastructure takes shape.

In China and Hong Kong, exporters can expect to face fierce competition. A growing number of multinationals are present, and the local government is encouraging local industry to develop its own capabilities. Forming a joint venture or a

partnership with a local company will make it easier to succeed in this market.

See Potential?

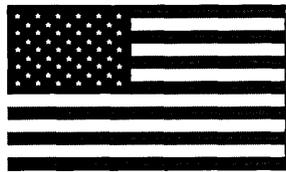
To learn more about these opportunities, the competitive environment and strategies for penetrating the Chinese and Hong Kong markets, read the full reports prepared by our Market Research Centre. You can access these and hundreds of other market studies on the Web site of the Trade Commissioner Service at www.infoexport.gc.ca

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The U.S. Connection

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Water market

Texas—Mexico border

—Continued from page 1

Texas—Mexico border that currently have NADBank-financed projects under development.

Corporate participants included some of Canada's largest engineering consulting and construction firms — including Delcan Corporation, SNC-Lavalin International, Stantec Consulting, and TecSult. Joining these were a variety of niche providers of environmental technologies and services for which Canada is renowned, most in the water and wastewater treatment sectors. For Canadian delegates such as Eastcan Geomatics, IER, BCA Clearwater Group, Waterworks Technologies, and Hydromantis Inc., the mission was an opportunity to celebrate early successes in a new market.

By mission's end, delegates from each company reported firm leads and significant access to immediate opportunities on both sides of the border, including invitations to bid and preliminary contract negotiations. With half the firms reporting in the days following the event, Industry Canada estimates the mission yielded potential business worth \$4.4 million.

Texas—Mexico border: thirsty for investment

The mission enabled Canadian companies to sample Trade Team Canada's trade strategy for the Texas—Mexico

border, a region characterized by unique bilateral dynamics. Texas, with a population of 20 million and a Gross Domestic Product (GDP) equivalent to the world's 14th largest economy, is the biggest beneficiary of the NAFTA



Canadian delegates discuss project opportunities on both sides of the border after the Laredo panel on bilateral project development with Oscar Cabra, P.E., EPA Region 6 (Dallas) U.S.-Mexico Border Co-ordinator for Water, Fernando Roman, P.E., Laredo Water Utility Director and Jose Ruiz, Senior Development Specialist at the NADBank.

partnership by far, accounting for one-half of the US\$250 billion trade between the U.S. and Mexico. Moreover, Texas carries over 70% of the trade between these two countries, making it a logistical gateway to the booming economies of northern Mexico.

Rapid growth in the region has meant an increased requirement for infrastructure, which the American government estimates to be worth between US\$8 to 10 billion in the water and wastewater sector alone. The

unique family, business, cultural and political ties between Texas and Mexico ensure that business development dollars invested on either side of the border benefit both sides. As such, this region is a springboard for environmental companies seeking access to the affluent — yet thirsty — communities of northern Mexico and Texas.

Mission highlights

At a luncheon in San Antonio, Texas, keynote speaker Raul Rodriguez of NADBank congratulated Delcan Corporation for being the first Canadian company to win a NADBank contract.

In Laredo, Texas, the delegation had its first glimpse of conditions in one of the border region's key "sister cities." Laredo is America's second-fastest growing city, after Las Vegas. With a combined population of nearly 600,000 "Los Dos Laredos" — Laredo and its sister city Nuevo Laredo — is the second-busiest international crossing in the Western Hemisphere, after Detroit—Windsor.

NADBank federal and municipal officials who will administer major U.S. projects funded by the Environmental Protection Agency (EPA) reported on the early development phases of the Nuevo Laredo and Matamoros projects. These projects, worth US\$250 million and US\$500 million respectively, are attractive targets for Trade Team Canada's collaborative approach that leverages Canadian trade and development financing to optimize Canadian access to these opportunities.

In Monterrey, Mexico, educational
Continued on page 12 — Texas-Mexico

Check the Business Section of the Canada-U.S. Relations Home Page at www.dfait-maeci.gc.ca/geo/usa/business-e.asp ... for valuable information on doing business in and with the United States.

In a way, it was business as usual when I went on the latest Team Canada trip to China. Northstar has an extensive track record in that market, and I have made many trips over the years to sign deals and foster our business connections. As well, our partners have outstanding credentials in that market.

Celebrating entrepreneurial zeal China's Mr. Bottle

By Scott Shepherd, President and CEO, Northstar Trade Finance Inc.

I should explain that Northstar was formed in 1994 as a partnership of public and private sector organizations, including the federal government, to provide medium-term finance to foreign buyers in support of export transactions in the \$100,000 to \$5 million range. That is a market niche that, although not being served by conventional sources of trade finance, is critical to the success of smaller Canadian companies in world markets, and especially in China.

As it happens, HSBC Bank Canada is a part of the pre-eminent international banking network in China, as well as being one of the banks that provide Northstar with over \$300 mil-

lion in lendable capital, along with Bank of Montreal, Royal Bank, and National Bank. All Northstar loans are insured by Export Development Corporation (EDC), Canada's official export credit agency (ECA). And EDC was one of the first ECAs in the world to establish business ties with China, in 1979.

Since that time, EDC's volume of Chinese activity has grown remarkably. In the last five years alone, EDC has financed or insured \$8 billion worth of exports to Chinese buyers and in 1997 established its very first overseas representation in Beijing.

This time around, as proud members of the Team Canada mission we signed a \$1.8 million loan agreement in support of China Heilongjiang International Project & Technical Cooperation Group Corp. The loan will be used for new liquefied natural gas filling stations in the Harbin area.

Northstar/EDC Award

But I also took a few hours away from the enormously successful exercise in building bridges between Canada and China that the Team Canada mission represented to take a step some may think is somewhat out of the ordinary.

On February 9, I chaired a ceremony in Beijing held to announce that Huang Le Fu, President of the Zhuhai Zhongfu Industrial Corporation of Zhuhai, Guangdong province was the winner of the first joint Northstar/EDC Entrepreneur Award.

There was keen competition from over 300 worthy candidates. But the

keen business acumen and entrepreneurial zeal Le Fu has displayed in bringing Zhuhai Zhongfu Industrial Corporation to its present leadership position in China's bottling industry — and making himself known throughout the country as China's "Mr. Bottle" — made him the best choice.

Recognizing entrepreneurship

Why should Northstar get into the business of recognizing entrepreneurship in China?

Partly because it is the mandate of both EDC and Northstar to promote exports from Canada by working closely with the most dynamic and credit-worthy Chinese business leaders we can find.

More than that, it is because in

Le Fu we have found an outstanding partner. There is indeed a new generation of Chinese business leaders. It is one that has embraced the principles of innovation and entrepreneurship, and turned them into practical, commercial success in China and overseas. And Le Fu is in the vanguard of this movement.

We at Northstar have always enjoyed our developing business relationship with a man whose word is his bond. This has won him the trust and respect of business partners and employees alike. For all these reasons, we believe his restless entrepreneurship deserves recognition.

But fostering entrepreneurship requires more than acknowledging achievement. It means providing support to the entrepreneurs of tomorrow when they are just learning the tools of the business trade. And so far from Beijing, right back at my old alma mater, Dalhousie University, Northstar has established three \$5,000 scholarships to encourage MBAs to focus on how to exploit the opportunities that abound in the world of international trade.

It is all part of closing the loop between Canada and China, and the world beyond. ★



Scott Shepherd,
President and CEO,
Northstar

DOING BUSINESS WITH THE U.S. FEDERAL GOVERNMENT?

Find out more from the Canadian Embassy in Washington, D.C. (www.canadianembassy.org) under "Business Opportunities: U.S. Government Procurement."

Log onto opportunities via the General Services Administration (www.gsa.gov), which facilitates purchases by the U.S. government — the world's largest consumer — and the Electronic Posting System site (www.eps.gov).

When you're ready to pursue these opportunities, the Canadian Commercial Corporation (www.ccc.ca) can assist you with the interpretation of the U.S. procurement system or ensure that as a Canadian company, you are eligible to participate.

Artissimo Prints Inc.'s laminated prints, mounted on wood boards and ready to hang, come in about 20 categories, each of which include some 40 images. The Montreal company, which buys the rights to the artwork, was established in 1998 and exports about 90% of its

order with one buyer, but for a series of purchase orders with a number of buyers. And it is ongoing. As Artissimo pays down the line of credit (LOC), it can start a new one, which is called a revolving LOC.

Normally, an LOC is allowed to go up to its maximum once and is not

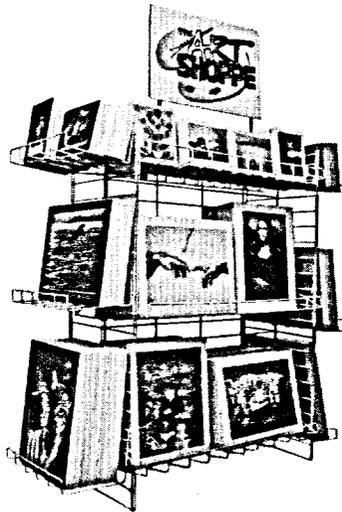
An export sale fit to print

product, mainly to the United States but also to Mexico and other foreign markets.

Artissimo sells its prints to over 20 retailers and wholesalers in the U.S., including such giants as Ames, General Textiles, Menard, Ocean State Jobbers, Meijer (a \$9-billion corporation out of Grand Rapids, Michigan), as well as Walmart in Puerto Rico.

"For me to come to the well every time I get an order from Walmart," says Artissimo President Michael Chaimberg, "is very time-consuming. So we talked to the Canadian Commercial Corporation (CCC) about setting up a bulk account. Sue Elgar (CCC Project Manager) rewrote the book and it was a tremendous success. We were basically a test case."

The difference between Artissimo's project line of credit (PLOC) and the ones granted to other companies is that it is not just for one purchase



renewable. But in a revolving LOC, the line may be paid down and then renewed several times.

According to CCC Project Administrator Daniel Sevigny, there's no maximum amount, because the project is based on orders from various buyers, so the contract keeps increasing and the PLOC continues to be renewed. "The agreement started in November 1999 and to date there are 22 purchasers that Artissimo is doing business with through the Progress Payment Program (PPP)."

Not only was Artissimo's case unique, there was also a critical urgency. The company had orders to fill for the Christmas rush to many U.S. department stores. So, everyone involved — CCC and the Toronto-Dominion Bank — had to move quickly or risk losing sales valued at over US\$750,000.

SHAPING TRADE SOLUTIONS FOR OUR EXPORTERS



Canadian Commercial Corporation

The Canadian Commercial Corporation (CCC) is an export sales agency of the Government of Canada providing special access to the U.S. defence and aerospace markets and specializing in sales to foreign governments.

Canadian exporters can gain greater access to government and other markets, as well as a competitive advantage, through CCC's contracting expertise and unique government-backed guarantee of contract performance.

CCC can facilitate export sales that often result in the waiving of performance bonds, advanced payment arrangements and generally better project terms.

When requested, CCC acts as prime contractor for government-to-government transactions and provides access to pre-shipment export financing from commercial sources.

For more information, contact CCC, tel.: (613) 996-0034, toll-free in Canada: (800) 748-8191, fax: (613) 947-3903, e-mail: info@ccc.ca
Web site: www.ccc.ca

"When I first went to the Toronto-Dominion Bank," says Chaimberg, "I had no money. But I had a hope and a prayer and a purchase order." The bank believed in Artissimo but was unable to finance the project under the company's existing credit arrangement. Then CCC entered the picture and Artissimo was able to win a large contract that it wouldn't have been able to handle on its own.

The rest reads like a typical success story. "We've now moved into a huge facility and we have between 50 and 80 employees," says Chaimberg.

"Once we got the PPP in place, it was very, very good," adds Chaimberg. "It's been running beautifully; there are no problems. I have no reins on me — if I get an order for \$5 million, I can handle it. To be able to go out and solicit customers, knowing that you have the resources behind you to handle it, is great." ★

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Export Sales and Contracting")

Update

The new contact numbers for Digital Port Control (CanadExport, February 15, 2001) are: tel.: (604) 484-2115, fax: (604) 408-2092, e-mail: info@digitalportcontrol.com

SELLING IN GOVERNMENT MARKETS

Five Trillion Reasons To Use CCC



Canadian
Commercial
Corporation



Canada

Message from the President

As a federal government agency specializing in export sales to foreign governments, the Canadian Commercial Corporation's (CCC) skills are unique. While these markets are more open than ever, they can often be difficult and intimidating for many exporters. Our experienced staff offers specialized knowledge of this complex procurement environment and proven strategies to avoid some of the challenges that can arise during contract negotiation. CCC can work with you to eliminate obstacles to closing your export sale.

Last year, we worked with 1,810 exporters and made export sales valued at over \$1.1 billion, primarily in government markets in 38 countries. We

signed contracts with 280 Canadian companies and assisted another 1,530 throughout various stages of the export process. These included large firms that signed defence contracts as high as \$300 million to small firms that closed educational software deals of less than \$1 million.

As globalization has liberalized trade, particularly in public-sector purchasing, Canadians have become more interested in these specialized procurement markets. Growing numbers of companies from Canada's environmental and advanced technology sectors and other knowledge-based areas are increasingly looking to CCC to help them gain a stronger competitive position.

In the years ahead, CCC will increase its efforts to help more exporters access the vast \$5.3-trillion worldwide government procurement market. Along with the continued growth in our specialized markets in aerospace and defence, more Canadian companies are seeking assistance from us in new areas. We are committed to keeping pace with these changes, supplementing our expertise and enhancing our services to continue being a valuable resource for Canada's exporters. For example, we recently put together a team of market and sector specialists to research and identify potential international business opportunities for Canadian exporting firms.

Apart from our core business activity — selling to governments and in particular, the United States Department of Defense (DoD) and the National



CCC has a proud history of involvement with Canadian exporters and their customers, specializing in sales to governments around the world. For over 50 years, this export sales agency of the Government of Canada has significantly increased the ability of Canadian companies to land export sales on improved terms.

The Corporation uses its governmental status to sign export contracts on behalf of Canadian companies and provides international buyers with a unique government-backed guarantee of contract performance. CCC's involvement in an export deal can often provide the competitive edge needed for small and medium-sized enterprises (SMEs) to win sales in markets where they are less known.



Aeronautics Space Administration (NASA) — our greatest contribution lies in our expertise in putting successful export deals together, negotiating export sales and contract management. When we work with Canadian companies and their international customers, we make sure that the contracts are completed to everyone's satisfaction. Our government status plays a particularly useful role in government-to-government deals where credibility and access are enhanced through our participation.

Beyond the U.S. defence procurement market, CCC is targeting markets where trade agreements with Canada are in place such as the United States, Mexico and Chile. We are also identifying opportunities in other markets that are likely to significantly increase procurement and infrastructure spending over the next five years, particularly Latin America, China and India.

Within these priority markets, CCC's services are especially advantageous in a number of key sectors, including: aerospace and defence; major capital and infrastructure projects; energy and natural resources equipment and

services; transportation equipment; environmental technologies and services; and information and communications technologies.

I strongly encourage you to investigate what CCC has to offer, and to take advantage of its services and expertise to make your next international business venture a successful one.

For over 50 years, we've helped thousands of Canadian companies reap the benefits of over \$25 billion in international trade. Over the next five years, we intend to do much more.

Our highly dedicated and experienced team of professionals is ready, willing and able to work with you — from start to finish — to turn your business opportunities into export sales.

Douglas Patriquin, President
Canadian Commercial Corporation



CCC's services can help Canadian companies win a larger share of the world's \$5.3-trillion government procurement market.

CCC: 1999-2000 Highlights

- **over \$1.1 billion in export sales;**
- **worked with 1,810 Canadian exporters, signing contracts on behalf of 280 companies;**
- **\$844.6 million in sales to the U.S. (20-percent increase from 1998-99);**
- **\$704.9 million to U.S. DoD and NASA;**
- **\$139.7 million to U.S. private sector;**
- **\$266.9 million in sales to international markets (56-percent increase);**
- **\$85 million in pre-shipment export financing for small and medium exporters.**

Put the Power of Canada Behind Your Export Sales



CCC helps Canadian exporters win sales in government and private-sector markets around the world, through its unique government-backed guarantee of contract performance.

CCC provides Canadian exporters with a range of export sales and contracting services which enhances their access to market opportunities and significantly increases their ability to land export sales on improved terms.

Using our governmental status to sign sales contracts on behalf of Canadian exporters, CCC puts the power of Canada behind an export sale guaranteeing its full and satisfactory completion.

How CCC Works

When CCC participates in an export sale, it first assesses the risks posed by the buyer, the exporter, and the proposed terms of the deal itself. If all conditions are satisfactory, CCC is in a position to enter into a contract with both parties, the Canadian exporter and the international buyer. CCC then signs a "back-to-back contract" with the exporter, transferring the contractual obligations to the Canadian firm. In this way, CCC acts as prime contractor to the international buyer.

Who We Serve

CCC works with Canadian exporters and their international buyers to facilitate export sales. Each year, CCC assists approximately 1,800 Canadian companies, of which 80 percent are SMEs with annual revenues under \$25 million.

We primarily serve Canadian exporters targeting government and institutional procurement markets, and provide our exporters with special access to one of the largest public-sector buyers in the world — the U.S. DoD — through a special agreement called the Defence Production Sharing Agreement (DPSA).

When we sign a sales contract on behalf of a Canadian exporter, the international buyer has a unique government-backed guarantee that the contract will be performed according to its terms. Even for a product or service they like, international buyers will often favour better-known, larger sources of supply because they perceive the supplier's credibility to be higher and therefore the risk to be lower. CCC's involvement satisfies many buyers' desire to have the participation of the supplier's own government as added assurance. CCC's involvement also provides some public-sector buyers with the option of a government-to-government arrangement that can reduce the time and cost of international tendering.



Our Staff

Another advantage of working with CCC is that you can draw on the knowledge and expertise of our team of professionals — from international trade lawyers and negotiators to financial and contract specialists and administrators. Their familiarity with the often complex purchasing rules and regulations of foreign governments can save you and your client valuable time and expense down the road.

You Should Call Us When...

- **you've identified a sale involving a foreign government, international organization or private-sector buyer and you are ready to submit an offer;**
- **your customer needs the added assurance of the Canadian government's guarantee that the contract will be completed according to its terms and conditions;**
- **your products or services are not well known to the buyer, or your foreign competition is larger or better known, and you need the added credibility of the Government of Canada to make the sale;**
- **you are concerned with the buyer's payment risks or terms such as the requirements for performance bonds;**
- **you need pre-shipment export financing;**
- **you need assistance understanding foreign government procurement procedures and regulations;**
- **you are concerned about the complexity of a sale and need practical advice;**
- **your buyer might be interested in a sole-source transaction for your product or service;**
- **you are selling to the U.S. DoD and/or NASA.**

Products and Services for Exporters

International Prime

Contractor Service

CCC offers a specialized export sales and contracting service for exporters selling in international markets and primarily to foreign governments.

When Canadian companies sell through CCC, and the Corporation assumes the role of prime contractor, the following assistance is available:

- export opportunity development support;
- advice on bid preparation and submission;
- contract risk analysis and mitigation;
- assistance in contract negotiation;
- a sales contract through CCC with a government-backed guarantee for the customer;
- contract monitoring and administration, including processing payments, mediating, auditing and close-out.

Sales to the U.S. DoD and NASA

CCC specializes in sales to the U.S. DoD and NASA, and is responsible for maintaining the Canada/U.S. DPSA, which provides Canadian exporters with privileged access to one of the largest procurement markets in the world. At the request of the U.S. DoD, all purchases over US\$100,000 from Canadian companies are contracted exclusively through CCC. This basic service is provided at NO CHARGE.

When Canadian exporters sell through CCC they benefit from relaxed U.S. government procurement rules, including:

- waiver of U.S. cost accounting standards for contracts;
- waiver of requirements for submitting cost and pricing data;
- waiver of some of the regulations of the *Buy America Act*;
- duty-free entry for goods and services.

U.S. Bid Matching Service

CCC's U.S. Bid Matching service searches for U.S. government opportunities that match the Canadian products and services of companies registered with CCC, and then contacts qualified Canadian suppliers. The Corporation's knowledgeable staff helps exporters obtain solicitation documents and provides them with valuable advice on regulations and bidding processes. For more information, please visit www.ccc.ca.

Pre-shipment Export Financing Service

The Progress Payment Program (PPP) is designed to assist small Canadian exporters that have insufficient working capital to undertake specific export contracts. Through the PPP, we facilitate access to commercial sources of pre-shipment financing to provide working capital for their export sale.



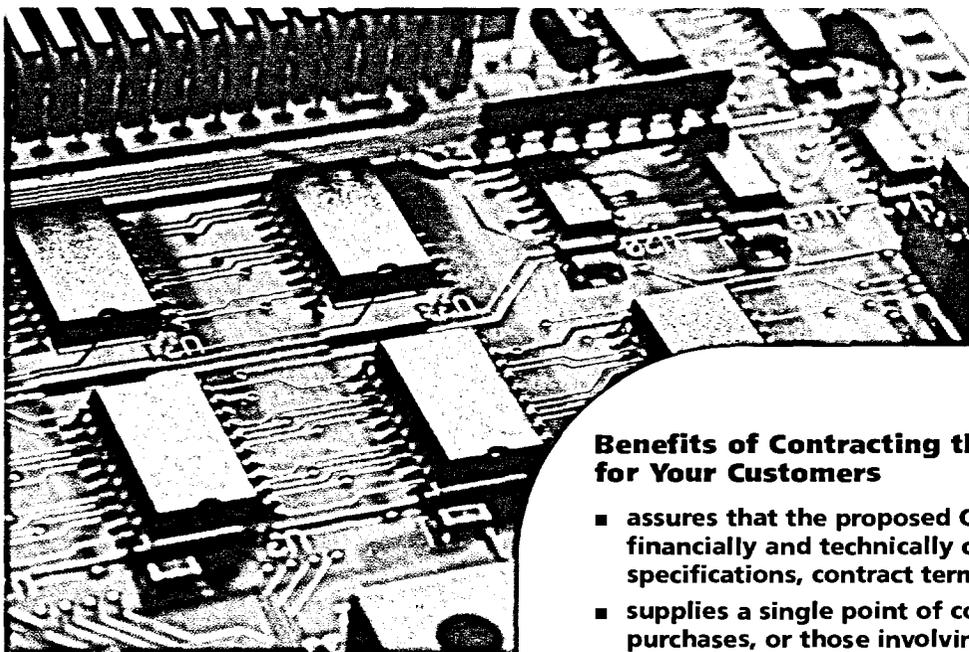
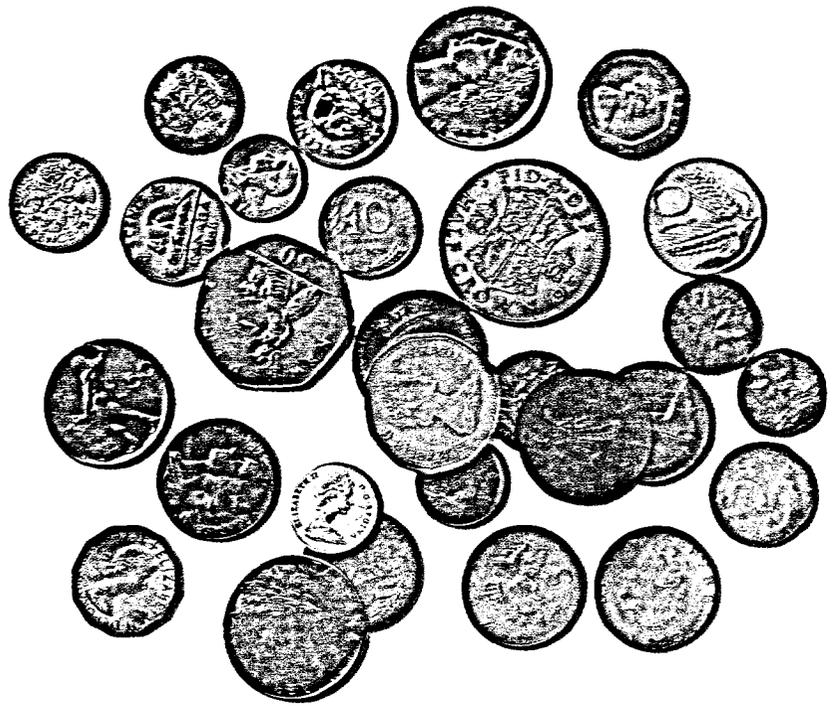
Fees for Service

CCC offers a number of services on a cost-recovery basis. Under the DPSA, sales to the U.S. DoD and NASA, as well as the U.S. Bid Matching service, are provided free of charge. Fees for sales to other international markets average 0.5 to 3 percent or higher, depending on the value, complexity and risk of the deal. For pre-shipment export financing, there is a basic application fee of \$500, and a similar fee structure as above applies.

Serving Canadian Exporters and their Customers Worldwide

When international buyers wish to purchase products and services in Canada, CCC can facilitate these sales in one of two ways. With over 50 years of experience selling to governments worldwide, we can act as a procurement agent, identifying qualified sources of supply and managing a buyer's purchases in Canada.

We can also act as prime contractor for purchases from Canadian suppliers (on a sole-source or competitive basis), taking full responsibility for the contract and providing the Government of Canada's guarantee that the contract will be fulfilled. In this way, foreign buyers can select the suppliers that really meet their needs — risk-free.



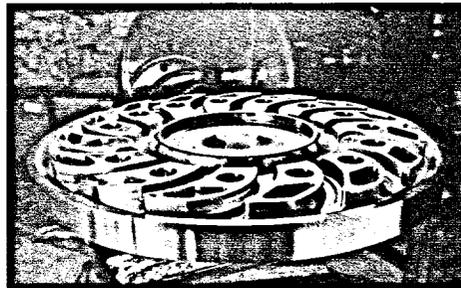
Benefits of Contracting through CCC for Your Customers

- assures that the proposed Canadian suppliers are financially and technically capable of meeting bid specifications, contract terms and supplier warranties;
- supplies a single point of contact for multiple-item purchases, or those involving more than one Canadian supplier;
- offers a cost-effective, efficient alternative to lengthy international tendering processes;
- provides convenient contract administration and monitoring;
- facilitates access to high-quality, competitive Canadian technology and expertise;
- establishes a means of resolving disputes over contract terms, should they arise.

\$ Five Trillion Reasons to Use CCC's Services

In 1999-2000, six in ten of CCC's clients relied on exports for more than half of their total sales, and at least one in four depended on sales to foreign government agencies for more than half of all exports. Close to two-thirds of our clients expect their sales to foreign governments and international agencies to increase within the next two years.

CCC is in a unique position to open doors to international procurement markets for Canadian exporters. We play an instrumental role by identifying procurement opportunities and, along with the Canadian government, encouraging other governments and international agencies to open their procurement activities to Canadian suppliers.



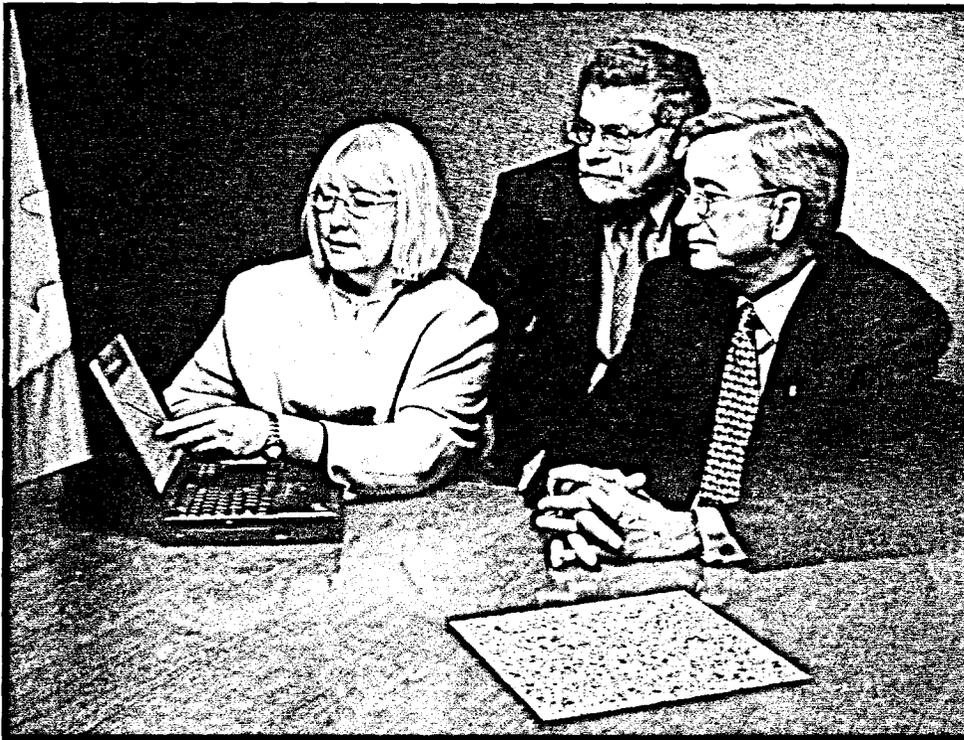
The Changing Nature of International Procurement Markets

Governments are the world's largest source of public procurement. Total direct government procurement spending worldwide was an estimated US\$5.3 trillion in 1999, or approximately 18 percent of total world economic output.

The sheer size, untapped potential and growth prospects of international procurement markets offer Canadian companies unlimited export opportunities. These markets, however, are undergoing rapid structural change throughout the world. In order to take advantage of these opportunities, CCC and Canada's exporters must respond to four important emerging trends.

Increasing Competition

More open markets, industrial development in Asia and Latin America, and the advent of new information and communications technologies have rapidly intensified competition in procurement markets around the world. CCC's services offer Canadian exporters access to markets that they might not be able to enter on their own.



Privatization

Governments are commercializing many of their services, privatizing utilities, and turning to private-public partnerships for the development and operation of infrastructure projects. Privately owned contractors and utilities will become increasingly important sources of procurement, and therefore increasingly important potential customers for CCC.

Sales Integration

International customers are looking more and more for integrated solutions and turnkey packages. As a result, they are contracting with a single source or a limited number of suppliers or systems integrators that can then subcontract for a full range of goods and

services. CCC's ability to bring together a number of Canadian suppliers to deliver a complete package of services is a valuable asset for Canadian exporters.

Cross Selling

More cross-sectoral business opportunities are opening up. Suppliers of commercial technologies are now selling into defence markets and information technologies are key components of many strategic sectors.

CCC Opens Doors



to International Procurement Markets

Bristol Aerospace Limited (Winnipeg, Manitoba)

Bristol and CCC have been co-piloting projects for more than 20 years. Through CCC's International Prime Contractor service, Bristol has gained direct access to the U.S. Department of Defense under the DPSA between the two countries. In fact, Bristol often uses CCC's services even when not required under the DPSA.

"It's extra protection for the customer," explains Bristol Marketing Executive Garth Palanuk. "In the unlikely event that we won't be able to deliver, CCC will find someone who will. I tell my customers it's in their best interests — like having extra insurance."

CCC's expertise in selling to government and international procurement organizations and its guarantee of contract performance are valuable resources for Canadian exporters wishing to enter this lucrative market. The Corporation's specialized knowledge of foreign government procurement regulations and its preferred access to the U.S. government aerospace and defence market gives Canadian companies a distinct competitive advantage, and is often the difference between winning and losing a sale.

CCC's participation in an export sale is particularly valuable to SMEs. In many cases these companies lack the resources and knowledge necessary to penetrate and manage the complexities of the international procurement environment. CCC's ability to enter into government-to-government agreements greatly improves the chances of Canadian companies seeking to win international procurement contracts.

According to Jayson Myers, Senior Vice-President and Chief Economist, Canadian Manufacturers & Exporters, the following markets and sectors will hold considerable potential for Canadian businesses over the next five years.

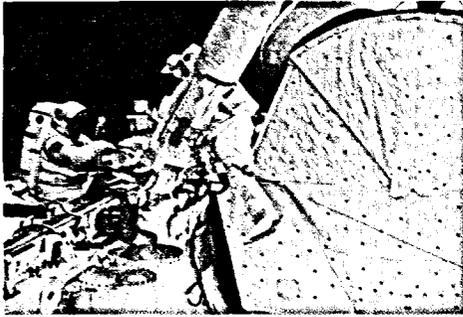
Opportunities for Canadian Exporters

Aerospace and Defence

Canada's reputation for high-quality, innovative aerospace and defence products and services is recognized throughout the world. Its aerospace industry ranks in the top five in the world among exporters of aircraft and components.

Key Market/Sector Opportunities

- United States (civil aerospace equipment and technologies; specialized defence electronics, including security, remote sensing, mine location and clearance, flight simulation systems, specialized information and software systems)
- United Kingdom (advanced defence technologies)
- East Asia: China, Japan, India, South Korea, Taiwan, the Philippines (defence security systems)
- Australia (defence communications)
- Latin America (fighter aircraft; aerospace and defence electronics)
- Middle East (defence security)



Major Capital and Infrastructure Projects

Major capital and infrastructure projects represent significant export opportunities in a variety of sectors such as energy, transportation, environmental management, telecommunications, engineering and construction. Canada is strong on the service side of the industry, particularly on the part of its consulting engineering, architectural, planning and project management sectors. CCC has participated in a number of capital projects and continues to do so on a select basis within federal government guidelines.

Key Market/Sector Opportunities

- Global, particularly United States, Eastern Europe, Latin America, Asia (engineering and construction services)
- China (highway development; construction)
- India (engineering and construction)
- Mexico (infrastructure development, including environmental control; water purification and distribution; hydro-electric power and energy distribution; urban and rail transportation)
- Brazil (oil and gas and chemical infrastructure development)
- Colombia, Peru (hydro-electric and highway development)
- Chile (infrastructure development, including highways, roads and ports; environmental controls; mining)
- Poland, Czech Republic (engineering and construction)
- Middle East (engineering and construction; petrochemical facilities and refineries; waste water treatment; transportation and telecommunications systems)



Airport Development Corporation (Toronto, Ontario)

Canada's Airport Development Corporation (ADC) may still be best known in Canada for building the widely acclaimed Terminal 3 at Toronto's Pearson International Airport, but overseas, the company is now recognized as a major player in world markets. ADC is putting its expertise to work on international opportunities, a major success being the completion of a US\$140-million terminal project at Budapest's Ferihegy International Airport. "It's a very successful project, delivered on time and within budget," says Rory Harley, CCC Project Manager.

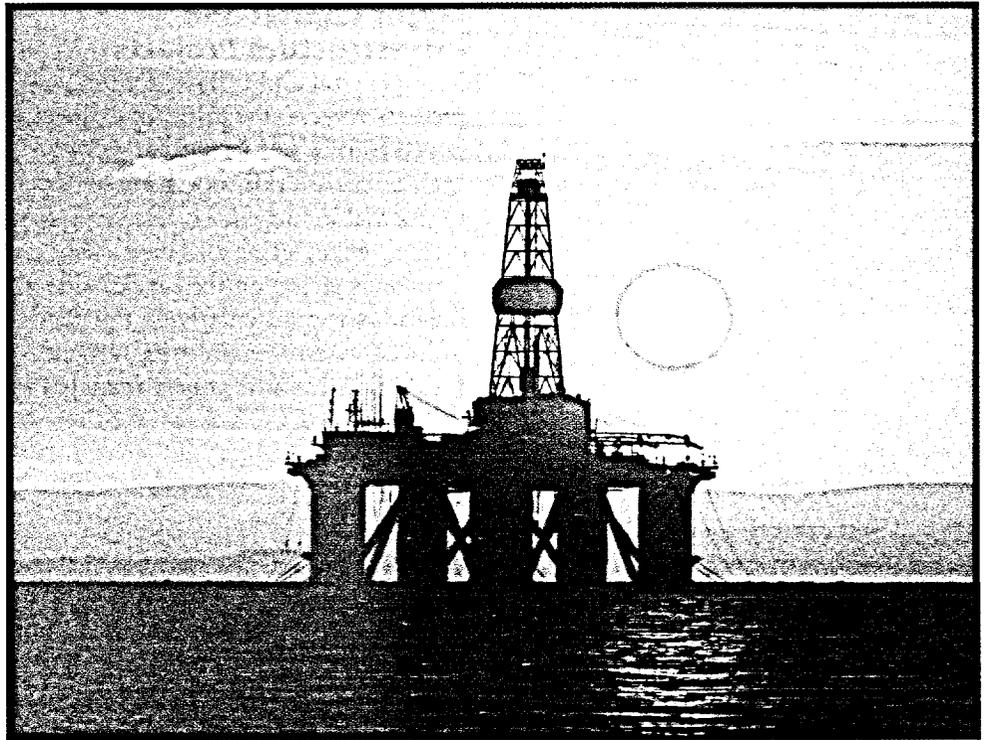
"In our business, Canadian companies are faced with competition from huge foreign corporations," says Michael Huang, ADC's Managing Director. "The fact that CCC is involved on a project gives us a level playing field."



"Almost every country in Latin America is devoting significant resources to infrastructure development over the next five to ten years," says CCC Executive Vice-President Hugh O'Donnell. This factor was one of the motivations for a recent CCC exploratory mission to the region led by Mr. O'Donnell. "The purpose of this very successful mission was to introduce CCC and its services to key foreign government and industry players, investigate potential business development opportunities, and touch base with established Canadian interests in the region."



Hugh O'Donnell
Executive Vice-President,
Business Development and
Operations



Energy and Natural Resources Equipment and Services

Canada has vast energy reserves, from hydro-electric power to tar sands, from huge natural gas deposits to a unique nuclear capacity, and has become a leader in the multi-faceted field of energy development. Canadians have designed, built and now operate a large network of pipelines — including the world's largest petroleum pipeline and a natural gas pipeline system which supplies 22 percent of North America's natural gas requirements.

Joint ventures are a Canadian specialty, allowing companies to tackle large projects and draw on many production factors. Canadian companies have established foreign subsidiaries and joint ventures in such diverse markets as the U.S., Europe, India, Southeast Asia and Latin America.

Key Market/Sector Opportunities

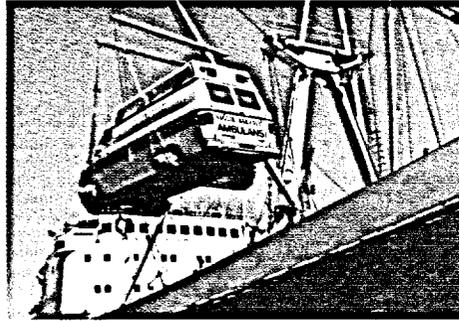
- United States (electrical power generating equipment and services)
- Mexico (generating equipment and services; natural gas distribution systems)
- Chile (electrical power transmission and distribution systems; hydro, coal-fired and combined cycle plants)
- China (generating equipment and services)
- India (generating equipment and services)

Transportation Equipment

Canada has developed an extremely sophisticated and efficient transportation infrastructure. It is ranked as the second best in the G-7, with rail, truck and air services fully integrated with U.S. networks.

Key Market/Sector Opportunities

- Global (rail and guided urban transit vehicles, including passenger and freight rail rolling stock; locomotives; signalling and communication systems; turnkey passenger rail systems, and buses, including inter-city, school, urban transit vehicles)
- United States (light rail, heavy rail, commuter rail systems; large-scale high-speed rail networks)
- Asia, Eastern Europe, Russia (mass transit systems)
- Mexico (locomotive and rail car maintenance facilities; urban transit systems)
- China (subway and light rail systems)



Tri-Star Industries Limited (Yarmouth, Nova Scotia)

Tri-Star Industries Limited has an excellent track record in selling custom-built ambulances around the world. The company began using CCC eight years ago for help with payment conditions on a contract with Britain's National Health Service. Since then, Tri-Star has partnered with CCC on sales to government agencies in Turkey, Finland, Cuba, and Trinidad and Tobago.

"CCC is an integral part of our strategy in export markets," says President Keith Condon. "Through them, our clients get guarantees of contract performance and are spared the extra banking and bid bond costs. We've worked with CCC on contracts totalling more than \$30 million, and we will continue to use them whenever possible, to expand our long-term export business."



Forest Technology Systems (Victoria, B.C.)

In business since 1980, Forest Technology Systems (FTS) is a world leader in the design, manufacture and supply of complete environmental monitoring solutions, including fire weather systems, watershed monitoring systems, weather stations and precipitation sensors. When the Mexican Water Commission purchased 40 meteorological monitoring stations from FTS, the nearly \$2-million contract was a big coup for the small company. But with the first payment not being received until deliveries were made in the spring, FTS needed working capital to pay its suppliers. The company turned to CCC for project financing through its Progress Payment Program.

"Time was tight and CCC pushed," says Chief Executive Officer Kevin Bradley. "With the help of Project Manager Emmanuel Florakas, I had CCC's commitment and a line of credit within a two-week period that included Christmas. It all came together very swiftly and over a tough period. We were very impressed with CCC."

Environmental Technologies and Services

Canada's environmental industry is respected worldwide for its innovative approaches to ecological challenges. Clients and joint-venture partners around the world look to Canada for environmental expertise, whether in soil, water, or air.

Key Market/Sector Opportunities

- Global, particularly Western Europe, Japan, Asia, Latin America, Africa (water, waste water and solid waste management; air pollution technologies and services)
- United States (specialized environmental technologies)
- Mexico (water purification; waste water treatment; municipal solid waste disposal systems)
- Chile (potable water and waste water treatment)
- China (waste water treatment; environmental control systems)
- India (environmental technologies)

Information and Communications Technologies (ICT)

One of Canada's greatest assets is its enviable reputation in leading-edge technologies. With its small population spread over vast geographical distances, Canada has long been a pioneer in ICT, particularly in telecommunications. It has arguably the most modern telephone system in the world and is home to some of the world's most innovative telecommunications companies.

Key Market/Sector Opportunities

- International government procurement organizations (telecommunications equipment; software and computer services; geomatics; multimedia products and services; e-com)
- United States, Europe, Latin America, Asia (geomatics)
- Mexico, Chile (information technologies)

Logo Computer Systems Inc. (Montreal, Quebec)

Logo Computer Systems Inc. (LCSI) is no novice in the exporting world. The 20-year-old company, winner of 26 major awards for its innovative educational software, exports 98 percent of its business. Its flagship product is used in schools in Mexico, Central America, Colombia, Brazil, Japan, Australia, the U.S., Italy, France and Greece. But even a company as export savvy as LCSI can benefit from CCC's services.

In 1999, CCC acted as prime contractor in a government-to-government agreement with the State of Jalisco in Mexico for the state-wide distribution in its schools of LCSI's *MicroWorlds Pro* — a tool allowing students to create dynamic, interactive projects that can be loaded on the Web and shown to other students around the world.

"Having the Canadian government speak for us raises the credibility of our firm to a very high level and puts us in a different league," says President Michael Quinn. "When we go in the door with CCC, we're not playing in the minor leagues — we're in the NHL. The buyer has the security of knowing that an organization of the Government of Canada is providing the goods and services."



Team Canada Inc • Équipe Canada inc

Working Together Is Better

CCC works with the members of Team Canada Inc to ensure that Canadian companies can draw on all the export services of the Government of Canada to bring business and jobs home.

Your Roadmap to Export Services

Team Canada Inc (TCI)

TCI is a virtual trade network of government departments and agencies dedicated to helping Canadian businesses succeed in world markets. TCI brings together all federal, provincial and some private-sector export services under one roof, making it easier for Canadian businesses to access government programs and services, including basic export information, export counselling, market intelligence, financial assistance and on-the-ground support.

<http://exportsource.gc.ca>

1-888-811-1119

(09:00—17:00 across Canada)

TCI's toll-free number will put you in touch with a trained information officer to answer your questions and transfer you to the export service provider that best meets your needs.

Department of Foreign Affairs and International Trade (DFAIT)

DFAIT has information on opportunities in different sectors for markets around the world. Call, fax or e-mail your request to receive market reports and information on DFAIT programs and services.

www.dfait-maeci.gc.ca

1-800-267-8376

(Ottawa: 613-944-4000)

Fax: (613) 996-9709

FaxLink: (613) 944-4500

Canada's Trade Commissioner Service (TCS)

TCS helps new and experienced companies that have researched and selected their target markets. Located in Canadian embassies, high commissions and consulates abroad, Canadian trade commissioners provide six core services (market prospect; key contacts search; local company information; visit information; face-to-face briefing; troubleshooting) to help Canadian companies sell products and services in international markets.

www.infoexport.gc.ca

Export Development Corporation (EDC)

EDC specializes in insuring foreign receivables and financing purchases for international buyers, helping Canadian exporters of all sizes minimize risk and export with confidence in over 200 world markets. EDC provides export receivables insurance which protects against 90 percent of losses, loans to foreign buyers of Canadian capital goods, and assistance in posting bid and performance bonds for export transactions.

www.edc.ca

1-800-850-9626

Business Development Bank of Canada (BDC)

BDC works with Canada's private banks to provide business loans and guarantees tailored to the needs of growing SMEs. Special loan programs exist for exporting companies. BDC also provides counselling to business owners about managing and improving their finances, particularly during growth periods, as well as training for new exporters.

www.bdc.ca

1-888-INFO-BDC (463-6232)



"In speaking of trade, too often we forget that it is not about facts and figures, but first, foremost and always about people: people finding rewards for their efforts, markets for their products, creating businesses, jobs and hope for their future. It is for this reason that I particularly appreciate the role played by CCC within Team Canada Inc. In Chile, Argentina and Uruguay I witnessed first-hand how CCC works with exporters, foreign buyers and other trade players to land a sale."

The Honourable Pierre S. Pettigrew
Minister for International Trade



For more information on Canadian Commercial Corporation or other exporting programs and services

Call Team Canada Inc

1-888-811-1119

Canadian Commercial Corporation
1100-50 O'Connor Street
Ottawa, Ontario, Canada
K1A 0S6

Tel.: 1-800-748-8191
(in Canada)
(613) 996-0034 (Ottawa)
Fax: (613) 947-3903
E-mail: info@ccc.ca

Regional Offices

Alberta:
(780) 422-8525

Atlantic Canada:
toll-free in Atlantic
Canada **(888) 382-8878**

British Columbia:
(604) 666-4781

Ontario: (416) 973-5081

Quebec: (514) 283-8791

Saskatchewan:
(306) 787-7936

www.ccc.ca



As part of its effort to increase Canadian contacts in the regions, the High-Tech section of the Canadian Embassy in Japan has decided to create a **High-Tech Caravan** as part of the larger **Think Canada Festival 2001**.

Think Canada 2001

Join Canada's High Tech Caravan in Japan

The Caravan, following months of intensive planning and site visits, will have as its objective the discovery of the largely untapped potential for Canadian high-tech companies outside of the Tokyo area. Additionally, the Caravan will help to supplement the activities of Canada's various trade offices in the regions by highlighting Canadian capabilities through seminars, press conferences, networking receptions and one-on-one meetings throughout the regions.

Canadian product samples and promotional materials will be brought along, and Canadian high-tech companies already located in Japan, or with a strong interest in the market, are also being encouraged to participate in all, or part of this tour. Working with local partners such as JETRO and the local city offices, the Caravan will attract an interested and relevant business audience in each location.

The Caravan will offer a unique opportunity for participating companies to explore the potential of the regional markets and also help them with any potential business partnering activities in these areas.

The Caravan will start in the south of Japan, visiting **Fukuoka** in **Kyushu April 16-17**. Fukuoka is the major industrial and technology

centre in Kyushu, acting as a good regional focal point for the region.

April 19-20 will see a stop in **Hiroshima**, a traditional centre for heavy industry and, consequently, with a strong interest in environmental issues. The visit will also act

as follow-up to the recent opening of the Canadian trade office there.



Think Canada 2001
Pensez Canada 2001

April 23-24 the Caravan will be in **Kobe**, the focal point for the **Kansai** — the most important economic region in Japan outside of Tokyo. Kobe also has significant IT and health related interests.

April 26-27 brings the caravan to **Gifu-ken**, another major industrial hub.

Following this, the Caravan takes a break until **May 15-16** when it travels north to **Sendai**, another potential centre for IT.

May 17 will see the Caravan in **Morioka**, a regional business and industrial centre in northern Honshu.

Finally, on **June 4-5**, to correspond with the opening of the new trade office, the Caravan will reach **Sapporo** in **Hokkaido**. Sapporo, with its biotechnology and IT industries, as well as its start-up "Bit Valley", is a natural terminus point for the Caravan, which will, by this point, have covered the four major islands and some 2,000 km in its endeavour

to promote Canadian technology, and find potential business partners, in the regions.

We hope that you will join us on the Caravan (see timetable below)...

For more information, contact the following at the Canadian Embassy in Tokyo:

- Andrew Smith, Second Secretary (Commercial), Information Technologies;
 - Sara Wilshaw, Second Secretary (Commercial), Health and Environment;
 - David Steuerman, Third Secretary (Commercial), Automotive, Aerospace and Defence,
- Tel.: (011-81-3) 5412-6200
Fax: (011-81-3) 5412-6250
E-mail: tokyo.htech@dfait-maeci.gc.ca

In Canada, contact Jean-Pierre Petit, Trade Commissioner, Japan Division, DFAIT, tel.: (613) 996-2467, fax: (613) 944-2397, e-mail: jeanpierre.petit@dfait-maeci.gc.ca

High Tech Caravan Timetable:

April 15 (Su): Travel (Fukuoka/Set-up)
April 16 (M): Fukuoka
April 17 (T): Fukuoka (Kumamoto)
April 18 (W): Travel (Fukuoka-Hiroshima/Set-up)

April 19 (Th): Hiroshima
April 20 (F): Hiroshima (Matsuyama)
April 21 (Sa): Weekend (Travel to Kobe/Set-up)

April 22 (Su): Weekend
April 23 (M): Kobe
April 24 (T): Kobe (Kansai)
April 25 (W): Travel (Kobe-Gifu-ken/Set-up)

April 26 (Th): Gifu-ken
April 28 (Sa): Return to Tokyo

—Golden Week—

May 14 (M): Travel (Sendai/Set up)
May 15 (T): Sendai
May 17 (Th): Morioka
May 18 (F): Return to Tokyo

—Sapporo Office Opening—

June 3 (S): Travel to Sapporo/Set up
June 4 (M): Sapporo
June 5 (T): Sapporo
June 6 (W): Return to Tokyo ❁

Canadian exports of consumer products to Germany are on the rise thanks to a growing interest among Canadian-owned small-to-medium sized enterprises (SMEs) in establishing themselves in Europe's largest consumer market. Total annual production of consumer goods by these

Recreational watercraft

Germany may have a short coastline but with its citizens taking, on average, six weeks annual vacation it is a major European market for pleasure boats and associated products. Germans take full advantage of Mediterranean mooring opportunities and use fleets

with new lines and design concepts complementing traditional lines. Recently however, a clear focus on "naturalness" in design has emerged. This has increased the share of solid wood furniture and broadened the range of materials being used. An increased health awareness by

Market overview

Germany: Consumer goods

businesses is approximately \$23 billion, with exports to Germany approaching \$9 billion.

Backed by lower production costs in Canada, exporting firms enjoy a competitive edge in Germany where these costs have been steadily rising. Canadian SMEs are active in all industrial branches of the consumer goods sector: sporting goods; furniture/furnishings and fixtures; hardware and tools; household equipment and appliances; apparel and textiles; footwear; giftware; toys and games; jewellery; cosmetics and health products; and aboriginal arts and crafts.

Sector features

The sector is diverse and typically involves small to medium businesses. Germany's large and very popular consumer goods industrial fairs provide valuable exposure for Canadian firms, prompting many to specialize in this market.

Sporting goods

Sales of Canadian products have risen in recent years, buoyed largely by the increase in popularity of winter sports, particularly hockey, ice skating and skiing. After soccer, ice hockey is Germany's second most popular team sport. Over the years, Canadian products have established an excellent reputation for superior quality among the major German distributors which include Rheingold Sport, Ewald Sport Services, and Schanner Eishockeyartikel.

of charter boats to make extensive use of inland waterways. The majority of such watercraft are imported from the U.S., but Canadian manufacturers have good market opportunities with smaller, lighter craft. There are no import restrictions on Canadian-made boats providing they are certified: as of 1998, only boats with a CE certification may be sold in Europe.

Furniture and furnishings

As recently as 1998, the German furniture manufacturing industry appeared to be slowly emerging from a recession that followed a prolonged post-unification boom. However, the latest predictions by the VDM [Association for Furniture Industry] suggest another downward trend and the separation of the furniture market into "mass production" and "high-quality" segments, with the gap between the two predicted to gradually widen. Traditionally, the German furniture industry focused on satisfying the consumer's price expectations but now the emphasis is shifting to "long-lasting quality".

Competition from less expensive or more innovative foreign suppliers has had an impact on the industry. Italy remains the leading foreign supplier with exports worth over Deutsche Mark (DM) 2 billion for the first half of 1999, followed by Denmark and Poland.

Historically, German furniture design trends have been pluralistic,

Germans is evident in the design of beds and seating furniture.

Non-EU manufacturers have good opportunities to develop niche markets, particularly if pricing is competitive and product quality is high. American-made furniture has a good reputation and so Canadian firms with lower costs and using high-quality wood should perform well in the market. Indeed, there is already local interest for Canadian-made wooden garden furniture and solid wooden chairs.

Apparel

The German apparel market is immense, with an annual turnover in 1998 of DM 22.6 billion. Germany is one of the most expensive producers of apparel in the world: standards are very high and the market as a whole is not particularly price-sensitive. In fact, prices are approximately the same across the country due to the German preference for buying through catalogues or from the large department stores that are present in all major centres. A clear change in buying patterns is apparent, as Germans tend to buy fewer, but more enduring and higher-quality goods.

Although Italy has retained its position as the leading exporter in this sector for many years, Canadian exporters are now beginning to gain a foothold in certain niche markets, notably women's wear high-fashion products. A traditional, if somewhat

Continued on page 11

restrained, market exists for high-value fur garments.

Canadians are also increasing exports of men's wear — suits and blazers — and prospects exist for children's wear, especially outerwear and baby clothes. New markets are also currently being explored for uniforms, work clothing, and men's accessories such as ties and leather goods.

Textiles

Despite a shrinking domestic market for German textiles, the share of imported goods has grown considerably, providing a good opportunity for Canadian exporters of household textiles, including carpets, rugs, floor and wall coverings, furniture upholstery, decoration textiles, curtains, table linen, blankets and bedding.

Footwear

The German market for footwear is intensely competitive. After a period of reduced consumer spending, retail turnover of footwear has started back up in recent years, with high-quality imports, particularly from Italy, setting

the pace for domestic producers. Several Canadian manufacturers of high-quality leather footwear and snow boots have recently entered the German market as well. Import quotas, and duties, as well as environmental standards have applied in Germany since 1996.

Toys and games

Although Germany has long dominated the international toy market, its high cost of production in recent years has opened the door to foreign suppliers. Germany now imports as many toys as it produces. Canadian toy exporters are very much aware of this unique opportunity, judging by the increasing number of exhibitors at the Nuremberg Toy Fair, the world's largest toy fair.

Giftware — native arts and crafts

In an effort to successfully market the arts and crafts produced by its aboriginal people, Canada has participated in the TENDENCE fair in Frankfurt, one of the world's largest and most important consumer fairs. The event

attracts over 100,000 visitors from nearly 100 countries. Areas of opportunity include giftware of all kinds, crafts, table decorations and accessories, jewelry, and interior design. While Canadian Indian crafts compete directly with their American counterparts in German markets, Inuit products, particularly soapstone carvings, are unique, and are therefore highly sought after by German collectors. The native arts and crafts market is slowly but steadily growing as more and more German private dealers develop an interest in these unique offerings from aboriginal crafts people in Nunavut and the NWT.

For further information, contact Frieda Saleh, Commercial Officer, Canadian Consulate, Munich, tel: (011-49-89) 21-99-57-16, fax: (011-49-89) 21-99-57-57, e-mail: frieda.saleh@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/~bonn ✪

Smith Carter Architects & Engineers

— Continued from page 3

Mission to Beijing, Shanghai and Hong Kong. The Rose Garden contract was formally signed on the mission in the presence of Prime Minister Jean Chrétien, and the partners also began negotiating a large educational project.

"We see the Team Canada mission as a valuable opportunity for building our credibility and reputation and, ultimately, for bringing us additional work," says Simpson.

The partners, who have already set up a permanent office in Beijing, would like to contribute their talents to providing more social housing for the nation of more than 1.3 billion.

Their humanitarian forerunner would approve.

For more information, contact David Simpson, principal, DFS . Smith Carter, tel.: (204) 477-1260, fax: (204) 477-6346, e-mail: [dsimpson@smith-](mailto:dsimpson@smith-carter.com)

carter.com Web site: www.smith-carter.com or Michael Start, principal, DFS . Smith Carter, tel.: (506) 634-8377, fax: (506) 632-1741, e-mail: start@dfsarch.com Web site: www.dfsarch.com ✪

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Sharing Trade Secrets")

Opportunities

— Continued from page 2

or their authorized agents for the supply of: 1 C.N.C. Turning Centre. Cost of bid documents: US\$200. Closing date: April 17, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010214-00541. For details: www.iboc.gc.ca/webleads.asp?id=1778 (Notice received from the Canadian High Commission in New Delhi, India.)

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<p>(DFAIT Geographic Bureaus)</p>		

— Continued from page 1

State (Asia-Pacific) accompanying Prime Minister Jean Chrétien. The mission proved that Team Canada not only opens doors to business for Canadian firms, but can attract foreign investment to Canada as well.

Team Canada 2001 clearly demonstrated how successful Canadian companies can be in the rapidly expanding markets of China and Hong Kong, which combined, represent Canada's third-largest trading partner, with over \$16 billion in annual trade. Canadian businesses, ranging from small and medium-sized enterprises relatively new to the Chinese market to large, well-established firms, netted new business worth almost \$5.7 billion. The deals included contracts, memoranda of understanding, and letters of intent.

In Beijing, Prime Minister Chrétien announced the signing of 204 new business deals worth over \$5.2 billion; in Shanghai, 62 new business deals

worth over \$314 million were signed and in Hong Kong 27 new deals were announced, worth over \$75 million to Canadian enterprises.

ties was another important aspect of this year's mission. In Beijing, Prime Minister Chrétien announced the signing of agreements between

Team Canada 2001: Mission accomplished

Key sectors for Team Canada 2001 were **environmental technologies; agriculture and agri-food; information and communications technologies; education technologies and cultural industries; energy; transportation; mining and minerals; financial services; and medical and health services.**

Strengthening intergovernmental

Canada and China to enhance bilateral co-operation in the areas of energy, development assistance, and student exchanges. In Xi'an, he witnessed the signing of agreements for Canada Fund projects to improve basic human conditions in impoverished areas of Shaanxi province, and in Hong Kong, agreements deepening co-operation in the fields of culture, education, law and the environment.

In 1994, the first Team Canada mission to Beijing and Shanghai signalled a new Canadian interest in this major export market and this year's Team Canada 2001 has reinforced Canada's commitment to the region.

For more information on how the Canadian Trade Commissioner Service can help you with market prospects in China, click on www.infoexport.gc.ca or contact Dave Murphy, China and Mongolia Division, DFAIT, tel.: (613) 992-6129, fax: (613) 943-1068, e-mail: dave.murphy@dfait-maeci.gc.ca *



Business exploration tours to China

Gold-Mine Travel Service Ltd. has reached an agreement with the Chinese Society of Urban Development (and its subsidiary China Cities International Travel Service Ltd.) to be the world-wide organizer and sales agency of the "China Explorers' Tours" for the Chinese Society of Urban Development. Each of the business exploration tours to 10 Chinese cities involve comprehensive itineraries and routes. Participants will meet local entrepreneurs and government authorities for informa-

tion sessions. Each tour provides business travellers with opportunities to meet new contacts, and tours are designed to familiarize potential investors with China's pillar industries.

For more information, visit Gold-Mine Travel Service Ltd.'s Web site: www.chinaupdate.com or contact Dick Yip, tel.: (416) 780-9619, fax: (416) 783-0849. *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Roadmap to China and Hong Kong")

Texas-Mexico border — Continued from page 6

sessions and matchmaking and site visits introduced delegates to many potential buyers and partners in this urban area, which comprises over 3 million inhabitants and over 10% of Mexico's total GDP.

The mission highlighted the effectiveness of Canada's unique public-private approach to export develop-

ment in the region. Brian Monaghan, Sales Manager at Hydromantis Inc., expressed it this way: "I am what you might call a 'happy taxpayer'."

For further information, contact Scott Flukinger, Business Development Officer, Canadian Consulate General, Dallas, tel.: (214) 922-9806, fax: (214) 922-9815, e-mail:

scott.flukinger@dfait-maeci.gc.ca
Web site: www.canada.dallas.org or Veronica Fernandez, Commercial Officer, Canadian Consulate, Monterrey, tel.: (011-52-8) 344-3200/344-2753, fax: (011-52-8) 344-3048, e-mail: fernava@canada.org.mx Web site: www.canada.org.mx *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "The U.S. Connection.")

For 19 years now, the *Canada Export Awards* have paid special tribute to Canadian exporting firms that have distinguished themselves through their spirit of innovation and the excellent products and services they export around the globe.

For the finalists and winners, the Canada Export Awards are recognition of the efforts of each and every member of each firm. "It is a wonderful honour," says Guy Lebuis, President, *Vogue Pool Products*. "It means a great deal to our employees, who have worked so hard. I am convinced that the award has enhanced our employees' feeling of belonging to the firm."

Vogue Pool Products of Lasalle, Quebec, was established in 1957, and began exporting in the late 1970s. Mr. Lebuis decided to try his luck in 1998 and sent his application to the Canada Export Awards program. "We were very proud to reap the benefits of so much hard work,"

he said when the firm received the award.

According to Mr. Lebuis, financial partners, for example, are favourably

ceremony held in conjunction with the annual convention of the Canadian Manufacturers & Exporters in Montreal on September 24, 2001.

Last chance to apply

Canada Export Awards 2001

impressed with Canada Export Awards. "For financial institutions, a company that exports is a company that favours development — a sign of growth and success. A Canada Export Award is another feather in a company's cap."

This year, the Canada Export Awards will be presented during a



The deadline for receiving applications is **March 31, 2001**.

For further information or an application form, consult the Canada Export Awards Web site at www.infoexport.gc.ca/awards-prix

or contact Lucille Latrémouille-Dyett, Canada Export Awards Officer, DFAIT, tel.: (613) 944-2395. ✱

What's new with Japan's development financing?

In the past, Japan had two separate trade and development financing institutions: the Export-Import Bank of Japan (JEXIM) for trade, and the Overseas Economic Co-operation Fund (OECF) for development. However, on October 1, 1999, these two institutions were amalgamated into one called the Japan Bank for International Co-operation (www.jbic.go.jp/) (JBIC).

Previously, JEXIM was devoted to promoting Japan's exports and imports as well as its economic activities overseas. It provided financial facilities, including export loans, import loans, overseas investment loans and untied loans. OECF, on the other hand, was devoted to the economic and social development

of developing countries. It provided official development assistance (ODA), including ODA loans, overseas investment loans and equity investment.

Despite the amalgamation, which was done to better combine the information, expertise and resources of the two previous institutions, JBIC will still be divided into two distinctive operations internally: International Financial Operations (IFO) and Overseas Economic Co-operation Operations (OECO). As of the end of fiscal year 1999, JBIC's outstanding loans and other financing stood at US\$18 billion for IFO and US\$104.5 billion for OECO, putting it in the same league with the World Bank. Including its 28 representative and liaison offices world-

wide, JBIC's total staff numbered 888 as of the end of fiscal year 2000.

A recent discussion with a key official at JBIC's New York head office revealed that procurement under JBIC will remain basically the same as formerly conducted for OECF loans. Canadian firms that have pursued OECF-funded contracts in the past are encouraged to use the same approach, and those that have not should consider contacting JBIC's Toronto Liaison Office or checking JBIC's official Web site (www.jbic.go.jp) for additional information.

For more information, contact Kaoru Sakaguchi, General Manager, JBIC's Toronto Liaison Office, tel.: (416) 865-1700, fax: (416) 865-0124 or Edward Wang, Trade Commissioner and Asia Team Leader, Export Financing Division, DFAIT, tel.: (613) 996-6188, fax: (613) 943-1100, e-mail: edward.wang@dfait-maeci.gc.ca ✱

International Food Ingredients & Additives Expo

VALENCIA, SPAIN — May 14-16, 2001 — Spain's first International Food Ingredients & Additives Expo (IFIA) is expected to draw professional buyers from throughout the Mediterranean basin, and will feature the latest products in the food ingredients, additives and nutraceuticals industry. In an accompanying conference program, industry leaders will discuss the latest trends in the sector. The event is sponsored by the Asociación Frisona de Cantabria, the government of Valencia, *Alimentaria* and *Alimarket* magazines, and the Institute of Food Technologists.

To book space, contact the organizers, Fred Hart, E.J. Krause & Associates, tel.: (301) 493-5500, e-mail: hart@ejkrause.com Web site: www.ejkrause.com/cal-date.htm

For more information, contact Marc L. Gagnon, Commercial Officer, Canadian Embassy, Madrid, tel.: (011-34-91) 423-3250, fax: (011-34-91) 423-3252, e-mail: marc.l.gagnon@dfait-maeci.gc.ca Web site: www.canada-es.org or Andrée Bazinet, Desk Officer, Western Europe Division, DFAIT, tel.: (613) 996-4427, fax: (613) 995-5772, e-mail: andree.bazinet@dfait-maeci.gc.ca *



LIGNA^{Plus} HANNOVER 2001

HANNOVER, GERMANY — May 21-25, 2001 — LIGNA^{Plus}, a world fair for the forestry and wood industries, will feature:

- forestry
- specialized machinery, equipment and accessories for timber construction and carpentry
- technical applications for wood
- wood materials and veneer production
- specialized machinery, equipment and accessories for joiners and cabinetmakers
- special displays and presentations
- solid wood working
- the furniture industry
- the sawmill industry

In 2000, LIGNA^{Plus} drew approximately 108,400 visitors; exhibitors numbered 1,874 and came from 41 countries.

For information on travel packages, contact:

- The Traveldesk, tel.: (905) 477-5224

or (toll-free) 1-888-797-1515, fax: (905) 477-8880, e-mail: tdesk@inforamp.net Web site: www.callthetraveldesk.com

- the Canadian representative of the LIGNA^{Plus} organizer, Co-Mar Management Services, tel.: (416) 690-0331 or (toll-free) 1-800-727-4183, fax: (416) 690-1244, e-mail: comar@baldhead.com

For more information on LIGNA^{Plus}, contact:

- Yvonne Gruenthaler, Desk Officer, Germany and Austria (Trade), DFAIT, tel.: (613) 943-0893, fax: (613) 995-6319, e-mail: yvonne.gruenthaler@dfait-maeci.gc.ca
- the Trade Division, Canadian Embassy, Berlin, tel.: (011-49-30) 20312-0, fax: (011-49-30) 20312-590, e-mail: brlin@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/~bonn
- or consult the Web site: www.ligna.de/index_e.html *

Food Ingredients Asia

SINGAPORE — May 22-24, 2001 — Agriculture and Agri-Food Canada and the Canadian Institute of Food Science and Technology are organizing a Canadian pavilion at Food Ingredients Asia (FIA), one of the largest shows of its kind in Asia.

FIA attracts a range of purchasers, manufacturers and customers. Suppliers of food ingredients, bio-active ingredients, functional foods and nutraceuticals are expected to attend.

In 1999, more than 4,270 food manufacturers visited FIA. To date, 60 companies have signed up as exhibitors for this spring's show.

The Canadian pavilion at FIA will feature 12-metre booths that can be rented for US\$7,380. Assistance is available to cover half of the rental costs.

For more information regarding agriculture and agri-food opportunities in Singapore, or for details on how to take part as an exhibitor at FIA, contact:

- Mike Price, Agriculture and Agri-Food Canada, tel.: (613) 759-7509, fax: (613) 759-7480, e-mail: pricewm@em.agr.ca Web site: www.fi-events.com
- Nancy Bernard, South East Asia Division, DFAIT, tel.: (613) 996-5824, fax: (613) 944-1604, e-mail: nancy.bernard@dfait-maeci.gc.ca
- Jackie Draper, First Secretary, or Francis Chan, Commercial Officer, Canadian High Commission, Singapore, tel.: (011-65) 325-3200, fax: (011-65) 325-3294, e-mail: jackie.draper@dfait-maeci.gc.ca or francis.chan@dfait-maeci.gc.ca Web site: www.infoexport.gc.ca/sg *

SINGAPORE — June 19-22, 2001 — **CommunicAsia** and **BroadcastAsia** are top information and communications technology events in the Asia-Pacific region — and excellent business opportunities for Canadian ICT and broadcasting firms.

CommunicAsia2000 drew 46,000-plus visitors from 52 countries; attendance should be up 20% this year. On display will be groundbreaking technology in broadband wireless access, LMDS, optical access networking, 3G, ASP, multimedia broadband services via satellite, and much more.

BroadcastAsia showcases sound, film and video innovations. This year it presents hardware, software, film-to-video production, TV/radio-to-Internet broadcasting and many more exhibits.

A Trade Team Canada Information and Communications Technologies program will support Canadian

CommunicAsia and BroadcastAsia 2001 in Singapore

firms visiting or exhibiting at the two trade fairs. Plans call for a briefing by officials of the Canadian High Commission in Singapore, a networking reception, a partnering forum to match Canadian companies with Singapore/Asian counterparts, a networking breakfast with trade officers from Canada's embassies in the region, and assistance from the Canadian Trade Commissioner Service.

To book space at the Canada pavilions, contact the **CommunicAsia** and **BroadcastAsia** representative in Canada, UNILINK, tel.: (613) 549-0404, fax: (613) 549-2528, e-mail: info@unilinkfairs.com Web site: www.unilinkfairs.com

UNILINK also provides services such as freight consolidation and an exclusive hotel accommodation package.

For more information, contact Michael Cleary, Senior Trade Officer, Industry Canada, tel.: (613) 991-4903, fax: (613) 990-4215, e-mail: cleary.michael@ic.gc.ca or Esther Ho, Commercial Officer, Canadian High Commission, Singapore, tel.: (011-65) 325-3200, fax: (011-65) 325-3294, e-mail: esther.ho@dfait-maeci.gc.ca Web site: www.infoexport.gc.ca/sg or consult the following Web sites: www.communicasia.com or www.broadcast-asia.com ✪

Expo 2001 in Acapulco

ACAPULCO, MEXICO — October 17-20, 2001 — The Canadian Association of Mining Equipment and Services for Export (CAMESE) invites Canadian mining firms to **Expo 2001**, a trade show highlighting the Congress of Mexican Geologists, Mining Engineers and Metallurgists.

This biennial trade show attracts the elite of the Mexican mining industry. It is the only conference that encompasses Mexico's exploration and mining market, and is expected to draw more than 400 exhibitors along with approximately 3,000 delegates.

CAMESE has participated in this event many times in the past, and has organized the Canada Pavilion for the last three shows. Opportunities exist for renting or sharing a booth, or for exhibiting posters.

For more information on participating, or to register, contact CAMESE, fax: (905) 513-1834.

For more information on the Mexican mining industry, contact:

- Peter Egyed, Counsellor (Commercial), Canadian Embassy, Mexico City, tel.: (011-52-5) 724-7933, fax: (011-52-5) 724-7982, e-mail: peter.egyed@dfait-maeci.gc.ca

- Clem Srour, Trade Commissioner, Market Support Division, DFAIT, tel.: (613) 996-0684, fax: (613) 943-8820, e-mail: clem.sroure@dfait-maeci.gc.ca
- Clément Coté, Trade Commissioner, Mexico Division, DFAIT, tel.: (613) 996-8625, fax: (613) 996-6142, e-mail: clement.cote@dfait-maeci.gc.ca ✪

Upcoming trade fairs in Bosnia and Herzegovina

Consult the following Web sites for information on the trade fairs in 2001 in Bosnia and Herzegovina:

- www.sarajevo-fair.ba for fairs in Sarajevo
- www.promo.com.ba for Promo 2001 in Tuzla
- www.zeps.com for ZEPS 2001 in Zenica

For more information, contact Gordana Bosanac, Consular Program Officer/Trade Assistant, Canadian Embassy, Sarajevo, tel.: (011-387-33) 447-900, fax: (011-387-33) 447-901, e-mail: gordana.bosanac@dfait-maeci.gc.ca

To exhibit, contact the fair management directly. ✪

Last chance for applications

Step Ahead, the highly successful one-on-one mentoring program based in Toronto, is seeking applicants for its 2001 program. This not-for-profit volunteer organization pairs junior businesswomen who want to expand their businesses to the next level with seasoned women entrepreneurs.

The 12-month program comprises 10 workshops, featuring dynamic speakers, including some of Canada's top 100 women entrepreneurs, ex-

Mentoring program for women entrepreneurs seeks protégées for 2001

pert panels and roundtable discussions on best business practices for entrepreneurs.

Founded in Toronto in 1991, Step Ahead focuses on business development for women by women, providing educational and practical learning

opportunities for women business owners.

"Collectively, our participants have generated an estimated quarter billion dollars in revenues and continue to significantly move the economy of Canada forward," said Susan Baka, co-chair of Step Ahead. "Our goal is to expand across Canada by building on the strong foundation developed in Toronto, and fill the very real need for women to connect with role models they can relate to — other women who deal with the delicate act of balancing business, personal and family demands."

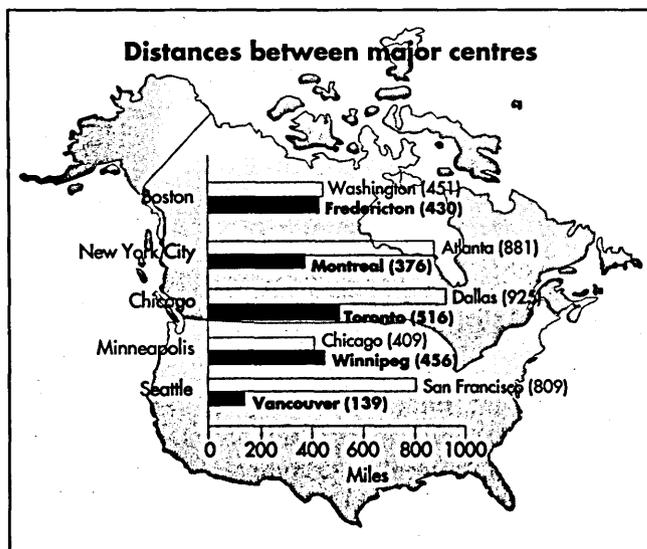
The fee for the Toronto program is \$750.

For more information or to receive an application form, contact Marie Bordeleau, Step Ahead, tel.: (416) 410-5802, fax: (416) 495-8723, e-mail: mbordeleau@base.onramp.ca *

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For more information on investing and doing business in Canada, click on www.investincanada.gc.ca or call (613) 941-0354, fax: (613) 941-3796, e-mail: lanoy.louise@ic.gc.ca

* Source: Transport Canada

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Enquiries Service

DFAIT's Enquiries Service provides counselling, publications, and referral services to Canadian exporters. Trade-related information can be obtained by calling 1-800-267-8376 (Ottawa region: 944-4000) or by fax at (613) 996-9709; by calling the Enquiries Service FaxLink (from a fax machine) at (613) 944-4500; or by accessing the DFAIT Internet site at www.dfait-maeci.gc.ca

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Canada

Dept. of Foreign Affairs
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Retourner à la bibliothèque du Ministère



Thanks to CCC

Largest-ever Canada-U.S. Military Aircraft Contract

If at first you don't succeed, try, try again. That's precisely what **IMP Group Limited, Aerospace Division (IMP Aerospace)** did after an unsuccessful 1994 bid on a U.S. Navy basic ordering agreement (BOA) for Standard Depot Level Maintenance (SDLM) for H-3 helicopters in partnership with a well-known U.S. supplier. The Halifax-based company not only bid on the BOA when it came up for re-competition in 1998, but opted to go it alone — through the **Canadian Commercial Corporation (CCC)**. The result? In

March 2000, the company won the largest-ever U.S. military aircraft contract — worth US\$50 million — awarded to a Canadian company.

Since its creation in 1970, Halifax-based IMP Aerospace, a wholly owned subsidiary of IMP Group International, has been providing military and commercial aerospace customers with a full range of engineering, manufacturing and repair services. The company, which has 1,200 employees in three

Continued on page 7 – IMP

1st First People's Export Prize



On March 4, at the **Mishtapew 2001 Awards of Excellence Gala** honouring Aboriginal entrepreneurs, International Trade Minister Pettigrew (right) presents the **Export Prize** to **Bleuets Mistassini Ltd.**, represented by company president Jean-Marie Fortin. Looking on are the firm's human resources director, Marlène Fortin, and Huron spiritual leader Raymond Gros-Louis. Awarded for the first time this year, the **Export Prize** is sponsored by DFAIT. The gala is an annual event organized by the **First People's Business Association**; this year it took place during **SIAL Montreal**, March 4-6.

(For the full story, see: www.infoexport.gc.ca/canadexport and click on "Trade News")

Venture Capital

Opportunities in Morocco

Morocco's business culture has changed dramatically over the past decade. Old connections and networks no longer exist and a new generation of Moroccan investment operators are approaching business development in ways that are more in tune with international practices. This new open-minded attitude embraces the services of foreign shareholders to start up or develop business in a number of emerging sectors. Venture capital in Morocco is now seen as the key to driving growth in its changing economy, one that is confronted daily by globalization and the opening up of its markets to the world.

For Morocco, the real value of this financial sector lies in its network of links with local industry and in its ability to accurately assess the value of projects which fall outside the traditional sectors favored by banks. This network can provide valuable information for Canadian companies investigating the Moroccan investment market or scouting for partners.

A brief history of banking in Morocco

A decade ago the banking environment in Morocco was stable and very protected, operating within a patchwork, outmoded regulatory framework. In recent years however, globalization, the technological revolution and deregulation have led to profound changes.

Morocco's 24 banks have responded by diversifying their products and refocusing on new sectors. All the credit institutions have created their own mutual funds, open-ended investment companies, open-end funds and insurance products, as well as diversifying their savings products and credit operations.

Of these banks, 18 are foreign-owned to some degree. Foreign investment in Moroccan banks is

set to increase because local banks will need more capital to finance their acquisitions and because the ongoing privatization of Moroccan banks will open up opportunities for foreign operators. La Caisse Desjardins du Quebec recently signed such an agreement with BCP, the Moroccan national bank, for the transfer of remittances of Moroccans residing in Canada.

Venture capital in Morocco

Venture, or investment, capital is new to Morocco. However, this sector is now seeing a rise in demand for investment funds as well as the proliferation of specialized corporations, a response largely due to the requirement for capital by Moroccan companies seeking to modernize. Moroccan investment capital operators maintain a first-rate relational network with local industry and for this reason can provide valuable information on business opportunities as well as advice about penetrating the Moroccan market. It is therefore recommended that Canadian firms planning major projects in Morocco make use of their advice in this regard, especially if financial engineering is being considered locally.

Top ten venture capital operators

- ASMA Invest
- Capital Finance
- CapitalInvest
- Casablanca Finance Group
- Faisal Finance Maroc
- (La) Financière Capitale
- Mediterranean Finance
- Moussahama
- Société maroco-émirienne de développement (SOMED)
- UPLINE INTERNATIONAL

For more information, contact Leopold Battel, Commercial Counsellor, Canadian Embassy, Morocco, tel.: (011-212-37) 68-74-36, fax: (011-212-37) 68-74-15, e-mail: leopold.battel@dfait-maeci.gc.ca

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Business Opportunities".)

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CanadExport

The current political situation notwithstanding, Pakistan offers tremendous opportunities for Canadian exporters. That's the message being put out by the Canada-Pakistan Business Council (CPBC),

According to Merchant, the Pakistani government's first priority for joint ventures is in oil and gas exploration. Other opportunities lie in housing, information technology, infrastructure, agri-food and fisheries.

the Canadian Consulates in Karachi and Lahore.

Typically consisting of 8-10 participants, the missions have brought solid results. The latest mission, in January 2000, facilitated a joint venture between the Markham-based information technology firm CM Inc. and OPSTeC (the Institute run by Overseas Pakistanis) in Lahore. It also led to the appointment of agents in Pakistan by Fuelling Technologies Inc., a Toronto-based company in the business of converting cars to run on natural gas.

While previous missions have highlighted telecommunications, education, agri-food, information technologies, and financial and health sectors, the Council plans to feature the automotive and environmental sectors in the Council's next mission (to be announced).

The Council also hosts incoming missions and visiting dignitaries from Pakistan, whose visits are usually coordinated in conjunction with DFAIT. A delegation of executives of the boards of investment in Pakistan, along with the Pakistani Minister for Commerce and Industry, is expected to arrive at the end of May.

Leadership role

Merchant believes that the move to bring economic prosperity to Pakistan will come from abroad, rather than from within the country. "I feel as Canadians we can play a leadership role in putting Pakistan on the road to economic prosperity."

This road begins with improvements in basic areas such as health, education and infrastructure. "The know-how is there; what is needed is to help the people set up the right priorities."

To finance Canadian ventures, Merchant is promoting, on behalf of the council, an investment role for Canada's private pension funds and financial institutions. "These institutions can play a significant role by financing the Canadian companies wanting to do business. Pakistan is a safe market; the country has never
Continued on page 11 - Canada-Pakistan

Keeping trade momentum going

Canada-Pakistan Business Council

which is helping to keep the bilateral-trade momentum going through its many export- and investment-oriented services and programs.

For nearly 20 years, the CPBC — founded in Montreal but headquartered in Toronto since 1996 — has been fulfilling its mandate to promote bilateral trade between Canada and Pakistan. It has a membership of more than 50 business entrepreneurs and companies, with a contact list of 450 more.

Canadian exports to and investment in Pakistan have been down in the last few years, partly as a result of the military take-over of the government in October 1999 and Pakistan's test of nuclear weapons in 1998. Nevertheless CPBC President Andy Merchant sees good opportunities for Canadian exporters, who can compete well with U.S. and European countries in just about any sector of activity and who have an edge through the lower Canadian dollar.

Gateway market

The military has until the end of 2002 to hand over the power to an elected government. Once this is done, Pakistan, with its 140 million residents, growing middle class, and strategic location, will be, Merchant believes, "one of the most lucrative markets in the world. And the country is a gateway to the Russian and Middle East markets."

The CPBC facilitates these kinds of opportunities through its many activities. It regularly offers business seminars focusing on investment opportunities in various sectors. A recent seminar focusing on the envi-



MOU signing ceremony in Lahore between Hasan Naqvi (right), President of CM Inc. of Markham, Ont. and Ahmad Bilal Mehboob, CEO of OPSTeC, during a trade mission organized in January 2000 by the CPBC, in collaboration with DFAIT. Standing in the back is CPBC President Andy Merchant (right) and officials of OPSTeC.

ronment sector was held in conjunction with Ontario Exports Inc. An open house in February, open to non-member business people and potential investors, featured speakers representing various sectors in both Canada and Pakistan.

Trade missions bring results

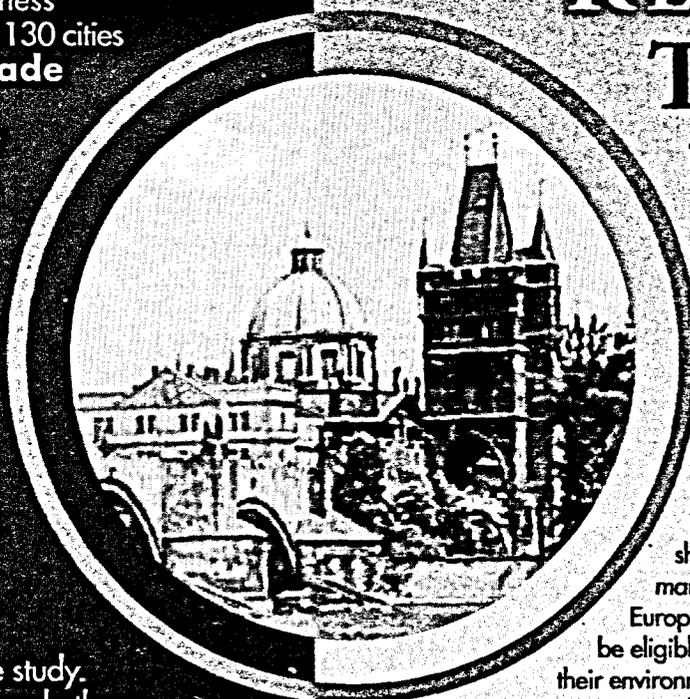
In the past few years, the Council has organized two trade missions to Pakistan, in close co-operation with commercial officers at the Canadian High Commission in Islamabad and

THE CZECH REPUBLIC, HUNGARY, SLOVAK REPUBLIC AND SLOVENIA The Environmental Industries

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The Czech Republic, Hungary, the Slovak Republic and Slovenia are all dealing with a legacy of environmental problems. The shift toward pollution control has sparked demand for Western environmental products and services.

The main factor presently shaping the growth of these markets is a desire to join the European Union (EU). In order to be eligible, these countries must bring their environmental legislation in line with numerous EU regulations.

These four Central and Eastern European countries (CEECs) share similar environmental problems. Decades of heavy industrialization, a reliance on coal, and ineffectual environmental legislation have taken their toll. It is estimated that Hungary and the Czech Republic will each require an infusion of \$15 to \$16 billion to meet EU standards.

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HUNGARY, THE SLOVAK AND SLOVENIA Environmental Markets

Opportunities

Equipment and services to update existing water, wastewater and solid-waste treatment facilities are in high demand in all four countries. High-quality pollution technologies from the West are also well-received.

Market Snapshots

Czech Republic: In 1999, the Czech water and wastewater treatment equipment market was \$966 million. Demand for equipment and technologies is expected to rise considerably over the next few years. In particular, contaminated landfill sites present potential opportunities for Canadian companies with expertise in hazardous waste management.

Hungary: The Hungarian market for water and wastewater treatment equipment is the highest of the four countries reaching \$1.2 billion in 1999. Local companies make up about 37% of the market share, while Western European firms hold 45% of the market. The combined Canadian-U.S. market share is 10%.



Hungary's market for municipal waste management services reached \$230 million in 1999 when approximately 4.3 million tonnes of municipal waste were processed. The private sector holds 22% of the total market for waste management in Hungary. This share varies from over

50% in larger urban areas, to close to nil in smaller towns. Imports account for about 75% of the market, with the major foreign suppliers and investors from Germany, Austria and France.

Slovak Republic: The Slovak Republic is in the most dire position regarding compliance with EU standards. Although some efforts have been made, economic concerns have put environmental issues on the back-burner. Currently, 70% of municipal waste is disposed of in landfills without any prior treatment, and less than 2% of waste is recycled.

Slovenia: Slovenia is the most prosperous CEEC in terms of its economic, industrial and environmental restructuring programs. The market for water and wastewater treatment equipment is relatively small, but growing. The solid waste treatment market is also small. However, demand for recycling and separation equipment will continue to rise.

Market Access
Project financing remains the major market constraint in all four countries. However, continued privatization and the desire to join the EU

has increased market demand for environmental equipment. Currently, Western European companies dominate the equipment market. Canadian companies hoping to gain access will have to be proactive. Thorough research, use of an agent, and a visit to the country of interest will improve chances of a successful market entry.

See Potential?

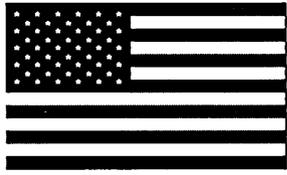
To learn more about these markets, read the full report, *The Environmental Markets in the Czech Republic, Hungary, the Slovak Republic and Slovenia*, prepared by our Market Research Centre. You can access this report and hundreds of others for free at the Trade Commissioner Service Web site: www.infoexport.gc.ca

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The Environmental Markets

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The U.S. Connection

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TechnicallyHip.ca

"Home is where the Hip is"

Brent Halliday of Greenston Venture Partners may have created a funny, hip, self-deprecating and opinionated new Web site for Canadians, but his underlying goal is serious. With *TechnicallyHip.ca* (www.technicallyhip.ca) Halliday is trying to grab the attention of the half-million Canadian expatriates working in the U.S. high-tech sector — and maybe lure them home again.

Halliday got the idea for the Web site from some savvy Canadian bureaucrats in Silicon Valley who started the Moose Lounge, a meeting place where members reminisce about Canada over Moosehead beer and Smarties. Halliday happened to know Handol Kim, Vice Consul at the Canadian Consulate in San Jose, who also held the title of "Head Moose" at the lounge, and after some discussion TechnicallyHip.ca was born.

"My idea was to mimic the self-deprecating humor of the Moose Lounge," says Halliday. "As for the name, it's a take-off on the Tragically Hip, one of Canada's best-known secrets — sort of like our high-tech industry."

But TechnicallyHip.ca is more than just a long Canadian chuckle. The site includes information on immigration

and taxes, jobs, and Canadian success stories as well as on-line discussion forums and links to everything Canadian, including the Web site for Hockey Night in Canada.

Halliday believes the site could garner the attention of Canadians who, having acquired American

know-how, are discovering that home is best after all. He also hopes it will attract national sponsors looking to recruit expats back to Canada.

"Armed with high-tech experience and networks, Canadians living in the U.S. face the decision of going for permanent immigration or returning to Canada," says Halliday. "Until very recently, most opted to try and keep their career tracks in the U.S. Now, the shine is off the golden dream in the Valley and in the meantime Canada has been busy creating pockets of world-class technology opportunities. By connecting Canadians in the U.S. together and informing them of what is happening here, we aim to improve the flow of ideas, experience, information and maybe, just maybe, people."

Even if they don't return, Halliday hopes his site will allow expats to stay in touch with their Canadian identity.

TechnicallyHip.ca is currently run by a non-profit group formed by Canadian high-tech industry leaders including Greenston Venture Partners, PMC Sierra, PriceWaterhouseCoopers and A-Live Holdings. Organizations such as CanadaIT.com, Rocket Builders, Bull, Housser & Tupper have supported the site as well. The Digital Moose Lounge, a technology networking group for Canadians in Silicon Valley, plans to use TechnicallyHip.ca as on-line meeting place between its live weekly meetings.

technicallyHip.ca

the TECH north strong and free
THE community for Canadians working abroad



The site is so popular it is attracting 200 new members a day and Halliday expects to hire several full-time employees to run it in the near future. "We have so many ideas, and already the feedback is great. We think it will grow organically, and everybody down there will learn a bit about us, and all the expats can hang onto a bit of Canada this way."

For more information, contact Brent Halliday, Greenston Venture Partners, tel.: (604) 717-1977, e-mail: bh@greentonevc.com

"Excerpts from an original article by Monica Ullman for *Silicon Valley NORTH* (www.siliconvalleynorth.com) reproduced by special permission." *

Check the Business Section of the Canada-U.S. Relations Home Page at www.dfait-maeci.gc.ca/geo/usa/business-e.asp ... for valuable information on doing business in and with the United States.

—Continued from page 1

operating locations in Nova Scotia and annual revenues of \$140 million, has earned a reputation as a world leader for engineering and maintenance of maritime helicopters.

Within Canada, IMP Aerospace is a provider of depot-level engineering

was awarded a BOA with the U.S. Navy for the repair and overhaul of automatic stabilization equipment for H-3 helicopters.

The five-year H-3 SDLM BOA provides for the overhaul, repair, engineering and field support services of the entire U.S. Navy fleet of 60 H-3

IMP Group Limited

and maintenance support to the Canadian Forces' CH124 Sea King helicopters and CP140 Aurora aircraft fleets, and is the In-Service Support Contractor for the new fleet of CH149 Cormorant search and rescue helicopters. The United States is the current destination for virtually all company exports.

Destination: U.S.

"Ninety-nine percent of our exports go to the U.S. Department of Defense and U.S. companies," explains Derek Kinsman, Vice-president of International Marketing for IMP Aerospace, which counts Lockheed Martin, Boeing, Raytheon and Northrop Grumman among its U.S. commercial customers.

IMP's first contract with the U.S. Department of Defense (DoD) — and its relationship with CCC — dates back to 1990, when the company

helicopters, as well as similar services for 29 Egyptian Air Force Sea Kings.

CCC on board

At the request of DoD, the joint U.S./Canada Defense Production



IMP Group Chairman & CEO, Ken C. Rowe, and Captain C. Deitchman, Wing Commander COMHELTACWINGLANT (inset), commemorate delivery of first U.S. Navy H-3 SDLM helicopter (photo), January 18, 2001.

Sharing Arrangement mandates that all purchases over US\$100,000 from Canadian companies be made through CCC. "This is the largest contract we've helped the company out with," explains CCC Project Manager Joan Nolan. "They're pretty much aware of how the process works, and what the opportunities are out there. They're a pleasure to work with."

"Our relationship with CCC has been excellent," agrees Kinsman. "There's no other word for it. CCC was very supportive during the bid phases. And the Corporation is very experienced; they're always looking after our interests."

The company is coming to the end of the base year of its contract and has just delivered the first of eight aircraft it is currently overhauling at its facilities. "The contract is going very smoothly," says Nolan. "The U.S. Navy seems to be pleased."

SHAPING TRADE SOLUTIONS FOR OUR EXPORTERS



Canadian Commercial Corporation

The Canadian Commercial Corporation (CCC) is an export sales agency of the Government of Canada providing special access to the U.S. defence and aerospace markets and specializing in sales to foreign governments.

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CCC can facilitate export sales that often result in the waiving of performance bonds, advanced payment arrangements and generally better project terms.

When requested, CCC acts as prime contractor for government-to-government transactions and provides access to pre-shipment export financing from commercial sources.

For more information, contact CCC, tel.: (613) 996-0034, toll-free in Canada: (800) 748-8191, fax: (613) 947-3903, e-mail: info@ccc.ca
Web site: www.ccc.ca

Exercising options

In fact, the Navy is so pleased it has informed the company that it is going to exercise the first year option (March 2001 to March 2002) on the BOA. "The U.S. isn't obligated to exercise any of the four option years," explains Kinsman. "We're very happy with their decision; we're expecting to receive six more aircraft by June."

The company's general business philosophy has been to continue to exploit the expertise it has developed in supporting the Canadian Department of National Defence and to seek work internationally. "The first place we typically look is the U.S., and our seeking has been successful. This one contract alone represents over 15% growth in our business."

With this success and growth under its belt, IMP Aerospace is now poised to capture other international opportunities... with continued CCC backing.

For more information, contact Derek Kinsman, Vice-president, International Marketing, tel.: (902) 873-2250, ext. 1421, fax: (902) 873-2290, e-mail: impaero@impgroup.com
Web site: www.impgroup.com

DOING BUSINESS WITH THE U.S. FEDERAL GOVERNMENT?

Find out more from the Canadian Embassy in Washington, D.C. (www.canadianembassy.org) under "Business Opportunities: U.S. Government Procurement."

Log onto opportunities via the General Services Administration (www.gsa.gov), which facilitates purchases by the U.S. government — the world's largest consumer — and the Electronic Posting System site (www.eps.gov).

When you're ready to pursue these opportunities, the Canadian Commercial Corporation (www.ccc.ca) can assist you with the interpretation of the U.S. procurement system or ensure that as a Canadian company, you are eligible to participate.

Following its recent mission to China with Team Canada in February, the Certified General Accountants Association of Canada (CGA-Canada) finds itself three steps closer to helping China build the accounting infrastructure it will need to succeed in a market-driven economy.

By all accounts a success

CGA-Canada in China

CGA-Canada signed three agreements that will bring its internationally recognized CGA Program of Professional Studies into more Chinese classrooms, educating the profes-



MOU signing ceremony in Beijing. Seated, from left to right, Guy Legault, President and COO, CGA-Canada; Bruce Hryciuk, Chair and CEO, CGA-Canada; Professor Chen Xiao Yue, Vice-President, National Accounting Institute of China, Beijing; Li Yong, Secretary General, Chinese Institute of Certified Public Accountants and Assistant Minister of Finance. Standing, from left to right, Minister Pierre Pettigrew; Ontario Premier Mike Harris; Zeng Peiyan, Chairman, State Devel. Planning Commission; Prime Minister Jean Chrétien.

sionals that China will need to implement the reforms and create the capital markets necessary to participate in the global economy.

Contract and MOUs

For Vancouver-based CGA-Canada — a professional body representing 60,000 Certified General Accountants and students across Canada, Bermuda, the Caribbean and in Pacific Rim countries — the highlights of the Team Canada mission were the signing of Memorandums of Understanding with the two National Accounting

Institutes of China to use the CGA Program of Professional Studies, and the signing of a contract with the prestigious China Women's College to offer foundation-level accounting courses as part of a diploma program.

CGA Certified General Accountants
Comptables généraux accrédités

The National Institutes, in Beijing and in Shanghai, offer continuing professional education for accountants and are expected to be the premier accounting training facilities for more than 10,000 professionals each year. "We will also work with the Beijing Institute to develop specialized courses in comptrollership, finance and securities, and government accounting," says Bruce Hryciuk, chair and chief executive officer of CGA-Canada.

The China Women's College, established in 1949, caters to the educational needs of female students, maintaining three faculties for full-time university students in Law, Social Sciences and Management. The College also has a training centre for executives in government and industry.

Accounting for China's future

As China moves from a centrally planned to a market-driven economy, its leaders understand that the success of this transition will depend on a solid infrastructure of business, accounting and financial management and reporting. CGA-Canada, a world leader in professional accounting education, has been in China since 1993, helping one of the world's largest economies build and modernize its human infrastructure.

"Accountancy development is a prerequisite for the establishment of a viable stock market, a normal banking system or for any privatization efforts," explains Hryciuk. "Accounting is the cornerstone of investment, trade and commerce."

CGA-Canada's presence in China was originally supported by the Government of Canada through the Canadian International Development Agency's (CIDA) Management for Change Program. "The Canadian Embassy in China also helped open many doors," recalls Hryciuk. Today, the CGA Program of Professional Studies is offered on a self-funded basis at six partner universities in China.

"CGA-Canada already represents close to 1,800 professional accountants and accounting students in China in the public, commercial and industrial sectors and the potential for growth is phenomenal," adds Hryciuk. "In fact, the Chinese government has estimated that China will require at least 300,000 professionally trained accountants to implement the business reforms, modernize state enterprises and create the capital markets necessary for investment."

Team Canada value

CGA-Canada's participation with this year's Team Canada mission was yet another example of the continuing

Continued on page 11 - CGA-Canada

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WIN EXPORTS

Canadian Trade Review

A Quarterly Review of Canada's Trade Performance Fourth Quarter 2000

This trade and investment quarterly reports on Canada's economic growth in the fourth quarter of 2000, and highlights our trade and investment performance in key sectors and markets.



A Record Year for Canada's International Merchandise Trade and Investment

Canada's real gross domestic product (GDP) advanced in the fourth quarter of 2000 by 2.6 percent at an annual rate, a slowdown from the 4.5 percent rate in the third quarter. This slowdown was due to a relatively large 2.4 percent drop in business investment in plants and equipment. This drop was offset by increases of 0.6 percent in consumer spending, 1.1 percent in non-residential business investment and 0.3 percent in exports, all on a quarter-over-quarter basis. As Canada's real exports of goods and services rose in the face of a slower rate of growth in imports, the trade balance improved by \$10.8 billion in real terms. This improvement in net exports is about twice the growth of real GDP in the fourth quarter.

The expansion in Canada's goods and services exports for the last quarter of 2000 added to the already high level of increases recorded earlier in the year, resulting in double-digit growth for the year as a whole and setting a new record. Imports of goods and services experienced a more restrained growth in the fourth quarter, but still capped the year on a high note. As a result, Canada's merchandise trade surplus widened in the fourth quarter and was at its highest annual level ever.

Canada's current account also recorded a surplus between October and December, the fourth successive quarter in a row. For the year, the recorded surplus of \$18.9 billion was a reversal from the previous three years of deficit and was more than four times as large as the previous record high posted in 1996.

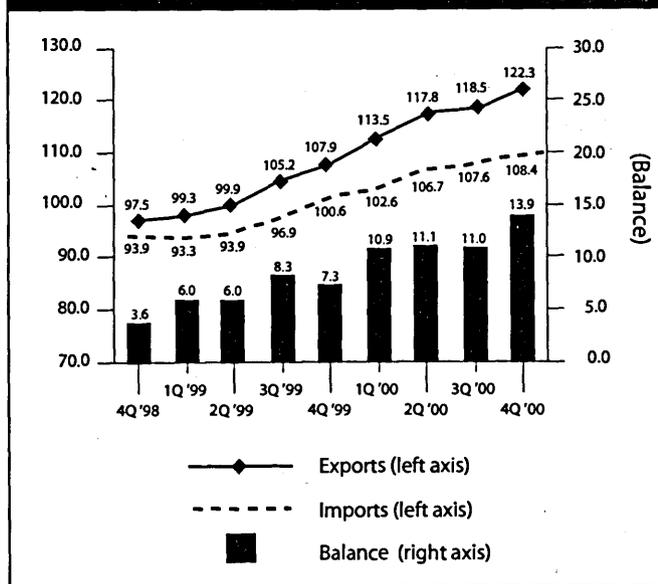
On the international investment front, a record level of foreign direct investment (FDI) in Canada was set, both in the fourth quarter and for the year as a whole. Canadian Direct Investment Abroad (CDIA) also surged in the last quarter of the year, outmatching previous annual highs.

Table 1: Canada's Economic and Trade Indicators

	Change at Annual Rates Fourth Quarter 2000 over Third Quarter 2000
Real GDP (annualized)	2.6%
Employment (quarterly increase, level)	109,600
Consumer Price Index (January 2001, year-over-year)	
All Items	3.0%
Core (excludes food and energy)	2.0%
Canadian \$ in U.S. funds (December, closing)	0.6669
Exports of Goods and Services (current dollars)	13.4%
Imports of Goods and Services (current dollars)	3.2%

Figure 1: Canada's Trade in Goods and Services

Fourth Quarter 1998 to Fourth Quarter 2000
(Balance of Payments, Seasonally Adjusted, \$ billion)



Source: Statistics Canada

Prepared by the Trade and Economic Analysis Division (EET)



Department of Foreign Affairs
and International Trade

Ministère des Affaires étrangères
et du Commerce international

Canada

Trade and Investment

Growth in Merchandise Trade More than Three Times Stronger in Exports than in Imports

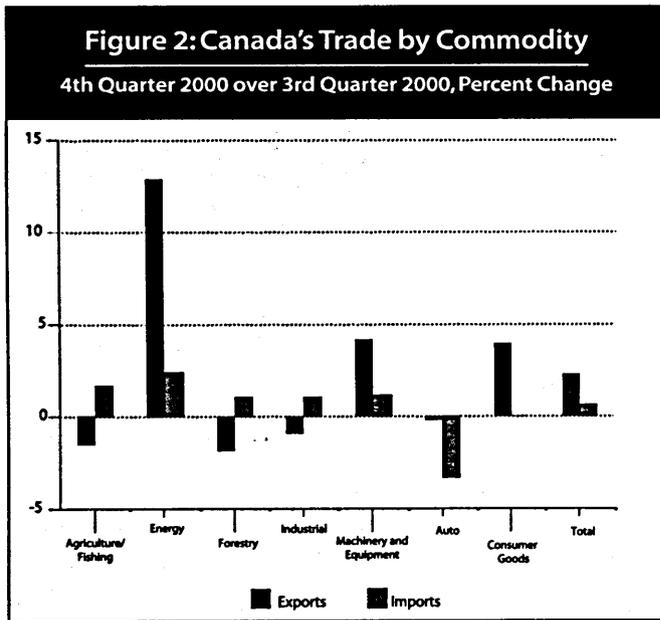
Canada's merchandise exports advanced by 2.3 percent in the fourth quarter of 2000 over the previous quarter to \$108.2 billion, with gains in all major commodities except for agricultural, fishing and

forestry products. The energy and machinery and equipment sectors were largely responsible for the overall increase.

In the same quarter, Canada's merchandise imports were up slightly by 0.6 percent over the previous quarter, to reach \$92.6 billion. Among the commodities, consumer goods generated the highest gain, but energy products, machinery and equipment, industrial goods, and agriculture and fishing products, also edged up. The weakness in automotive imports became more pronounced in the fourth quarter, continuing the downward trend of the previous two quarters.

Canada's exports to the United States rose by \$2.9 billion, and exports to Japan rose by \$174 million in the fourth quarter compared to the previous period. With respect to imports, growth was concentrated in the United States and the European Union (EU).

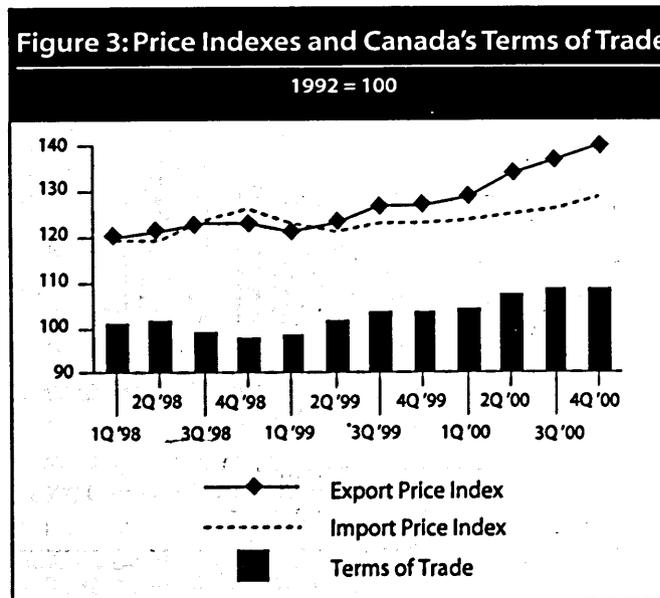
In this quarter, Alberta benefited largely from the surge in energy exports, and Alberta, Ontario and Quebec led the provinces in export growth.



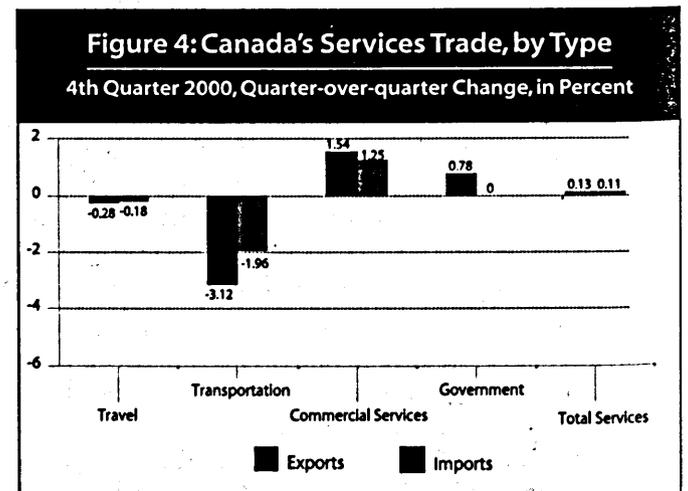
Source: Statistics Canada

Services Trade Marginally Up

In the fourth quarter, Canada's trade in services posted moderate increases, as exports rose to \$14.1 billion and imports increased to \$15.9 billion. The gains in both exports and imports were generated from commercial services, but were partially offset by the decline in travel and transportation services.



Source: Statistics Canada



Source: Statistics Canada

Foreign Direct Investment Posted a New High

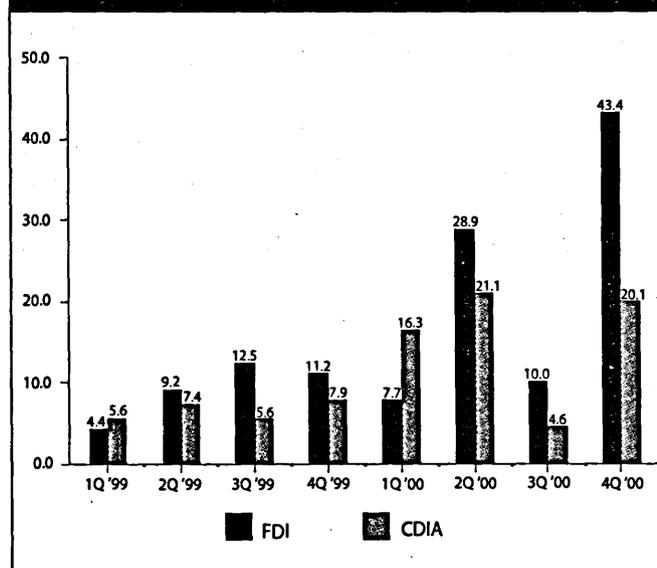
Surpassing the previous quarterly record, the fourth quarter level of FDI totalled \$43.4 billion, 90 percent of which was due to acquisitions of Canadian companies. FDI flows into Canada were concentrated in energy and metallic minerals, and other industries, and were largely from the EU countries.

The outflow of CDIA was valued at \$20.1 billion in the fourth quarter, higher by \$15.1 billion than in the third quarter. Investment in the fourth quarter was geared towards electrical and electronic products, and energy and base metal industries, and for the most part it flowed into the United States. Also during the quarter, Canadian companies were actively engaged in acquisitions of U.S. and European companies.

From October to December 2000, a turnaround in portfolio investments in Canada occurred, as foreigners divested their holdings in outstanding Canadian stocks. In sharp contrast, investment abroad

by Canadian portfolio investors continued in the fourth quarter, mainly in increased purchases of foreign stocks.

Figure 5: Foreign Direct Investment in Canada (FDI) and Canadian Direct Investment Abroad (CDIA), 1999-2000



Source: Statistics Canada

Key Trade and Investment Highlights for Year 2000

Canada's two-way trade marked an outstanding and indeed historic performance for the year 2000, advancing by 12.9 percent over 1999. Some of the key developments that factored in this trade performance include a robust domestic economy, improvement in economies in major parts of the world, higher energy prices and a strong demand for high-tech products.

Canada's Current Account Now in Surplus

As a consequence of a faster expansion in merchandise and services exports (by 14.9 percent) than in imports (by 10.7 percent), Canada's merchandise trade

balance achieved a record high in 2000. This helped to enable the current account to move to a surplus after three years of consecutive deficits. Historically, Canada's current account deficits were primarily due to payments of interest and dividends abroad associated with inflows of foreign investment in Canada. Canada's current account surplus for 2000 stands at \$18.9 billion, more than four times that of 1996.

United States Key to Trade Performance

Another milestone was set in 2000, as Canada's two-way goods and services trade with the United

States totalled \$700 billion for 2000. U.S. demand for Canadian goods rose by 16.2 percent and for services by 7.2 percent over 1999. As such, trade and the current account surplus with this country rose to \$86.0 billion and \$63.5 billion respectively in 2000. These surpluses with the United States were the highest ever recorded.

Bilateral Merchandise Trade Performance with Japan, the United Kingdom and Mexico Intensified

Canada's sales of goods destined for Japan were up by 7.6 percent

in 2000, after declining in 1998 and 1999. This expansion underscores the recovery of the economy from Japan's financial crisis in 1998-99. However, despite the recent gains, the value of exports to Japan remained below its pre-crisis level. Canada's imports from Japan rose at a relatively faster rate of 10.6 percent in 2000.

In 2000, Canada's merchandise exports destined for the United Kingdom were up by 20.4 percent from 1999. Imports grew even faster, more than doubling their value since 1998 to \$12.4 billion in 2000, reflecting a significant increase in purchases of energy products, and machinery and equipment. Canada's imports from the United Kingdom of crude petroleum alone rose by 189 percent in 2000.

Canada's trade with Mexico also surged, making this trading partner our seventh largest export market in 2000, from eighth in 1999 and well above its ranking of thirteenth in 1993, prior to the implementation of the North American Free Trade Agreement. However, even with this growth, Mexico's market represented only 0.5 percent of Canada's merchandise exports. For the year 2000 compared to 1999, the largest gains in exports to Mexico were in agricultural, fishing and automotive products. For imports, Canada's purchases of automotive products, and machinery and equipment, from the same country were higher in 2000, leading to an overall increase of

26.5 percent. Mexico is Canada's fourth largest supplier of goods, accounting for 3.4 percent of overall merchandise imports.

Exports Benefited from High Energy Price

Much of the increase in the value of merchandise trade for the year 2000 was driven by higher energy prices. The Bank of Canada's U.S. dollar energy price index soared by 53 percent from 78.2 in 1999 to 119.5 in 2000. The direct impact prompted energy exports upwards by 76.8 percent on a yearly basis, while energy imports rose by 65.8 percent, adding to the increases in other major traded commodities. The volume of energy traded was also up sharply in 2000 for both exports and imports.

Robust Demand for High-tech Products Heightened Canada's Trade

Price effects aside, merchandise exports in 2000 rose by 10.4 percent and imports by 12.9 percent over 1999, led by trade in high-tech products, given the higher demand from all sectors of the Canadian economy. Against the backdrop of the steep price reduction of computer and computer-related equipment in the global market, the value and volume of exports of high-tech products¹ still jumped by 30 percent and 29 percent, respectively in 2000.

Transportation Topped Growth in Services Trade

The expansion in services trade in 2000 was smaller than in merchandise trade and performance among the major services components. Except for government services, all other services categories rose on a year-over-year basis, particularly transportation. Reflecting the strength in merchandise trade, exports of transportation services led by air transport— rose by 13.8 percent during the year, its second highest increase in 10 years. Imports of transportation services rose by 14.4 percent in 2000, mostly due to water transport.

Acquisitions a Key Factor in Flows of International Direct Investment

Acquisitions of Canadian companies played an important role in the flow of FDI into Canada for the year 2000. The same factor was also responsible for higher CDIA, pushing two-way direct investment flows to \$155 billion, up by 143 percent from the previous year. By industry, outward and inward direct investments were largely geared to the energy and metallic minerals, machinery and transportation equipment industries. A substantial amount of investment from the EU countries added to the usually high level of investments from the United States.

¹ High-tech products include: aircraft; engines and parts; office machines and equipment; televisions; telecommunications and related equipment; and other miscellaneous products, based on Statistics Canada's publication entitled *Canadian International Merchandise Trade*. Balance of Payments data, in current and constant dollars, available from this source are used in this section of the report.

To take advantage of the profile generated by the recent Team Canada visit to Shanghai, the Canadian Consulate General organized a recent two-week Canadian Gourmet Festival with the Carrefour Group. Carrefour is the leading supermarket in China, with 27 stores throughout the country. The festival was held in Carrefour's two most successful Shanghai stores — Jinqiao and Gubei.

Minister Opens Canadian Gourmet Festival

Team Canada Visit to Shanghai



has steadily increased in Shanghai in recent years. In response, Canadian food suppliers are exploring new ways

International Trade Minister Pierre Pettigrew officially launched the Canadian Gourmet Festival at the Jinqiao store on February 14. The event was an outstanding commercial success. Several of the promotional items were sold out before the end of the first week, and Carrefour plans to retain many, if not most, of the promotional items as permanent products.

The promotion featured more than 200 Canadian food products, all readily available in Shanghai. More than 15 Canadian companies participated in the festival, which promoted Canadian beef, wine, ice wine, beer, fruit juice, candies, cookies, maple syrup, margarine and frozen seafood, as well as value-added foods such as frozen and microwavable foods, snacks, tea, coffee, apple sauce, health products and vegetables.

The Canadian Gourmet Festival was an excellent opportunity to increase local consumer awareness of the quality and range of Canadian food products locally available. Demand for Canadian food products



Alain Huang, (2nd from left), Director of Business Development, Manatco Trading House Co. Inc., speaking to International Trade Minister, Pierre Pettigrew. Between them, Philippe Hery, Regional Manager, Carrefour East Region.

to make their products available to Chinese consumers.

Wine tasting receptions, in-store promotions, food seminars, oyster luncheons, and various other outreach programs are frequently organized by the Consulate General to increase local awareness of these high-value fine Canadian foods.

Carrefour stores are unique in China, selling Chinese products in a modern supermarket environment, along with a wide range of imported and value-added staples and specialty goods. This combination of high-

quality domestic and imported foods in a modern setting makes Carrefour Shanghai a favourite supermarket for both local residents and expatriates. It also makes the Carrefour stores the perfect venue to showcase the Canadian Gourmet Festival.

To raise awareness of the event, the Canadian Consulate General designed and distributed 8,000 promotional fliers using the Team Canada motif. Consumer response to the promotion was unexpectedly enthusiastic, confirming the growing sophistication and changing appetite of Shanghai consumers. Frozen foods and confectionery sold out very quickly.

For more information on selling food products to the China market, contact Henry Deng, Senior Commercial Officer, Canadian Consulate General, Shanghai, tel.: (011-86-21)

6279-8400, fax: (011-86-21)
6279-8401, e-mail: henrydeng@shanghai.gc.ca ✪



The French aeronautics industry is a market leader for Airbus-type and business aircraft, helicopters, engines and equipment. This sector was adversely impacted by defence budget cuts, but has benefited from international growth. In 2000,

Agusta Westland and Fokker. This consolidates Eurocopter's position with 45% of the international market.

Finally, the launch of the A400M military transport plane is one of Europe's main defence programs.

and service activities in Canada in order to increase their presence among their North American clientele.

With regard to Canadian suppliers, Pratt & Whitney Canada is the sole manufacturer of turboprop engines for ATR 42/72 aircraft,

A soaring market

French Aeronautics

total revenues in the sector, up 2.6%, exceeded \$39 billion. Its products are mainly for the commercial market, and 76% are for export.

A soaring market

In 2000, the European firm Airbus held 46% of the global market for sales of civil aviation aircraft. Another 1,626 aircraft must still be produced over the next four years. The rate of delivery is increasing, with an objective of 400 aircraft by 2003.

The commissioning of the Airbus A380, the largest civil aviation project, is scheduled for early 2006. Eight airlines have already expressed interest in the 400- to 550-seat A380-800 model, with orders for more than 60 aircraft, a third of which are for cargo planes. The A380 and other large carriers will be assembled in Toulouse, and the interiors will be done in Hamburg. This confirms Toulouse's role as a hub of the European aeronautics industry. The super-jumbo will create 160,000 jobs in Europe, including approximately 10,000 direct jobs in France. The A380 program will break even with sales of 250 aircraft and will cost between \$14.8 billion and \$18 billion.

On the business aircraft market, the French company Dassault has sold 90 Falcon jets, close to half of the international high-end market, for total revenues of \$8.5 billion.

As for the NH90 cargo helicopter, 196 craft will be produced through a partnership between Eurocopter,

Airbus proposes replacing the C-130 Hercules and C-160 Transall aircraft of seven European countries with 225 A400M military transport planes. This program will be managed by Airbus Military Company and EADS Military Transport Division. This project provides European engine manufacturers with the opportunity to develop a new turboprop engine, and many European companies have



formed a partnership in order to submit a joint tender. The cost for France of developing and purchasing 50 aircraft is estimated at \$8.5 billion.

Canada-France trade relations

France imported \$542 million of Canadian aeronautics equipment in 1999, or a quarter of Canada's total exports to that country. The increase in regional air routes is creating new openings for manufacturers. Regional companies Air Littoral and Brit'Air operate fleets of 19 and 20 CRJs respectively, and Brit'Air has firm orders for 12 CRJ700 aircraft as well as four new CRJ900 aircraft. Many French groups, including Zodiac-Intertechnique, Thales Avionics/Sextant and Liebherr Aerospace, are involved in supplying the various systems required for these aircraft. Eurocopter, Thales Avionics and Liebherr Aerospace are continuing to develop their support

while companies such as Magellan Aerospace, Messier-Dowty, GE/Honeywell Canada and BAE Systems Canada have become suppliers or subcontractors of Airbus parts and equipment. Bombardier Aéropatiale is the largest non-European supplier of A330/340 wing structures and attachments.

For its part, Air Canada is one of the largest North American Airbus operators, with 103 aircraft running the gamut of Airbus products. And it was Air Canada that launched the A340-500/600 long-range aircraft in North America with the purchase of two A340-500s and three A340-600s.

Openings

Opportunities to become involved in the Airbus programs exist, but the reduction in the number of suppliers means that these firms are required to deliver complete integrated systems, including design, engineering, assembly and final inspection, for long-term contracts. Canadian manufacturers interested in new programs such as the A380 or A400M must assess any opportunities for alliances with existing partners in Europe or North America in order to meet specific requirements. The growing cost of European civil and military programs is leading manufacturers to seek international partners for joint representation, co-production or joint development agreements for high-tech products.

Continued on page 11

THE EUROPEAN ADVANTAGE

Sustained presence is required to penetrate the market. When promoting products, emphasis must be placed on their comparative advantages: new technology, superior quality, ISO certification, and delivery at competitive prices. Earlier involvement will also mean that funds will be provided for a portion of the development costs, which will be amortized over the life of the program.

On the defence market, the Direction générale de l'armement (DGA) [arms branch] is the agency responsible for identifying equipment needs and purchasing defence stores for the French forces. The procurement process is complex and follows specific rules; further information on current markets is provided on the following Web site: www.defense.gouv.fr/dga/

An event not to be missed

Canadian aeronautics contractors interested in displaying their prod-

ucts and services and establishing contacts with potential clients and partners should not miss the Paris Air Show (www.paris-air-show.com). This is the top international event in the aeronautics and aerospace industry. Held every two years, the show will take place in Bourget from June 17 to 24, 2001.

By participating in European forums and events of this kind, the Canadian industry can identify regional and commercial partners and keep abreast of developments in European standards and technical certification that may represent barriers to the market.

Having all the Canadian firms in one pavilion will allow them to highlight Canada's presence and showcase the entire range of capabilities of Canada's aerospace industry. This is an opportunity for Canadian firms to inform their clients about their performance and successes.

For more information on the Paris Air Show, visit www.infoexport.gc.ca/canadexport and click on "Trade Fairs and Missions".

For more information on the French aeronautics industry, contact Guy Ladequis, Canadian Embassy, Paris, tel.: (011-33-1) 44-43-23-59, fax: (011-33-1) 44-43-29-98, e-mail: guy.ladequis@dfait-maeci.gc.ca *

Canada-Pakistan

— Continued from page 3

defaulted on payments. It's a win-win situation, for both the Canadian companies and the investment companies."

For more information, contact Andy Merchant, President, CPBC, tel.: (905) 763-8281, fax: (905) 763-8104, e-mail: cpbc@home.com *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Business Chamber/Associations")

president and chief operating officer of CGA-Canada. "We have succeeded to the point that CGA is already the foreign professional designation of choice for accountants and accounting students in the world's most populous country."

For more information, contact Judith Walker, Communications and Government Relations, CGA-Canada, tel.: (604) 605-5108, e-mail: jwalker@cga-canada.org Web site: cga-canada.org *

CGA-Canada in China

— Continued from page 8

support the association has received from the Canadian government over the years.

"The signing ceremonies brought CGA-Canada and other educational institutions and professional associations — both Chinese and Canadian — together, which increases the potential towards future co-operative projects," says Hryciuk. "The networking with your peers, both on the plane and in the host country, represents a real value-added element of these missions."

Some 19 universities and 13 community colleges from across Canada participated, drawn to the huge Chinese market for educational services. There was little doubt that the mission reinforced CGA-Canada's reputation as the international leader in professional accounting education.

CGA-Program of Professional Studies
Using innovative CD-ROM and Internet-based technology, the pro-

gram integrates professional ethics with the latest developments in accounting, auditing, finance and taxation. It positions CGAs to assume management and leadership roles in industry and government.

"Countries in transition like China know that a crucial step in their reform is the development of an accounting system capable of measuring financial performance at the enterprise level," states Guy Legault,

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A YEN FOR JAPAN

TOKYO AND KOBE, JAPAN — June 2001 — *The Canadian Embassy in Tokyo is inviting companies in the wireless/Internet technologies fields to register for Think Canada – Think Venture Capital, to be held in conjunction with the Think Canada 2001 festival. Up to twelve*

Think Canada

Think Venture Capital

companies with well-developed plans and clearly identified interest in the Japanese market will be selected to participate in these venture capital (VC) events, to be presented June 4–8, 2001, in Tokyo and Kobe, Japan's two largest economic centres.

Think Canada 2001 marks the official launch of the Venture Capital program, established by the Canadian Embassy in Tokyo to expand trade and investment between Canada and Japan beyond natural resources and raw materials. With the assistance of the Canadian Consulate General in Osaka and partners in Canada, the Embassy is now promoting opportunities for other sectors, specifically Canadian start-ups in information technology and biotechnology, by helping them establish financial, strategic and/or technological partnerships with both Canadian and Japanese VC firms.

Wireless in Japan

With the overwhelming popularity in Japan of i-mode — the Japanese version of WAP — the country now represents one of the most exciting and dynamic regions in the world for the development of wireless/Internet technology. Wireless "lines" now outnumber fixed lines as the Japanese increasingly use their wireless devices to download music, play games, shop, and gather information from the Internet. With the introduction in the

near future of 3G technology, the demand for backend networks, access and 3G transfer technology, software, and embedded devices is rising fast.

The Japanese are using their personal computers more as well, driving the software market up over

20% each year. The merging of wireless and Internet technologies has resulted in the high cell phone



Think Canada 2001
Pensez Canada 2001

penetration and the development of wireless-accessible Web content in Japan.

Think Canada – Think Venture Capital: think wireless and Internet

Think Canada – Think Venture Capital is an excellent place to start for Canadian specialists in this field seeking international opportunities. In both Tokyo and Kobe, each of the selected companies will be allotted 20 minutes to present their business plans, market plans/expectations for Japan, and financial/partnership requirements before a selected audience of Japanese VC firms, investors, and strategic partners. The second day of each event can be set aside for individual programs and meetings, which can be arranged prior to, or during, the first day of each event.

Tokyo — June 4 and 5, 2001

Tokyo is home to most of the major VC firms in Japan, including JAFCO, NIF, CSK Ventures, as well as a host of foreign VCs including Whitney & Co.,

Schroder Ventures and H&Q Asia Pacific. Representatives from several major corporations that are seeking strategic alliances, including NTT DoCoMo, Toshiba, Mitsubishi and Sony will be attending. The event will be held in the Canadian Embassy's 230-seat theatre.

Kobe — June 6 and 7, 2001

The Kansai area, in which Kobe is situated, is home to several major electronics companies, including the wireless giant Kyocera, Omron, Matsushita, and Nintendo. Representatives from several local VC firms specializing in assisting companies in this region will be attending this event. The program will be held at the Kobe Chamber of Commerce and Industry, in co-operation with HERO (Hanshin-Awaji Economic Development Organization), Kyoto Research Park, and Osaka JETRO.

Individual meetings and programs may be set up prior to arrival by consulting with the Canadian Embassy in Tokyo and/or the Consulate General in Osaka.

To arrange meetings and programs, contact Avi Salsberg, Commercial Officer, Investment, Technology and Science, Canadian Embassy, Tokyo, tel.: (011-81-3) 5412-6330 ext. 3327, fax: (011-81-3) 5412-6254, e-mail: avrom.salsberg@dfait-maeci.gc.ca

(For the unabridged version which provides registration details and the registration form for Think Canada – Think Venture Capital, visit: www.infoexport.gc.ca/canadexport and click on "A Yen for Japan.")



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People who can answer these questions are in growing demand. And now there is a step-by-step, practical course of training developed by experts in the field: the *FITTSkills* program. Offered by the Forum for International Trade Training (FITT), *FITTSkills* covers all the essential topics of doing business internationally. Thousands have taken the courses, which are available on-line and through colleges, universities and private organizations across Canada.

Log in and start learning

To take the *FITTSkills* on-line courses, all that's needed are basic computer skills and access to the Internet from a PC or Mac platform. Once registered, participants can navigate through the courses at their own pace from any convenient location. Along the way they can turn for guidance to a seasoned international trade practitioner, a comprehensive course guidebook, on-line help, and dedicated technical support.

FITTSkills offers a broad range of courses, each lasting 40 hours and starting at staggered dates around the calendar. "Global Entrepreneurship" is an overview of the fundamentals of international trade. "International Marketing" and "International Marketing and Distribution" explain how to effectively market products and services in foreign markets. "International Trade Finance" explores the various aspects of financing, and the options available. "International Trade Research" shows how to develop an in-depth understanding of target markets. And there is more.

As part of their training, course participants perform market research and create marketing plans for Canadian companies. The results have been so promising that some trainees

FITTING Canadians to do business with the world

have been hired while still working on course assignments. (For the complete course schedule, see www.fitt.ca)



Forum for International Trade Training

FITT

Professional designation for international trade expertise

The courses lead to designation as a **Certified International Trade Professional (CITP)** — Canada's first professional qualification specifically for international trade skills. Launched in 1997, the CITP designation is gaining recognition across Canada as a proven badge of expertise. Says Judy Bradt, Director of Government Markets at the Canadian Embassy in Washington, D.C., "CITP means much more than training. It means experience guaranteed, a proven business strategist, a skilled communicator, a cultural interpreter ... with the skills that you need today for tomorrow's global markets."

About FITT

FITT is a national, not-for-profit professional organization committed to developing and delivering international trade training programs and services, establishing Canada-wide standards and certification, and ensuring continuing professional development in the practice of international trade.

FITT is a strategic partner of Team Canada Inc (www.tcm-mec.gc.ca), and under a three-year co-operation agreement, Export Development Corporation (www.edc-see.ca) provides funding for FITT's course

curriculum. It is also a major sponsor of FITT's 2001 conference.

FITT Conference 2001

On June 3 and 4, 2001, the National Capital Region hosts FITT's annual conference. The program is a mix of workshops, exhibits and networking opportunities. Participants will mingle with business and government decision makers, providing an opportunity to learn from hands-on professionals. On the schedule for June 4 is a workshop on "Hot Markets": Canadian Trade Commissioners from around the globe will talk about the hottest markets, the opportunities they present and the latest trends for doing business in these booming markets.

For more information about *FITTSkills* courses or to register, contact Forum for International Trade Training, tel.: 1-800-561-3488 or (613) 230-3553, fax: (613) 230-6808, e-mail: corp@fitt.ca Web site: www.fitt.ca

For more information about the June 2001 conference, contact Osprey Associates, tel.: (819) 827-5931, e-mail: conference@fitt.ca ★

eBid provides secure electronic bidding for NATO defence supply contracts

A sophisticated, secure electronic bidding system known as eBid was recently unveiled to NATO defence suppliers on NAMSAs new Web site (www.natolog.com). A powerful platform enabling qualified vendors worldwide to bid for supply contracts, the eBid system employs 128-bit encryption technology, thus ensuring that bid information is not disclosed to third parties.

The eBid Web site allows qualified vendors to screen NAMSAs requests for proposals (RFPs) 24 hours a day, seven days a week, using criteria such as NATO stock numbers (NSNs), part numbers, dates, CAGE codes and key words. Bids for selected items can be placed using a secure on-line form indicating the delivery date, part number, price, currency (of any NATO member nation) and including a free

text message. Thanks to eBid, supply opportunities relating to 38 different weapons systems supported by NAMSAs are now published on the Internet.

Interested suppliers should consult the NAMSAs Web site for general information or for details on procurement activities. For access to eBid, visit www.natolog.com to register. Once applications have been vetted by NAMSAs, suppliers will receive a log-in ID and a password.

For more information, contact Michel Saudrais, Deputy Director, Acquisitions, and Competition Lawyer, tel.: (011-35-2) 3063-6568, fax: (011-35-2) 3063-4566, e-mail: msaudrais@namsa.nato.int

A market study on NAMSAs is available on the Trade Commissioner Service Web site at www.infoexport.gc.ca ✪

The 2001 Canadian Foreign Service Officer Awards

As a Canadian exporter, if you have recently received excellent service or advice from a Canadian foreign service officer working in Canada or in one of our missions abroad, such as a consular or immigration officer or a trade commissioner or a political analyst, we would like to hear about it.

The Canadian Foreign Service Officer Awards were instituted in 1990 by the Professional Association of Foreign Service Officers (PAFSO) to recognize and encourage excellence in the Canadian Foreign Service. The Awards are based on an open nomination process. We particularly welcome nominations from members of the Canadian business community who have worked closely with the Foreign Service.

The nominations will be considered by an independent panel, and each nominee will be judged on the basis of the following criteria: initiative and creativity; dedication to serving Canada and Canadians; empathy for the cultures in which he or she has worked; and ability to inspire colleagues and professional contacts. Along with your nomination indicating why your nominee should receive an award, provide any supporting testimony or include the names, addresses, phone and fax numbers of individuals who could be contacted.

The deadline for receipt of nominations for the 2001 Awards is April 30, 2001. All nominations should be faxed to: The Professional Association of Foreign Service Officers (613) 241-5911. The Awards, along with a cash prize, will be presented at the Annual PAFSO Awards Dinner at the National Arts Centre, in Ottawa, on June 7, 2001.

For more information, contact the PAFSO office, tel.: (613) 241-1391 or consult the PAFSO Web site: www.pafso-apase.com ✪

Canadian Business Club in Morocco

In Morocco, the Canadian Business Club (Club d'Affaires Canadien) brings together representatives of Canadian firms, as well as the Canadian Chamber of Commerce in Morocco, the new Moroccan-Canadian Business Network in Quebec and the Banque Centrale Populaire. The objective is to create synergies between Canadian businesspeople and help new Canadian exporters interested in the Moroccan market, as well as to facilitate information exchange.

Discussions at the Club's February 7 meeting in Rabat focused on strategies for promoting bilateral economic ties and partnerships between Moroccan and Canadian businesspeople, and a work plan involving various initiatives, including business missions to Canada.

For more information, contact Leopold Battel, Commercial Counsellor, Canadian Embassy, Rabat, tel.: (011-212-37) 687-436, fax: (011-212-37) 687-415, e-mail: leopold.battel@dfait-maeci.gc.ca ✪



Leopold Battel (sixth from the right) with members of the Canadian Business Club in Rabat.

Canadian Food and Beverage Trade Outreach in Southeast Asia

SINGAPORE/JAKARTA/MANILA — May 14-18, 2001 — Canadian food and beverage companies who are looking to export to food retailers, hotels, restaurants and food manufacturers in Southeast Asia, or to expand their market share should join the **Canadian Food and Beverage Trade Outreach in Southeast Asia**. Organized by Agriculture and Agri-Food Canada (AAFC) and DFAIT, in partnership with the Ontario Ministry of Agriculture, Food and Rural Affairs, and the Canadian Food Exporters Association, the mission will visit three hub cities where you can meet with potential clients from throughout the region. Display your products, offer samples, network with local food and beverage contacts, and take part in prearranged one-on-one meetings.

For more information, contact Kim Otte, Agriculture and Agri-Food Canada, tel.: (613) 759-7535, fax: (613) 759-7506, e-mail: ottek@em.agr.ca or visit the Web site: <http://ats.agr.ca/outreach2001/index.html>

For more information about opportunities in agriculture, food and beverages, fish and seafood products in Southeast Asia, contact:

- Francis Chan, Commercial officer, Canadian High Commission, Singapore, tel.: (011-65) 325-3200, fax: (011-65) 325-3294, e-mail: francis.chan@dfait-maeci.gc.ca Web site: www.infoexport.gc.ca/sg
- Hermawx Hermawan, Commercial Officer, Canadian Embassy, Jakarta, tel.: (011-62-21) 525-0709, fax: (011 62 21) 571-2251, e-mail: hermawan@dfait-maeci.gc.ca

Web site: www.infoexport.gc.ca/jakarta

- Butch dela Cruz, Commercial Officer, Canadian Embassy, Manila, tel.: (011-63-2) 867-0095, fax: (011-63-2) 810-1699, e-mail: butch.dela-cruz@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/manila *

Environmental technology NEXOS mission

BIRMINGHAM, U.K. — June 5-7, 2001 — **PAIGNTON, TORBAY, U.K.** — June 12-14, 2001 — The Canadian High Commission in London and the Délégation Générale du Québec à Londres invite Canadian environmental companies to join a NEXOS (New Exporters Overseas) mission to explore business opportunities at the **Environmental Technology Exhibition (ET2001)** in Birmingham and at the **International Waste Management (IWM) Exhibition** in Paignton, Torbay.

Organized jointly by the High Commission, the Délégation Générale du Québec and the Environmental Services Association of the United Kingdom, the program includes a one-day information seminar and reception; attendance at both of the exhibitions; and sector-related site visits.

The U.K. environmental technology market is huge, with billions of dollars being spent on improvements to systems and infrastructure each year. Much of the growth in spending

results from European legislation, and is expected to be a significant market driver for years to come. Key sectors that offer tremendous opportunities are water and waste water, and solid waste; substantial growth is also expected in air pollution control and monitoring, as well as in contaminated land management and reuse.

The U.K. is a very open market, and is constantly seeking new and innovative solutions. Canadian environmental technology companies are generally well regarded, and there is increasing awareness of what Canada has to offer in this field.

ET2001 (www.et-expo.co.uk) is the U.K.'s largest forum for the environmental industry and will focus on: the environment; water; waste and recycling; and land remediation services.

The **IWM Exhibition** (www.iwm.co.uk/events) is the showcase for the waste management industry in the United Kingdom, with over 300 exhibitors

Continued on page 16 - NEXOS

Plast-Ex 2001



THE CANADIAN
TRADE COMMISSIONER
SERVICE

TORONTO — April 30- May 3, 2001 — The Canadian Trade Commissioner Service will have a major presence at **Plast-Ex 2001**, North America's second largest plastics show.

Trade Commissioners from around the world will be at **Plast-Ex**, ready to share their expertise in international plastics markets with you.

Meet them at the Export Café breakfast on May 2 and learn about market opportunities for your products and services in other countries. Reserve your spot early! Contact Ken Cumming of the Trade Commissioner Service at tel.: (613) 944-0117, fax: (613) 944-0050 or e-mail: kenneth.cumming@dfait-maeci.gc.ca

In co-operation with our Team Canada Inc partners, you can also meet the Trade Commissioners at Booth #127, and at the show's International Business Centre.

For more information, visit the **Plast-Ex** Web site at www.plastex.org

www.infoexport.gc.ca

MIAMI — September 19-20, 2001 — The 10th Annual Canadian Food, Fisheries and Beverage Exposition is a great opportunity for Canadian manufacturers to showcase their products. The show will bring together distributors and suppliers from around the world, targeting the U.S., Caribbean and Latin American markets.

The Caribbean is the third largest tourist destination in the Western Hemisphere, offering international

10th Annual Canadian Food, Fisheries and Beverage Exposition

tourists a wide variety of foods. Buyers are looking for leading products to sell in this vibrant tourist Mecca. The largest distributors for Latin America and the Caribbean are located here. Miami, because of its proximity and close ties to these areas, is a natural market for Canadian consumer food products.

The Canadian Food, Fisheries and Beverage Exposition provides enormous opportunities for Canadian manufacturers who wish to enter these markets.

For more information, contact Normand Villeneuve, Consul and Trade Commissioner, Canadian Consulate, Miami, tel.: (305) 579-1600, fax: (305) 374-6774, e-mail: normand.villeneuve@dfait-maeci.gc.ca

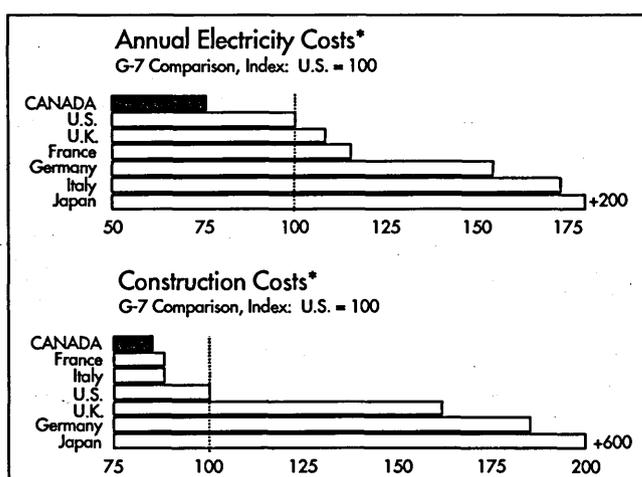
CANADIAN PRODUCTION COSTS: LOWEST IN THE WORLD

- **Lower transportation costs:** Canadian transportation rates are, on average, 13% lower than those in the U.S.*
- **Lower energy costs:** Recent studies show an average manufacturer's annual electrical costs are 28% lower in Canada than in the U.S.**

• **Lower construction costs:**

- > Building construction costs in Canada remain some 15% lower than those in the U.S.
- > On average, land costs are 6% lower in Canada than in the U.S.

- **Lower office lease costs:** Canadian office lease costs, including office space plus operating, utility, tax and insurance costs, are still only about 75% of those in the U.S.



For more information on investing and doing business in Canada, click on www.investincanada.gc.ca or call (613) 941-0354, fax: (613) 941-3796, e-mail: lanoy.louise@ic.gc.ca

* Source: *The Competitive Alternatives Report: A Comparison of Business Costs in North America, Europe and Japan*, KPMG Management Consulting, 1999 www.kpmg.ca/english/services/consulting/publications/competitivealternatives

** Source: *Comparison of Electricity Prices in (20) Major North American Cities*, Hydro Quebec, December 22, 1999 www.hydroquebec.com/publications/comp99en/index.html

NEXOS mission

— Continued from page 15

promoting their services to U.K. and international waste management professionals, and attracting over 5,000 visitors each year.

For a report on the U.K. environmental market, consult: www.infoexport.gc.ca/docs/40149-f.pdf

For more information, contact Deanne Rourke, Business Development Officer, Canadian High Commission, London, tel.: (011-44-20) 7258-6619, fax: (011-44-20) 7258-6384, e-mail: deanne.rourke@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/london or Kristian Schnack, Commercial Officer, Délégation générale du Québec à Londres, tel.: (011-44-20) 7766-5925, fax: (011-44-20) 7930-7938, e-mail: kristian.schnack@mri.gouv.qc.ca Web site: www.quebec.org.uk

Enquiries Service

DFAIT's Enquiries Service provides counselling, publications, and referral services to Canadian exporters. Trade-related information can be obtained by calling 1-800-267-8376 (Ottawa region:

944-4000) or by fax at (613) 996-9709; by calling the Enquiries Service FaxLink (from a fax machine) at (613) 944-4500; or by accessing the DFAIT Internet site at www.dfait-maeci.gc.ca

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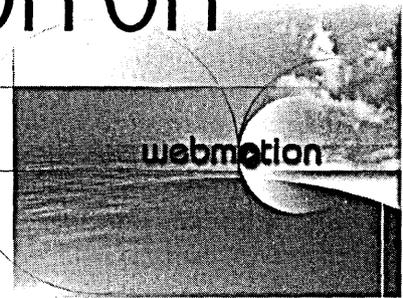
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In the U.S. and France
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Webmotion on the move



Early last year, Profit magazine identified Webmotion Inc. (www.webmotion.com) as one of the top 10 hottest new growth companies in Canada. Revenue growth of 237% in 2000 shows it wasn't a bad choice.

With top-tier domestic clients like the Museum of Civilization in Hull as a base, Webmotion could have rested on its laurels. But there was really no border on the market.

The real story is exports

But while the Ottawa-based Web site design firm enjoys turning heads in Canada, the real story is the inroads the company is making into export markets through its offices in San Francisco and now Paris. "While we have achieved terrific media exposure in Canada, the majority of our sales are still coming out of the US," says co-founder Laurent Liscia. "We have demonstrated that we can compete on the world stage while still remaining quintessentially a Canadian firm — flexible and service-oriented."

Indeed, large-scale firms are the natural market for some of the company's services, which include e-business solutions, such as marketing strategies, Web site creation and deployment, hosting and systems administration. Services are developed around specialized software, WebDeployer™, which allows clients to automate content management, one-to-one marketing and full-service e-commerce.

And some of the largest U.S. financial services companies, Charles Schwab & Co. and Washington Mutual Inc.

Continued on page 10 - Webmotion

Vol. 19, No. 7 -
April 16, 2001

UNITED KINGDOM
(See insert.)

Canada's re-engagement with India

Foreign Affairs Minister John Manley announced on March 20 that the Government of Canada will pursue the broadest possible political and economic relationship with India. Canada will encourage bilateral ministerial visits, resume full Canadian International Development Agency (CIDA) programming in India, including industrial co-operation, and provide support to culture and sports.

Canada will continue to build on its strong historical relationship with India. Both countries work together in the Commonwealth, the United Nations and the World Trade Organization on a number of multilateral issues ranging from peacekeeping to trade and development. As well, Canada's large and vibrant Indo-Canadian community has contributed to its cultural fabric

Continued on page 13 - Re-engagement

Canada

International Business Opportunities Centre

The International Business Opportunities Centre (IBOC) provides a matching service — connecting foreign buyers with Canadian companies. The Centre provides timely, relevant and targeted business leads from the desks of foreign buyers to the doorsteps of Canadian companies.

The following lists some of the Centre's current trade opportunities — for a wider selection, visit the Web site at www.iboc.gc.ca/webleads/webleads.asp

Canadian exporters needing assistance in preparing international bid documents may want to use the international contracts expertise and services offered by the Canadian Commercial Corporation. This Crown Corporation is located at 50 O'Connor Street, Suite 1100, Ottawa, ON K1A 0S6, tel.: (613) 996-0034, fax: (613) 995-2121.

SINGAPORE — Metallic Earth Brushes — Singapore MRT Ltd. (SMRT) is seeking tenders from potential suppliers/manufacturers for a two-year contract for the supply and delivery of metallic earth brushes



International Business Opportunities Centre

As Team Canada Inc's Sourcing Centre, the International Business Opportunities Centre (IBOC) matches business opportunities from around the world with the business interests of Canadian exporters, particularly small and medium-sized enterprises. IBOC offers a value-added service to trade commissioners by directly contacting Canadian companies about foreign trade leads.

To pursue our international trade leads, check out our Web site at www.iboc.gc.ca (particularly our E-Leads® and Web-Leads®).

for use on electric multiple units trains. Bidders must appoint a courier service to collect the bid documents from SMRT. Cost per set of bid documents (non-refundable): \$525.75. Closing date: **May 15, 2001**. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010215-00551. For details: www.iboc.gc.ca/webleads.asp?id=1836en (Notice received from the Canadian High Commission in Singapore.)

SINGAPORE — Ramp, Third Rail High Speed — Singapore MRT Ltd. (SMRT) is seeking tenders from potential suppliers/manufacturers for a term contract for the supply and delivery of ramp, third rail high speed: 5168MM. Bidders must appoint a courier service to collect the bid documents. Cost per set of bid documents: \$525.75. Closing date: **May 22, 2001**. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010314-00946. For details: www.iboc.gc.ca/webleads.asp?id=1974en (Notice received from the Canadian High Commission in Singapore.)

THAILAND — Cable Accessories for 12 kV and 24 kV — The Metropolitan

Electricity Authority is seeking tenders (Bid No. CF3-9031-WBX) for 12 kV and 24 kV cable accessories. Cost of bid documents: 600.00 Thai Baht or US\$35.00. Closing date: **May 18, 2001**. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010308-00898. For details: www.iboc.gc.ca/webleads.asp?id=1975en (Notice received from the Canadian Embassy in Bangkok.) *

IBOC trade opportunities — find out more at www.iboc.gc.ca

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CanadExport

For the last two years, Sweden has ranked number one in the world in its use of information technology, an area in which Canada also has considerable expertise. It is fitting, then, that the business organi-

zation presented by the marketing manager of the Canadian subsidiary of the Swedish company Nobel Biocare, covering the different business and cultural practices in Sweden, Canada and the United States.

Chamber's Web site gives glimpse into opportunities

Swedish-Canadian Chamber of Commerce

zation promoting trade relations between the two countries is maximizing its use of the Internet. On February 15, the Swedish-Canadian Chamber of Commerce (SCCC) launched its newly designed Web site, to serve as the organization's main tool for helping Canadian and Swedish companies find and do business in each other's country.

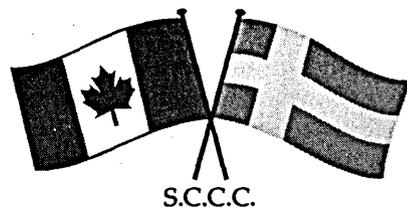
The Toronto-based SCCC, which celebrated its 35th anniversary in 2000, promotes trade, commercial, cultural and social contacts between Canada and Sweden. For its 200 members, the SCCC offers seminars, social and business networking events, company visits, co-operative efforts with other business organizations, and an informal mentoring facility.

Enticing glimpse of opportunities

The new Web site offers Canadians a first glimpse of the possibilities in Sweden. An "About Sweden" section gives a complete overview of the country, including its prime industrial sectors, business environment and business practices.

In addition, the Web site includes news stories, a membership directory, membership information and benefits, and upcoming events. Among recent events were a fall 2000 seminar on business relations between Sweden and Canada and a well-attended lec-

ture presented by the marketing manager of the Canadian subsidiary of the Swedish company Nobel Biocare, covering the different business and cultural practices in Sweden, Canada and the United States.



countries expect business to be conducted in the same manner."

Bilateral trade a natural fit

That said, Wennberg considers trade between Sweden and Canada to be a natural fit. "There are similarities in infrastructure, style of living, and education that make it easier for Canadians to integrate into the Swedish market, and vice versa. There's no huge cultural shock."

Good opportunities lie in the areas of pulp and paper, pharmaceuticals, automotive, forestry, wireless communications, and, of course, information technology. As a member of the European Union (EU), Sweden is also considered a gateway to the Nordic and Baltic markets.

Strength lies in networking

Facilitating networking opportunities is the SCCC's main strength. "Our membership itself constitutes a net-

work that can help Canadian companies looking to become established in the Swedish market," says Wennberg. "Many of our members have parent companies or other associates in Sweden, and through this network, we can put Canadians in touch with the right contacts to help make their venture work."

Valuable links in Sweden

In Sweden, the SCCC keeps in close contact with the Canadian Embassy in Stockholm and has co-operative efforts with organizations such as the Canadian Swedish Business Association (CSBA), also in Stockholm, as well as the 12 chambers of commerce located in the different regions. "Our contact with other chambers in Sweden is a very useful resource. We can get Canadian companies market information specific to a region and save them time and money in doing their own research."

Informal mentoring helps new members

In addition, the SCCC offers informal mentoring that can be particularly helpful for new members. "For companies coming to us for the first time, I can refer them to a company in Toronto that has already gone through the export process, or is in the same industry, or has the contacts or resources to help the new company — as long as they're not directly in competition, of course!"

As Wennberg explains, this is what attracts people to becoming new members — "the ability to increase their contacts and networking abilities, by joining forces with people who are dealing with many of the same issues that they are." A visit to the SCCC's new Web site is an excellent place for interested companies to start.

For more information, contact Alexandra Wennberg, Executive Director, tel.: (416) 925-8661, fax: (416) 929-8639, e-mail: alexandra@sccc.ca Web site: www.sccc.ca *

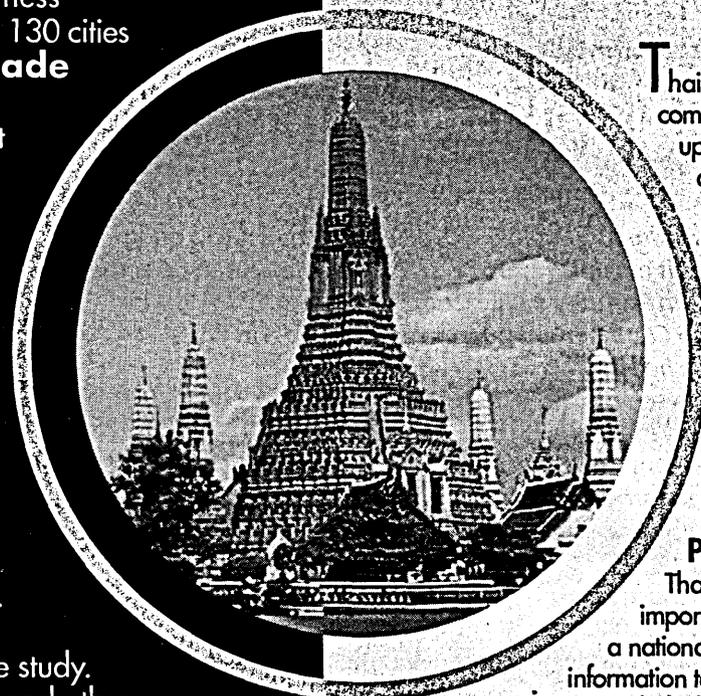
(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Business Chamber/Associations.")

THAILAND

With a team of 500 business professionals in more than 130 cities around the world, the **Trade Commissioner Service** has the market knowledge you need to succeed in your target market. Our Market Research Centre and our offices abroad have prepared over 600 market studies available for free on our Web site. These studies will help you identify foreign business opportunities and learn more about your target market.

This is an overview of one study. For the full version of this and other studies, visit our Web site. When you are prepared to do business abroad, you can use our Web site to get in touch with our offices around the world and request personalized services electronically.

www.infoexport.gc.ca



The Information Technologies

Thailand's information and communications sector is picking up speed and offering an array of opportunities for Canadian firms along the way. It is estimated that the sector grew by a healthy 40% in 2000 with a value of \$1.75 billion. This followed the boom year of 1999 where Y2K fears spurred growth to an impressive 35%.

Market Size and Potential

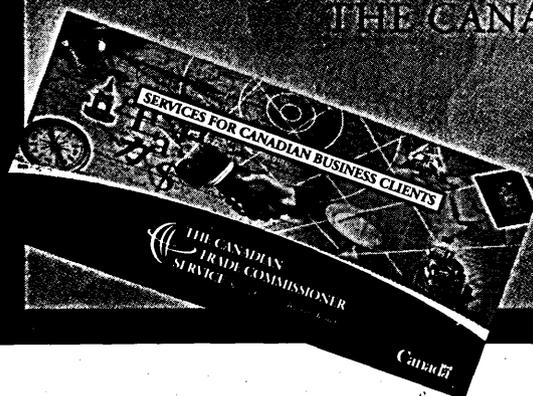
Thailand has placed great importance on the development of a national telecommunications and information technology (IT) infrastructure. Initiatives include the implementation of an expanded Copyright Law in 1994; the establishment of the National Electronics and Computer Technology Centre (NECTEC) to oversee IT development; and the cautious opening up of the two state telecom enterprises to allow for wireless communications and the Internet. To meet its World Trade Organization obligations, the Thai Government has adopted a master plan that calls for the gradual

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See insert for your Information and Communications Technologies Market contacts in Asia-Pacific.





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liberalization and privatization of the telecommunications industry by 2006.

Thailand is a technology-receptive market, and businesses now recognize ICT investment as a necessity to remain competitive. Although the ICT industry in Thailand suffered a financial setback in the 1997 economic crisis, the potential of the industry remains forward-looking and sound.

Opportunities

Opportunities for Canadian companies exist in software, computers and peripherals, Internet and web-based services, wireless technologies, business systems integration, and human resource training. The most active clients will continue to be small and medium-sized enterprises attempting to cash in on the current technology drive, but new larger clients will become increasingly available as privatization progresses.

Sub-Sectors of Opportunity

- **Software:** Although software piracy is a serious problem, packaged software sales reached \$250 million in 1999, and are expected to grow to more than \$2 billion by 2004. Educational software — an estimated US\$100 million market — will be in high demand as the Thai government implements mandatory 12-year education as a basic right for every citizen. Opportunities also exist in multi-lingual, e-commerce, multimedia, operations platforms, business



supply chain software, electronic data interchange, management information systems, and training and consulting.

- **Internet and web-based services:** E-commerce is growing at a tremendous rate and Thai consumers and businesses alike are quickly jumping on the Internet bandwagon to keep pace with their Southeast Asian neighbours. Opportunities are available in Web site development, real-time financial data procurement, security software, e-banking services, on-line trading, business-to-business development, and real-time supply and delivery mechanisms, training, logistics, and system-wide consulting and support.
- **Computers and peripherals:** Major computer retailers forecasted a 10-30% rise in sales in 2000. Thai business culture is also encouraging further investment in high-end computers, scanners, monitors, and a growing PC aftermarket.
- **Wireless technologies:** Manufacturers and distributors of wireless products such as mobile phones and hand-held computers with Internet access are expected to grow significantly.
- **Investment:** Opportunities are

arising as a result of the privatization and liberalization of the telecommunications industry.

In January 2000, the Thai government eliminated the tariff on 157 types of computer and electronic equipment, making imported goods more competitive within the market. As well, lower capital costs and labour make Thailand a good locale for parts manufacturing, assembly and chip production.

See potential?

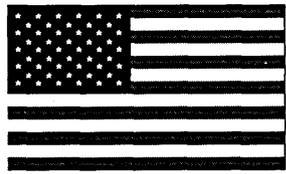
To learn more about this market, please read the full report, *Information and Communication Technologies Sector Strategy in Thailand*. The report, prepared by the Trade Commissioner Service in Bangkok-Thailand, is available on-line at www.infoexport.gc.ca

www.infoexport.gc.ca

Could this be your market?
Complete report at
www.infoexport.gc.ca

The Information and
Communication Technologies
(ICT) Sector

Access our market studies



The U.S. Connection

The U.S. Connection is produced in co-operation with DFAIT's U.S. Business Development Division (URT). For information about articles on this page, contact URT by fax at (613) 944-9119 or e-mail at commerce@dfait-maeci.gc.ca. For all other export enquiries, call the Team Canada Inc Export Info Service toll-free at 1-888-811-1119.

SAN DIEGO — June 24–27, 2001 — Canada's bio-industries are booming and this year's Canadian Pavilion at BIO 2001 (www.strategis.ic.gc.ca) proves it. Eighty biotech companies, associations and research organizations, as well as municipal, provincial and federal government agencies with biotechnology responsibilities will be represented in a display area comprising 51 booths.

Canadian exhibitors at BIO 2001 represent a dynamic industry that has grown 25% between 1998 and 1999, reaching revenues of \$1.9 billion in 1999. And the number of true biotech

BIO 2001: "The biotechnology gateway"

firms (whose primary business is biotechnology) has increased to more than 360 in 1999, up from 282 in 1997. With R&D spending up 19% between 1998 and 1999 as well, biotech is clearly a "go" for growth in the coming years.

For more information, contact Brantley Haigh, Business Development Officer, Canadian Consulate General, Los Angeles, tel.: (213) 346-2761, fax: (213) 346-2767, e-mail: brantley.haigh@dfait-maeci.gc.ca or Mark Craig, Bio-Industries Co-

ordinator, Trade Team Canada, Life Sciences Branch, Industry Canada, tel.: (902) 426-9958, fax: (902) 426-6093, e-mail: craig.mark@ic.gc.ca ✪

Canada's premier plastics show **Plast-Ex 2001**

TORONTO — April 30-May 3, 2001 — Plast-Ex 2001 (www.plastex.org) is North America's second-largest plastics show, with close to 500 exhibitors and nearly 12,000 industry participants from around the world. They will all be there — resin producers, mould makers, producers of plastics products and machinery makers.

Plast-Ex is an international event; make your plans early!

Team Canada Inc. will be at Plast-Ex in force. Meet with us at booth #127, during the Export Café breakfast on May 2, and at the show's International Business Centre.

For more information, contact Jim Burt, U.S. Business Development Division, DFAIT, tel.: (613) 944-6576, fax: (613) 944-9119, e-mail: jim.burt@dfait-maeci.gc.ca ✪

2001 Carolinas Telephony and Technology Symposium

MYRTLE BEACH, SOUTH CAROLINA — October 11–13, 2001 — The Canadian Consulate General in Atlanta is calling on Canadian manufacturers of telecommunications equipment and software, as well as providers of telecom services in Customer Premise and Central Office equipment, to participate in the 2001 Carolinas Telephony & Technology Symposium. The event is a highly cost-effective way for companies to enter this region in the U.S. that now boasts a population of approximately 11 million.

The symposium is an annual event that typically attracts more than 120 telecommunications managers from large end-user companies in both North and South Carolina, as well as executives from local TELCOs (telephone

companies), CLECs (competitive local exchange carriers), IXCs (interexchange carriers) and ISPs (Internet service providers). Participants can exhibit, make technical presentations and network with these telecommunications decision makers, often producing successful outcomes. For example, an Alberta company landed a considerable number of immediate leads after presenting at last year's event.

To make arrangements to deliver a presentation, contact Steve A. Flamm, Business Development Officer, Canadian Consulate General, Atlanta, tel.: (404) 532-2018, fax: (404) 532-2050, e-mail: steve.flamm@dfait-maeci.gc.ca

For more information, contact R. Carlisle Reames, Executive Director (and event organizer), Telephony &

Technology Association of the Carolinas, Columbia S.C., tel.: (803) 731-0662, fax: (803) 731-0341, e-mail: Rcrassoc@infoave.net Web site: www.rcrlink.com ✪

Check the Business Section of the Canada-U.S. Relations Home Page at www.dfait-maeci.gc.ca/geo/usal/business-e.asp ... for valuable information on doing business in and with the United States.

Good communications are essential to good partnerships. But for CPI Canada Inc., Communications and Medical Products Division, the opposite is also true: good partnerships are invaluable to its position as a leading world supplier of klystrons for satellite communications. One of CPI Canada's most valuable and long-standing partners is the Canadian Commercial Corporation (CCC), which has been working with the company for over 45 years to export its expertise, most recently to the U.S. Army's Communications and Electronics Command (CECOM).

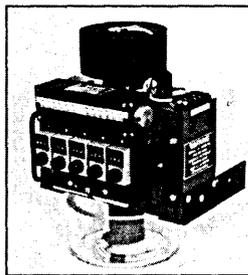
Long-term partners in the U.S.

CPI and CCC

CPI Canada began life as Varian Canada Inc. in 1954, when U.S. company Varian Associates established a Canadian division in Georgetown, Ontario, to manufacture reflex klystrons used in the avionics gear of Canada's fighter aircraft. From that beginning, Varian Canada evolved into the world's leading design, development and manufacturing specialist of microwave and millimeter wave tubes and complex electronic equipment for communications and medical applications. Varian Canada became CPI Canada in 1995.

The 300-employee CPI Canada is expecting a business volume this year of US\$35 million. The company exports 98% of its products, largely to the United States, Europe and Asia. "Our equipment is found in every region

of the globe," says CPI Canada Vice-president of Business Development Klaus Beecker.



CPI Canada Inc.'s klystron tube.

Competitive edge for klystrons
CECOM has been a U.S. military client for CPI Canada for approximately 15 years. As Varian, the company manufactured the klystron tubes originally built into equipment that the U.S. Army purchased for its tactical satellite communications network. "Since the initial purchase, we have replaced and repaired these klystrons as they reach the end of life," explains Beecker.

The company's repair contracts with CECOM — the latest valued at US\$1.5 million for one year's worth of klystron requirements — were won on a competitive basis, with CCC acting as prime contractor. All CECOM contracts have included annual purchase options for up to five years, each of which CECOM has chosen to exercise.

"For the customer to exercise all the options, and then to come back and contract with CPI Canada again means that CPI is obviously a good

SHAPING TRADE SOLUTIONS FOR OUR EXPORTERS



Canadian Commercial Corporation

The Canadian Commercial Corporation (CCC) is an export sales agency of the Government of Canada providing special access to the U.S. defence and aerospace markets and specializing in sales to foreign governments.

Canadian exporters can gain greater access to government and other markets, as well as a competitive advantage, through CCC's contracting expertise and unique government-backed guarantee of contract performance.

CCC can facilitate export sales that often result in the waiving of performance bonds, advanced payment arrangements and generally better project terms.

When requested, CCC acts as prime contractor for government-to-government transactions and provides access to pre-shipment export financing from commercial sources.

For more information, contact CCC, tel.: (613) 996-0034, toll-free in Canada: (800) 748-8191, fax: (613) 947-3903, e-mail: info@ccc.ca
Web site: www.ccc.ca

supplier to them, with a very high-quality product," says CCC Project Manager Victoria MacKenzie, who has enjoyed her three-year working relationship with the company.

Long-standing partners

CPI is no newcomer to either the United States or CCC. "We have worked extensively with U.S. government labs and agencies in developing new products over the years," explains Beecker. "And all of our exports to U.S. government agencies have been contracted through CCC."

While the joint U.S./Canada Defense Production Sharing Arrangement mandates that all purchases over US\$100,000 from Canadian companies be made through CCC, CPI Canada also highly values the service. "CCC vouches for Canadian industry and saves us a whole lot of hassle in having to deal with U.S. accounting procedures," says Beecker. "We have no intention of changing this arrangement. It works well, and when something works well, you don't even think of making changes, except to make it even better."

Continued on page 9 - CPI

DOING BUSINESS WITH THE U.S. FEDERAL GOVERNMENT?

Find out more from the Canadian Embassy in Washington, D.C. (www.canadianembassy.org) under "Business Opportunities: U.S. Government Procurement."

Log onto opportunities via the General Services Administration (www.gsa.gov), which facilitates purchases by the U.S. government — the world's largest consumer — and the Electronic Posting System site (www.eps.gov).

When you're ready to pursue these opportunities, the Canadian Commercial Corporation (www.ccc.ca) can assist you with the interpretation of the U.S. procurement system or ensure that as a Canadian company, you are eligible to participate.

The building sector in the Netherlands is flourishing, thanks to a healthy economy and low mortgage rates encouraging the Dutch to trade rental payments for down payments on their own homes. Stimulated by this growing demand for home ownership and its associated infrastructure, production in the building sector increased by 4% in 1999, with commercial and institutional building increasing by 7.5%. The number of companies operating in the sector now stands at 86,000. Growth is expected to decline in the near future however, due in part to a shortage of skilled labour, rising costs and capacity problems.

Sector profile

The Netherlands: Construction and building products

Market overview

Recent figures published by the Central Bureau for Statistics (CBS) indicate sales by Dutch construction companies increased, on average, 10% in 2000, reaching 132 billion florins (Fl.), up from Fl. 119 billion in 1999 [1 florin = C\$0.64]. Of these companies, installation firms reported less than average growth, while companies specializing in hydraulics and road construction saw their sales rise by 13%. Medium-sized companies account for 42% of construction sales; large companies 38%; and small firms make up the remaining 20%.

The sector currently employs an equivalent of 485,000 (based on full-time employees) but there is a shortage of skilled labour. The number of employees in the sector has grown continuously in recent years but a gradual decrease is predicted between now and 2005, when the sector is expected to employ 472,000.

The European Investment Bank (EIB) economic institute forecasts a leveling-off in growth over the next few years — to 2.5% in 2001 and 1% each year thereafter — due mainly to

rising costs and capacity problems. Construction of utility and office buildings will suffer most, with growth in 2001 falling to approximately 1%. New home construction is expected to remain buoyant, rising 4% this year. However, once large-scale "Vinex" housing developments are completed in 2002, home building will likely level off as well. As is often the case, "when a door closes a window opens" and so this reduced building demand will be off-set by an increased demand for home renovation and maintenance work.

The construction of roads and waterways also grew in 1999, by 9.7%, and is expected to rise to 11.4% this year. This growth is mainly due to expenditures on the rail infrastructure, including a number of large-scale projects such as the high-speed rail links and the "Betuwe" freight line. Growth in this segment will likely level off after 2002 as well.

The Dutch do-it-yourself (DIY) market is also buoyant, reporting retail sales in 2000 almost 5% higher

than in 1999. The DIY market is worth some Fl. 8 billion annually, with Dutch consumers spending Fl. 2.6 billion a year on building and wood products for home improvement. The Dutch also buy plenty of paint, wall and window materials (Fl. 1.32 billion); sanitary ware and tiles (Fl. 1.0 billion); ironmongery (Fl. 543 million); tools (Fl. 388 million, with a clear preference for "Grade A"); and adhesives and fillers (Fl. 155 million) as well. A healthy economy and a turbulent housing market have contributed to this sector's continuing growth, up 29% between 1995 and 1999.

New homes need gardens, and so the well-established garden centre market in the Netherlands is booming as well.

Opportunities

Traditional Canadian exports to the Netherlands in construction lumber — specifically Canadian Lumber Standards (CLS) spruce/pine/fir (SPF) — dovetail nicely with this growth in the Dutch building sector. Canada lumber exports of hemlock and hemfir are used mainly in the carpentry and wood-working industry and western red cedar is used as exterior siding.

Canadian lumber exporters can expect continuing opportu-

nities in view of the strong Dutch wood-working industry which produces such items as door- and window-frames, and the lack of standardization in sizes for such items. There will certainly be a market for Canadian wood-based building materials and products, from construction lumber and sheet materials to higher priced hardwood lumber and added-value products such as flooring, both pre-finished and ready-to-lay.

In sheet materials, Canadian plywood has declined in importance as the Dutch have moved toward oriented strand board, including Norbord's Scottish "Sterlingboard". However, a market remains for specialty plywood.

In addition to western red cedar, there are opportunities for innovative and attractive "composite" products

Continued on page 9



Winter 2001

UNITED KINGDOM

With the world's fourth largest economy and a population of over 60 million, the United Kingdom (UK) is—by almost every measure—Canada's most important economic partner after the United States. Canada's exports of manufactured products to the UK far exceed those to any other off-shore market. The level of foreign investment by British companies in Canada is surpassed only by that of U.S. firms. Also, more than 500 Canadian companies have chosen the UK as an investment location, often as their gateway to the broader European Union market.

The Canada-UK business synergy is a natural one. As Prime Minister Blair pointed out in his recent speech to the Canadian Parliament, Canada is "that part of North America closest in values and traditions to Europe. UK is that part of Europe closest to North America."

The strength of the Canada-UK relationship lies not only in shared values and tradition but in the depth and dynamism of our bilateral business links. Over the past five years, the UK has been Canada's fastest growing export market after the United States. Canada has increased its exports to the UK more than to China and Mexico combined. Moreover, although the UK remains a major market for Canadian primary products, the recent growth in exports to Britain has been driven by value-added goods and services. The UK offers excellent market opportunities for key sectors such as: aerospace and defence; biotechnologies; construction and building products; environmental products and services; agri-food; healthcare; and information and communication technologies.

This special **CanadExport** supplement showcases some of these opportunities. Canadian companies interested in discovering how best to access this dynamic market can choose the many services offered by our Trade Commissioner Service in the UK.

Prepared by the European Business Development Section (RENB) and its trade officers in Europe.

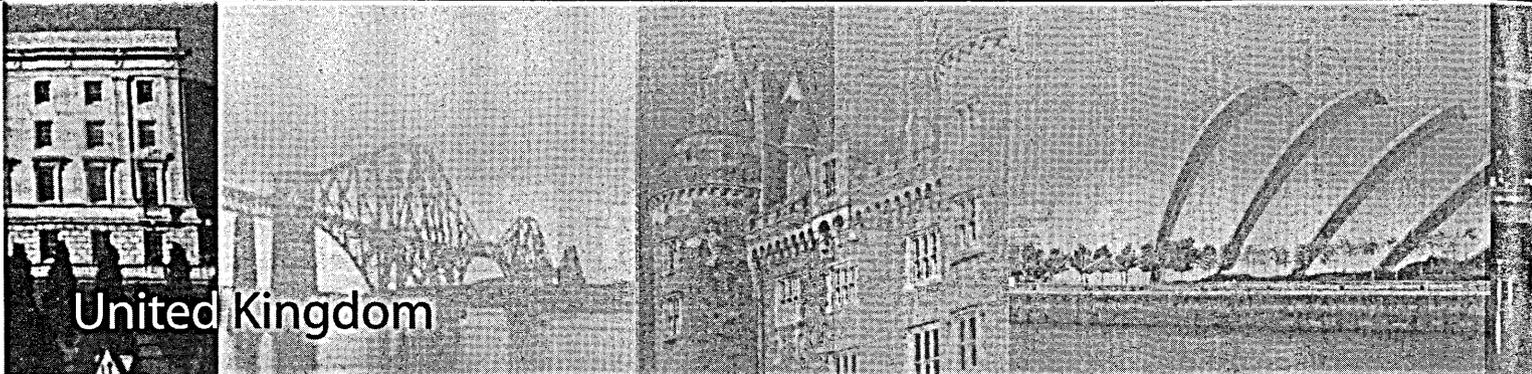
THE CANADIAN
TRADE COMMISSIONER
SERVICE



Department of Foreign Affairs
and International Trade

Ministère des Affaires étrangères
et du Commerce international

Canada



United Kingdom

INFORMATION and COMMUNICATION TECHNOLOGIES

Market Overview

The UK is the second largest information and communication technology (ICT) market in Europe and is, on a per capita basis, larger than Germany. The UK, which is also Canada's largest trade and investment partner in Europe, has attracted large numbers of Canadian companies to establish direct operations locally, ranging from major companies like Nortel Networks with close to 16,000 UK employees, to small companies with one or two persons in their UK sales offices.

One reason why the UK attracts Canadian and other ICT companies, apart from size, is the very open and transparent market, which makes it relatively easy for companies to become established. However, this also means that the market is very competitive, the UK already being a world leader in a few market areas. Traditionally, the UK has been strong in media and publishing. This strength has been carried into areas of new media, including computer and video games, where UK studios produce around 30% of the world market. Other areas of software production where the UK leads include: small business accounting software, where Sage Software enjoys a 50% share of the world market; and GSM (Global System for Mobile Communications) text messaging SMS (Systems Management Server) software, where 50% of the world's text messages are handled by systems supplied by the UK's Logica.

In the telecommunication sector, the UK was the first country in Europe to privatize its nationally owned operator and to introduce competition, and it has also been a leader in developing wireless services. The world's largest wireless operator (and Britain's largest company), Vodafone, is based in the UK.

In the e-business sector, the UK's traditional retailing strengths have made themselves felt in some areas of the business-to-customer commerce segment. The Tesco supermarket chain has developed a strong online presence and is now the world's largest online grocer, offering home delivery within a two-hour window seven days a week. Sainsbury, second in size to Tesco, has also created a strong online presence. EasyJet, a UK-based discount short-haul airline, sells over 80% of its seats online, the highest proportion of seats online anywhere in the world.

The UK also leads the world in digital television, with almost 30% of households now receiving digital programming via satellite (BskyB), cable (ntl, Telewest) or terrestrial (onDigital). In addition, each is developing interactive services. BskyB's advanced e-commerce services generated significant revenues for companies such as Domino's Pizzas.

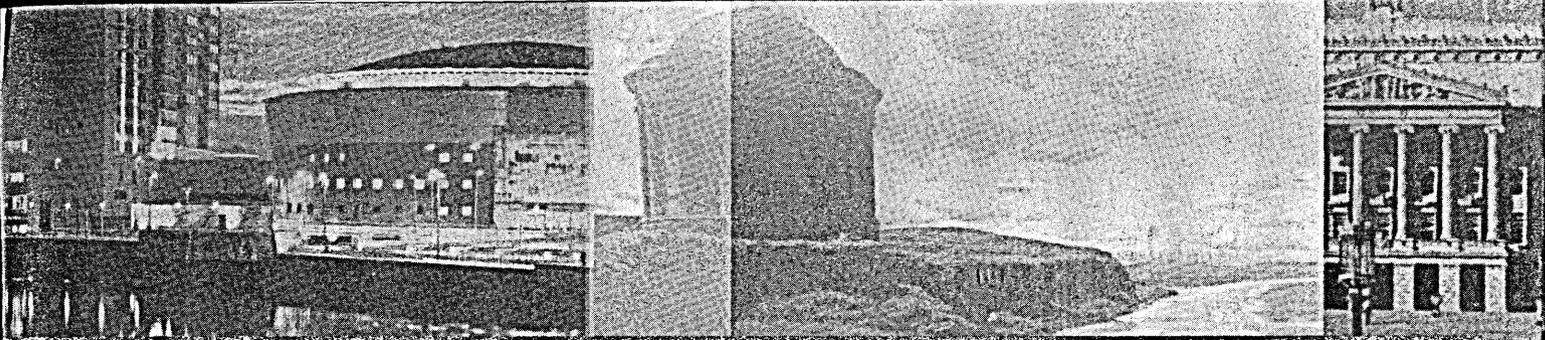
Mobile communications continue to be a major growth area in the UK, with 68% of the population now having mobile phones. Text messaging (SMS) over GSM phones has snowballed from 50 million messages per month in July 1999, to 1 billion messages per month in January 2001. In April 2000, new third-generation (3G) mobile licences were auctioned, raising almost \$C50 billion for the government, and Montreal's TIW was one of the winners (subsequently revealed to be backed by Hutchinson of Hong Kong). An interim step to 3G, General Packet Radio Service (GPRS) is being rolled out by all four UK GSM networks over the next year or so. Many believe that, within a few years, Internet access via mobile devices will outnumber access via fixed links, given the much higher penetration of mobiles than personal computers.

Opportunities

There are opportunities for Canadian companies in virtually every sector of the UK ICT market, provided they have an innovative and competitive product or service offering, and are prepared to spend time understanding the market and distribution channels. Areas of particular growth are wireless applications and mobile e-commerce, with their associated infrastructure.

Many Canadian companies are choosing to establish their own local subsidiary to have greater control over their UK channels, obtain better feedback on market requirements and developments, and be closer and more responsive to their customers. Costs of doing business in the UK are high compared to North America (but less than most other European countries), and companies considering this strategy need to carefully review whether they have adequate resources to adopt this approach.

The main alternative is to identify a local partner with good access to the appropriate channels and customers, an area where the High Commission can usually provide advice and contacts, if provided with an adequate profile. As a general rule, direct marketing from Canada is not a viable option (There are various legal controls on the use of direct mail, fax and telephone marketing, especially to consumers.) See the Web site of the Direct Marketing Association <http://www.dma.org.uk>



For further information, contact:

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or visit

Department of Trade and Industry
<http://www.dti.gov.uk>

European Information Technology Observatory
<http://www.eito.com>

Independent Television Commission
<http://www.itc.org.uk>

Office of Telecommunications
<http://www.oftel.gov.uk>

Office of National Statistics
<http://www.statistics.gov.uk>

A weekly newsletter called *IT Events Bulletin*
is available from [emedia-uk](http://www.emedia-uk.com)
<http://www.ebulletins.co.uk>

Major Shows

BETT 2002, British Education, Training and
Technology Show, London, January 9-12, 2002
<http://www.bettshow.com>

For the educational technology sector

ECTS 2001, European Computer Trade Show,
London, September 2-4, 2001
<http://www.ects.com>

Major European show for the computer games
and entertainment market

ZDNet UK publishes a list of upcoming ICT
events regularly on its Web site at
<http://www.zdnet.co.uk/events>

CONSTRUCTION and BUILDING PRODUCTS

Market Overview

The UK builds approximately 190,000 new housing units a year, a number that has remained fairly static over the last five years. This is not forecast to change significantly, although in 1996 the British government announced a requirement for 4.4 million new homes by 2016 to meet domestic demand, suggesting that approximately 220,000 units per annum would be required.

The private housing sector, which is the largest, has been particularly buoyant in the last three years, given relatively low interest rates and improved consumer confidence. The majority of the large housebuilders have all seen profits rise, with the average value of properties increasing. The trend is now towards larger detached/duplex properties of three and four bedrooms. The demand for housing follows the requirements of the population, with the number of households in England set to rise by 15.2% in the next 20 years.

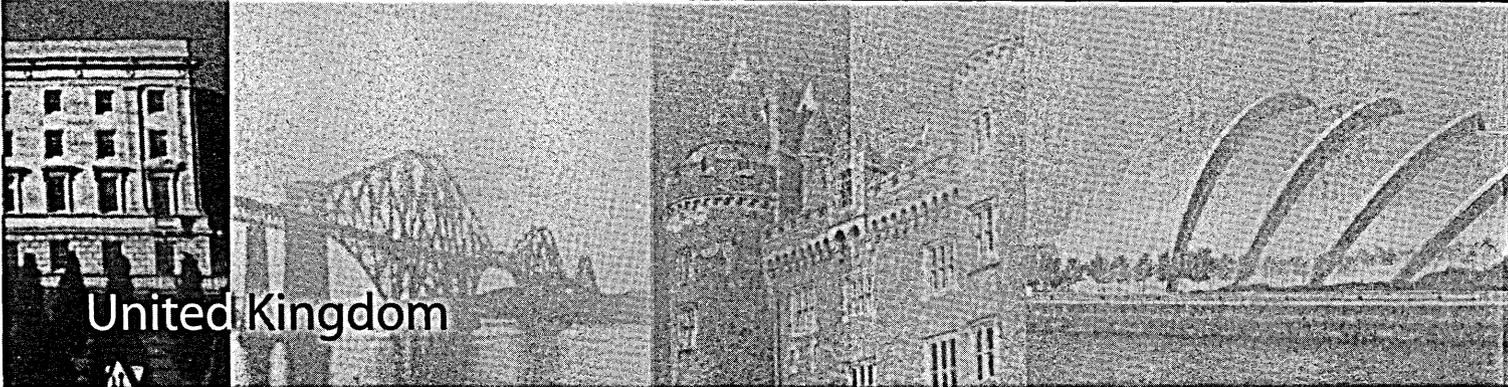
Of greater significance is the market for renovation and refurbishment. The UK has one of the oldest housing stocks in Europe, with around one half of the country's 23 million dwellings being 50 to 100 years old or more. In the last five years, this sector has grown 11%. Forecasts indicate that this sector will grow a further 11% in the next five years, fuelled by increased spending in the public housing sector. In mid-1998, the government announced plans to release £3.6bn of capital for the refurbishment of more than 1.5 million properties.

The UK residential construction industry, which is going through a period of rapid change, is responding to three critical issues.

Skills shortages, rising construction costs and defects associated with onsite wet trades have created a trend towards offsite production and a demand for new, innovative products that "de-skill" the construction site. This is coupled with a greater acceptance of framing systems, particularly wood frame, which is taking significant market share from

traditional block construction. Canadian manufacturers are in an excellent position to supply this wood-frame market in the short term, while the domestic industry is still adjusting its domestic manufacturing capability to meet local demand, since demand for wood-framed homes is likely to outstrip domestic supply in the next 18 to 24 months. In the long term, successful Canadian companies could develop supply partnerships with small to medium-sized homebuilders that do not have their own manufacturing capability.

New building regulations requiring higher thermal insulation and greater energy efficiency, which are to be phased in over the next couple of years, are likely to be much more difficult to achieve with traditional masonry construction than with wood frame. Also, these new standards will likely require improvements to key components such as windows and doors, better ventilation and heat exchange systems, all areas in which many Canadian suppliers have considerably more experience and better products.



United Kingdom

There is a **shortage of new homes**, mainly due to the speed of construction. While the industry is beginning to focus on alternative building systems that are faster to erect, it is also addressing lightweight cladding and roofing systems as alternatives to brick and concrete tiles/slate. As with many innovations in the housing sector, social housing is leading the way.

Opportunities

Opportunities exist for:

- ① Canadian wood-frame homes;
- ② wood-frame housing components;
- ③ panel and engineered wood products;
- ④ window and door systems;
- ⑤ lightweight roofing and cladding;
- ⑥ mechanical systems;
- ⑦ value-added wood products (e.g. hardwood flooring); and
- ⑧ new technologies and construction techniques.

Recently, the UK has formerly recognized Canada as a global leader in housing technology and innovative building products. The British government has encouraged its industry to "look abroad" to acquire new products, technologies and skills. This endorsement of our industry should help many Canadian firms to enter this highly competitive market.

The UK imports approximately 80% of its requirements in wood products, and this situation is unlikely to change in the future. Particle boards are largely imported from European sources, and plywood is increasingly imported from South America and

Asia, to a combined level of over 2.5 million cubic metres every year. Canadian lumber standards are still used by the industry. While price competition is fierce, Canadian suppliers should ensure quality and emphasize this in their marketing activities.

Suppliers of building products should consider the **Do-it-Yourself (DIY) and Home Improvement Market**, which is currently growing at over 10% a year. The current UK consumer fad with DIY has certainly been boosted by prime-time UK television programs, as well as several consumer magazines. A major trend has been the development of the DIY retail superstore, to the detriment of the smaller Ma and Pa stores, which are now facing an increasingly bleak future.

There are no serious barriers to the British housing market, but a number of technical considerations do exist. This includes phytosanitary requirements applied to most species of Canadian softwood. Suppliers of building products and components should also familiarize themselves with British or European standards. It is advisable that companies obtain certification of their products' performance. Although not without some expense, this provides a clear indication to architects and specifiers of product quality and reliability.

Suppliers of timber are also under increasing pressure from their customers to demonstrate that their products originate from well-managed forests. Certification by the Forest Stewardship Council or equivalent is a requirement to be a regular supplier to leading DIY outlets. The selection of suitable local partners is central to success in the UK housing market. This local partner provides vital insight into British business practices, market characteristics and strategies, as well

as legal, financial and importation procedures. The partner also advises on contractual arrangements and handles other technical matters. Time and personal contact are usually required to cement a productive business relationship.

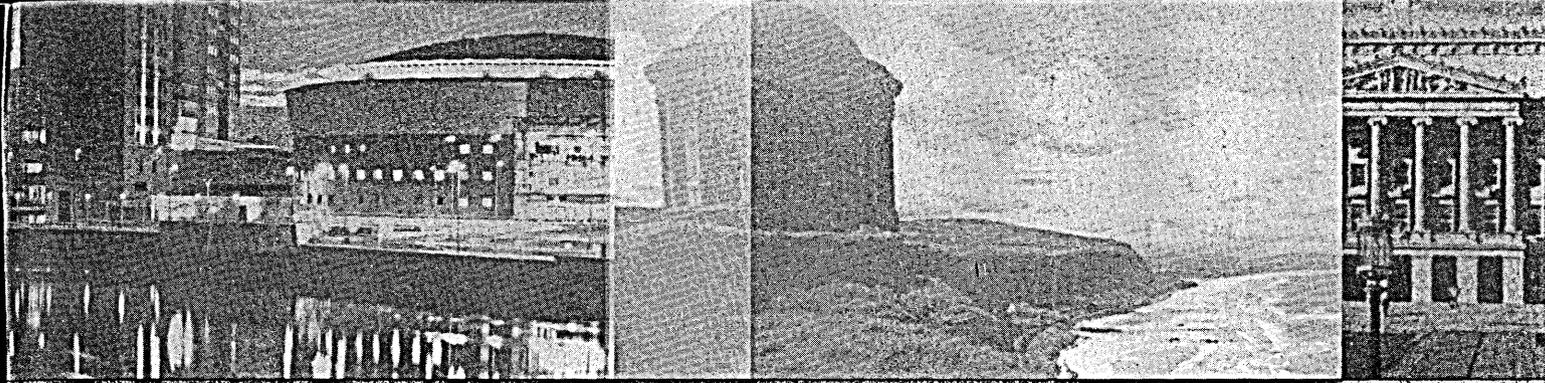
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or visit
 Canadian Sustainable Forestry Certification
 Coalition: <http://www.sfms.com>
 Construction Industry Board:
<http://www.ciboard.org.uk>
 Department of the Environment, Transport
 and the Regions: <http://www.detr.gov.uk>
 Timber Trade Federation: <http://www.ttf.co.uk>

Major Shows
DIY and Home Improvement Show, London,
 January 20-22, 2002:
<http://www.diyshow.com>
 For the Do or Build It Yourself hardware, tools
 and home decor markets. Trade Only.

Interbuild, Birmingham, June 2-6, 2002:
<http://www.unilinkfairs.com>
 or
<http://www.interbuild.co.uk>
 An international building and construction
 exhibition, featuring: bathrooms; building
 interiors, flooring and kitchens; electrical;
 domestic heating and plumbing; doors, windows
 and facades; structural building; information
 technology; lighting; plant, tools and wood-
 working; pipelines; civil engineering and
 building services. Trade Only.



OIL and GAS

Market Overview

The UK is currently the world's fourth largest gas producer and ninth largest oil producer. The vast majority of activity (over 95%) is offshore in The North Sea—the waters to the east and north of the UK mainland. North Sea production is primarily from the UK and Norway, with smaller amounts produced by Denmark, Netherlands and Germany.

UK North Sea production is currently near an all-time high at approximately 2.7 million barrels per day (135 million tonnes per year). As can be seen from the table below, on an annualized basis, production peaked at its highest level ever in 1999, but then fell back slightly last year. This was primarily due to planned maintenance rounds on installations, and does not reflect any trend to lower production levels in the near future.

Annual United Kingdom North Sea Production

Million Tonnes of Oil Equivalent

	OIL	GAS	TOTAL
1970	0.2	10.2	10.4
1980	86.9	34.2	121.1
1990	99.8	45.4	145.2
1997	139.8	83.9	223.7
1998	144.8	87.5	232.3
1999	149.6	96.1	245.7
2000	126.5	102.9	229.4

Confidence in the UK North Sea sector is currently higher than it has been for quite a number of years. For example, Shell, BP and ExxonMobil have all recently announced significant increases to their

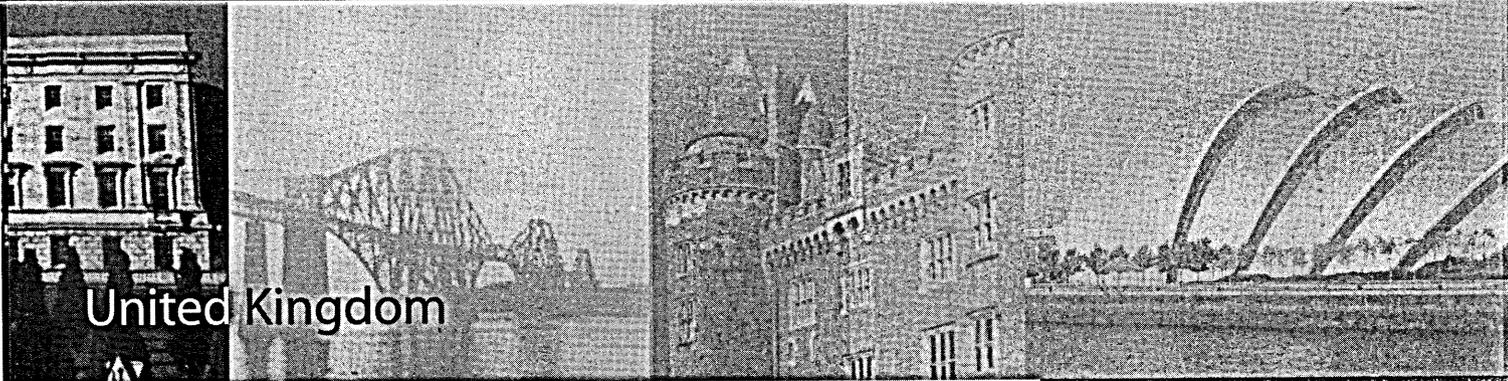
capital expenditure budgets for the North Sea for 2001, and, as a result, total investment is expected to show a 33% rise from £3 billion (C\$7.5 billion) in 2000 to £4 billion (C\$10 billion) in 2001.

Other Recent Investment Announcements

Operator	Fields	Investment (£m)
Kerr McGee	Leadon	470
Phillips	Jade	191
British Gas (BG)	Blake	158
BP	Lomond/S Everest	71
Shell	Gannet/Kingfisher/Curlew	50
Conoco	Vixen	25

Medium-term prospects also continue to look attractive. As can be seen from the Table of Reserves, estimates of remaining reserves in present discoveries have stayed at broadly the same level over the last 10 years, despite the large increase in oil and gas extracted. This is due to new discoveries being made, and to new technology allowing greater exploitation both of current discoveries and of old discoveries previously regarded as not economically viable. At a company level, BP, as an example, is believed to be looking over a four-year horizon at a number of projects that could fundamentally change North Sea operations. These include providing power to offshore platforms from land

(hence dispensing with the need for gas turbines and associated equipment on the structures), as well as laying a broadband fibre-optic cable to clusters of installations to bring them online, which would theoretically enable well drilling in the North Sea to be controlled from a distant office. The UK government is also extremely active in pursuing measures to protect the longer-term health of the offshore oil sector—for example through its Oil and Gas Industry Taskforce and successor body Pilot, which has set itself a UK North Sea production target for 2010 of 3 million barrels per day (150 million tonnes per year) of oil equivalent.



United Kingdom

Remaining United Kingdom North Sea Oil and Gas Reserves

	1980	1990	1997	1998	1999
Million Tonnes of Oil Equivalent					
OIL					
Cumulative Production	263	1 374	2 175	2 306	2 444
Estimate of Remaining Reserves in Present Discoveries	2 300	1 815	2 015	1 800	1 665
Total Oil Reserves in Present Discoveries	2 563	3 189	4 190	4 106	4 109
GAS					
Cumulative Production	344	677	1 101	1 181	1 269
Estimate of Remaining Reserves in Present Discoveries	1 404	1 607	1 787	1 616	1 575
Total Gas Reserves in Present Discoveries	1 748	2 284	2 888	2 797	2 844

Opportunities

Five Canadian oil companies are equity holders in the North Sea—Bow Valley Energy, Chieftain International, PanCanadian Petroleum, Ranger Oil (now part of Canadian Natural Resources) and Talisman Energy. Ranger and Talisman, in particular, are significant operators in the region. In addition, a number of Canadian equipment and service supply companies have established UK subsidiaries (e.g. CHC Helicopters, Datalog Technology, Maloney Industries, Master Flo Valve, QC Data, Shaw Industries and Velan Engineering) to service the North Sea and, in some cases, other regional markets. Other Canadian companies are actively supplying the UK North Sea market through established distributors or agents for their products.

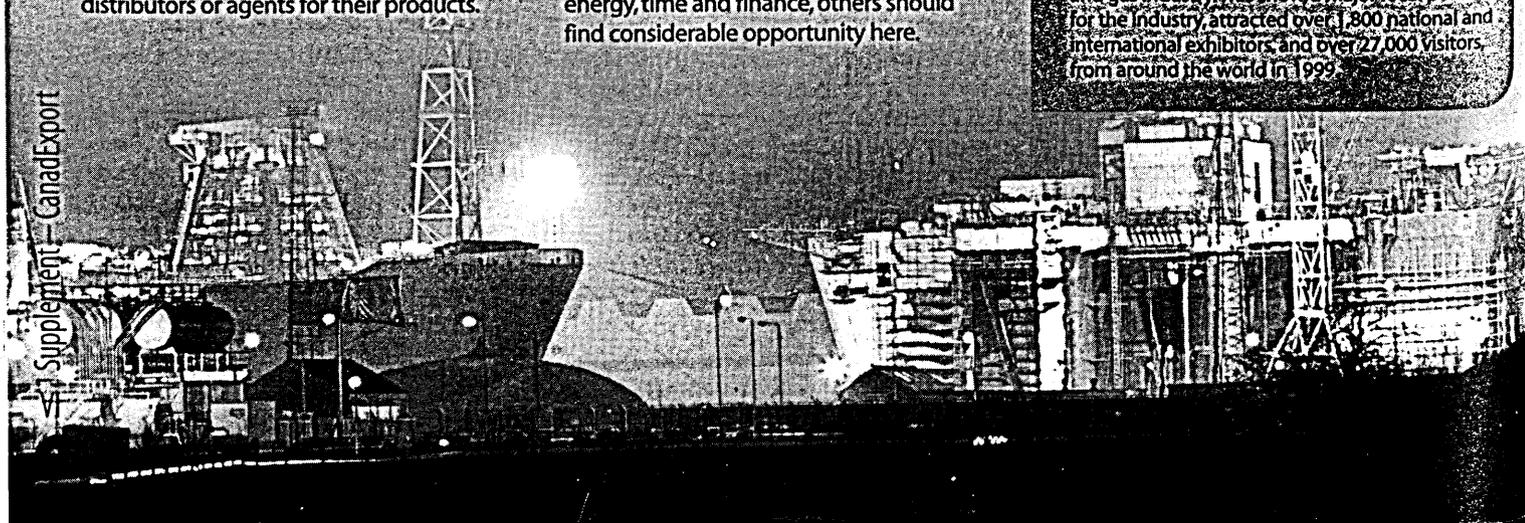
Thus, there are excellent opportunities for Canadian companies to develop business in the North Sea market. On the equipment/service supply side, opportunities are particularly strong for technology-led companies that have new or novel products or services to improve environmental performance, enhance recovery or reduce operating costs. In addition, with the maturing of the North Sea as a production location, decommissioning will also become an increasingly important activity and business opportunity in the future. While some Canadian companies feel that the North Sea market is a tough one to break into, the existing success in this market of a good number of Canadian firms provides the most compelling evidence that, with the necessary commitment of energy, time and finance, others should find considerable opportunity here.

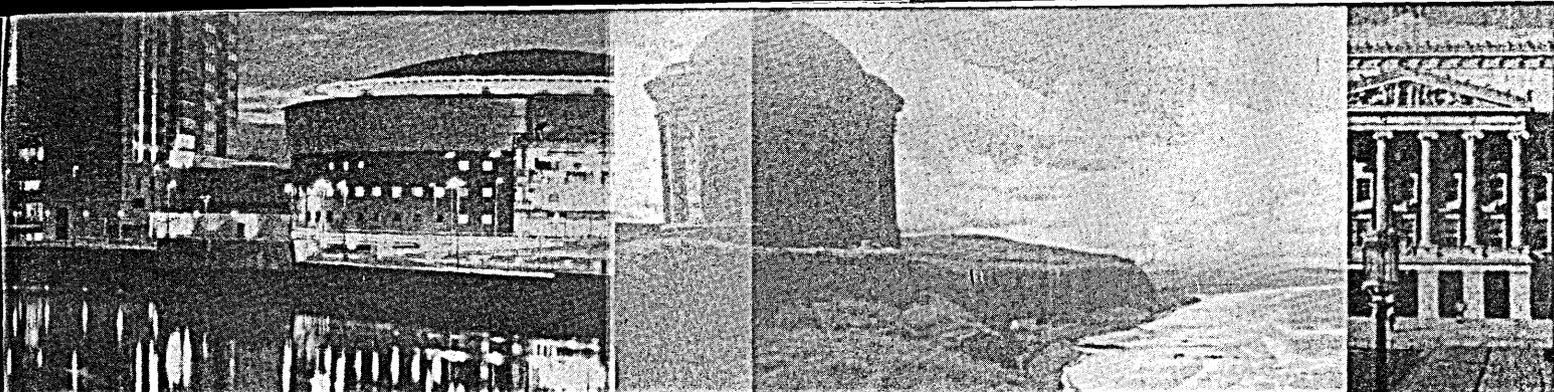
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 Web Site: <http://www.dfait-maed.gcca/london>

or visit
 Oil and Gas Directorate of the UK Department
 of Trade and Industry
<http://www.og.dti.gov.uk>

Major Shows
Offshore Europe '01, Aberdeen, Scotland,
 September 4-7, 2001
<http://www.offshore-europe.co.uk>
 For equipment and services to the offshore oil
 and gas industry. This show, a major focal point
 for the industry, attracted over 1,800 national and
 international exhibitors, and over 27,000 visitors
 from around the world in 1999.





BIOTECHNOLOGIES

Market Overview

The UK leads European biotechnology with annual sales over \$9.7 billion. There are 270 specialist biotechnology companies employing 14,000 people and an additional 200 companies with 25,000 employees providing related biotechnology services. Specialist biotechnology companies work in biopharmaceuticals (35%), diagnostics (22%), agriculture/environmental sectors (15%) and specialist products (over 25%). The British biotechnology industry has seen a 30% increase in the number of companies over the past two years, and market capitalization of this sector rose to \$15.8 billion by the end of 1999.

Expenditure in research and development is expected to reach over \$773 million by 2001. Britain is responsible for 60% of the European sector's value; it accounts for 75% of all European publicly quoted biotechnology companies; and it has produced three quarters of the 60+ products currently in late-stage clinical trials. Five of the world's 20 most valuable biotechnology companies and three quarters of all U.S. subsidiaries, which dominate the industry, are located in the UK.

Biopharmaceuticals are the primary strength of the biotechnology industry in the UK with emphasis on gene therapy, combinatorial chemistry, regulation of cells, and development of transgenic animals. The entire market is characterized by partnerships, mergers and licensing agreements. In fact, very few biotechnology firms are completely integrated from initial research, through development, testing, manufacturing and marketing. The biotechnology industry is primarily located in south-east England (around Oxford), East Anglia (including Cambridge) and Scotland.

Opportunities

The most significant opportunities for Canadian biotechnology firms are in collaborative research partnerships, technology-transfer agreements, licensing ventures, production facilities, and services. The UK industry is seeking greater emphasis on the role of biomanufacturing for long-term industry development, and the market is also strong for preclinical research studies and other research services for clinical trials.

Public opinion and pressure group activity have been targeted at the agriculture and food safety aspects of biotechnology, to

the extent that the market for genetically modified (GM) food products is essentially 'dead' in the UK with all major supermarket chains refusing to stock any GM products. The European Commission and the UK's Food Standards Agency are actively trying to improve public confidence in the regulatory system, but it is likely to be a while before there is a significant demand for food products of biotechnology in the UK. However, there seems to be a far greater acceptance of new technologies within the healthcare and environmental arenas, where clear benefits to the public are apparent, and there is greater confidence in the regulatory system.

For further information, contact:

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London United Kingdom W1K 4AB
Tel: (011-44-20) 7258-6600
Fax: (011-44-20) 7258-6384
E-mail: ldn-td@dfait-maed.gc.ca
Web Site: <http://www.dfait-maed.gc.ca/london>

For commercial trade opportunities:

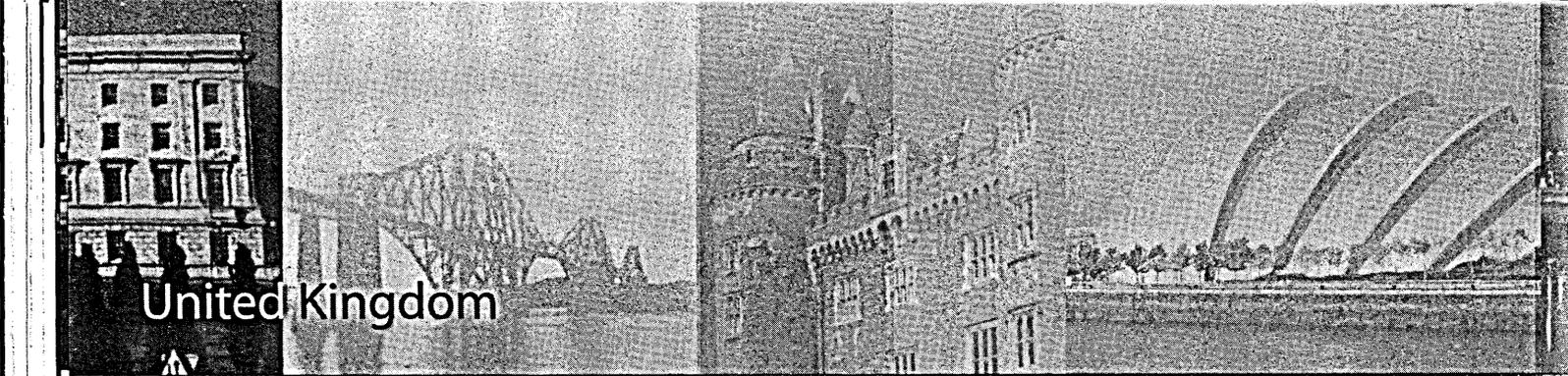
Deanne Rourke (health, environmental sectors)
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E-mail: deanne.rourke@dfait-maed.gc.ca
Janet Farmer (agricultural sector)
Commercial Officer
Tel: (011-44-20) 7258-6665
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For pre-commercial partnering opportunities (health, agricultural and environmental sectors):

Dr Caroline Martin
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or visit:

Association of British Pharmaceutical Industry:
<http://www.abpi.org.uk>
Bio Industry Association:
<http://www.bioindustry.org>
Department of Trade and Industry:
<http://www.dti.gov.uk>
Environmental Services Association:
<http://www.esauk.org>
InfoExport Biotechnology Market in the UK:
<http://www.infoexport.gc.ca>



United Kingdom

HEALTH FOODS and NATURAL PRODUCTS

Market Overview

The boundaries between health foods and mainstream foods have become increasingly blurred, as mainstream manufacturers have responded to rising consumer interest by introducing their own products in this area or by adapting existing products. A number of new or updated products, for example sports nutrition and functional foods, have also entered the health foods market.

It has been estimated that, in 1999, the market for health foods was worth £955 million (C\$2 billion) at retail sales prices, representing an increase of 8% over 1998. Sales through specialist health food stores grew more slowly than the market as a whole, rising by 2.9% to a total of £392 million (C\$ 860 million).

The vitamins, minerals and supplements (VMS) sector is the most important within the specialist health food market, accounting for 40% of sales. Herbal and homeopathic remedies take 14.9%, with food and beverages making up 45.1% of sales between them.

A few key brands account for over 50% of sales in the VMS sector. Seven Seas and Boots' own-brand products dominate the sector, with Roche's Sanatogen brand also having an important presence. Within the herbal remedies sector, a distinction must be made between licensed and unlicensed products. The unlicensed sector consists of products from a very large number of small manufacturers, while licensed herbal medicines are concentrated in the hands of a few large manufacturers. The food sector consists of a very wide variety of products and brands. The three main categories are mainstream manufacturers that have augmented their product range with health foods, large specialist companies with a wide portfolio and small specialist companies that often produce a single brand only.

Consolidation of the industry has continued throughout 1999, with a number of acquisitions of smaller health food companies by larger manufacturers, often from outside the industry. The most notable of these has been the purchase of Efamol, Vitamix and Larkhall Green Farms by baby food company Nutricia Limited. Two large U.S. health food manufacturers have a major presence through ownership of the main specialist retail chains—NBTY owns Holland and Barrett, and GNC owns Health and Diet Group.

Opportunities

The market for health foods is expected to grow steadily over the next four years, and it is estimated that it will stand at £1.2 billion (C\$ 2.5 billion) by 2004. The specialist retail sector will see its share of sales decline, but it has been forecasted that, by 2004, it will have achieved sales of £459 million.

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E-mail: deanne.rourke@dfait-maecd.gc.ca

Web Site: <http://www.dfait-maecd.gc.ca/london>

or visit

British Complementary Medicine Association:
<http://www.bcma.co.uk>

Health Food Manufacturers Association:
<http://www.hfma.co.uk>

Medicines Control Agency:
<http://www.open.gov.uk/mca/mcahome.htm>

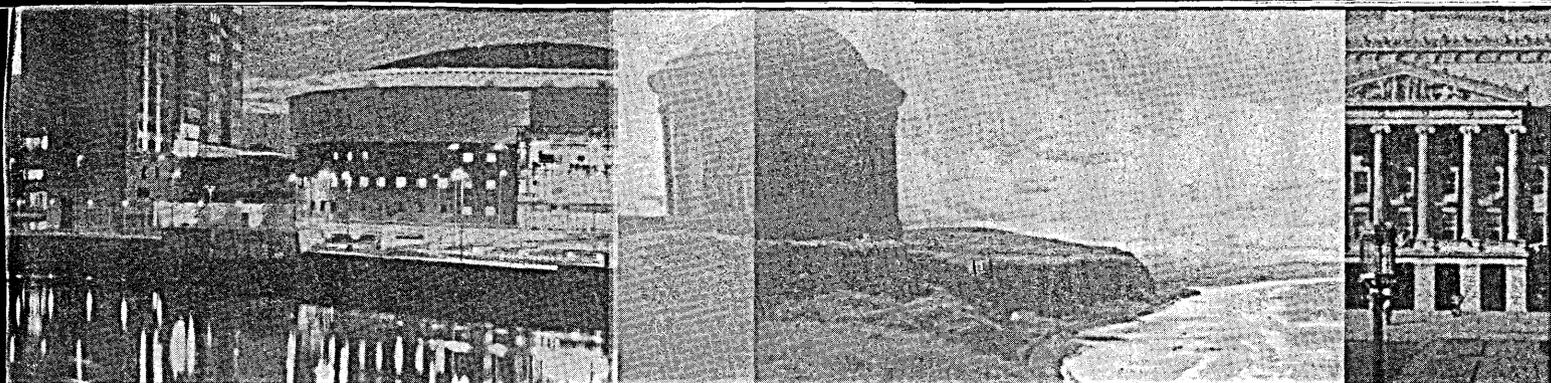
Major Shows

Natural Products Europe

April 22-23, 2001, London

<http://www.naturalproducts.co.uk>

Britain's largest trade exhibition for natural and organic products.



FOOD and BEVERAGE

Market Overview

The UK has become slightly obsessed by food—its quality, preparation and consumption. London now boasts more Michelin-starred restaurants than any other city outside Paris. Be it organic, ethnic, *nouvelle* or fusion, whether home-prepared or a product of the world's most dynamic hospitality industry, good food is now synonymous with Great Britain. The UK has redefined itself with a food culture that is open to new ideas and tastes. Two principal reasons largely account for this change: a competitive and creative environment in which food is bought both at retail and service outlets, encouraged by an economy that boomed through the mid-to-late 1990s; and the rapidly evolving sociodemographic face of many of Britain's cities. Both dynamics have allowed experimentation, indulgence and self-confidence to push back many frontiers, including the traditional British food basket or restaurant meal.

Opportunities

Total UK food, feed and drink imports amount to over £17 billion (C\$39 billion) a year. Canada's share of this import market is in the 1+% range at over £200 million (C\$460 million). Lobster, salmon, fruit snack bars and wild blueberries are tastes of Canada, as are freshly made bagels, British Columbia wines, premium extra mature cheddar from Quebec, Caesar salad kits from Ontario, and organic breakfast cereals. These products all illustrate the same implicit point. The UK recognizes Canada as a supplier of the highest-quality food

products. Thus, there is both room and reason for growth in Canadian agri-food exports. Opportunities abound in this market of 60 million affluent consumers.

The UK has a wide array of relevant trade and consumer food shows, which introduce Canadian products to the widest UK audience possible. Whatever your product, food and beverage trade shows are generally the most economic and efficient means of promoting, making a broad range of contacts and assessing the competition. Check them out at: http://ats-sea.agr.ca/public/events_europe-e.htm

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Or
Mr. Ian Thomson
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IRELAND

Despite its small size (70,000 square kilometres, only slightly smaller than New Brunswick) and small population (under four million people), the 26 counties that make up the Republic of Ireland are a lucrative trading partner for Canada. Canada exports more to Ireland than to Austria, the Czech Republic, Denmark, Finland, Greece, Hungary, Luxembourg, Poland, Portugal, Russia, Romania, Sweden or Turkey. Greater economic unification between Northern Ireland and the Republic of Ireland following the expected implementation of the *Good Friday Agreement* should increase that potential in the future. Since most Irish business is conducted in and around the capital city, Canadian firms pursuing opportunities in the UK should seriously consider a visit to Dublin. Canadian SMEs (small and medium-sized enterprises) will find that the relatively small size of Irish firms, compared with British firms, makes Ireland a highly compatible business partner.

Traditionally one of the poorest of all the member countries of the European Union (EU), Ireland is now the fastest-growing. The 'Celtic Tiger' has a gross domestic product (GDP) just below the EU average, and unemployment percentages are low. Within the last 10 years, Ireland's economy has grown by 76%. Other striking trends include the presence of all the major international software giants (Ireland is now the

world's largest software exporter), the youngest age profile in Europe (70% of the population is under 45) and the recent reversal of a 150-year trend of out-migration. The results of this recent growth are not all positive. Crises are brewing, as both housing and transportation infrastructures are stretched to the limit, particularly around Dublin. Other sectors of the economy and other regions of the country (the west, the "border" counties near Northern Ireland, and the midlands) are still waiting for comparable levels of prosperity to come their way.

So what does this mean for Canadian companies looking for export opportunities? Canadians should remember that Ireland is still an SME economy, with only 50 companies in total employing 1,000 or more employees. While 80% of Irish businesses have 10 staff or less and there are 170,000 SMEs in Ireland, aiming your products and services at small SMEs is a good option. Irish firms, whether in the information technologies (IT) sector or in construction, are increasingly experiencing a lack of capacity to meet demand. Partnerships with foreign firms that speak English and have a similar approach to doing business, such as in Atlantic Canada, are therefore increasingly desirable. As the Irish economy moves its focus from manufacturing to primary research and development (R&D), biotechnology will play an ever-increasing role.

As Canada has a strong tradition of research in this field, there is a potential here as well for new opportunities.

Another sign of the dynamism of the economy is the fact that nearly four million square feet of retail space appeared in Dublin in the last few years targeting a population where two in five people are under age 25 and have more money in their pockets than ever before. Retail spending on consumer goods is increasing at a rate of 25% per year. Finally, as Ireland prepares to enter the 'Eurozone' at the beginning of 2002, it is one of the ideal locations for expanding into other regional markets within the EU.

It should be noted that, on January 1, 2002, the new Euro currency, which is divided into "cents," will begin to be circulated in the Republic of Ireland. There will be a dual circulation period, during which the use of Irish notes and coins will decrease, and the use of Euro notes and coins will increase. The dual circulation period is slated to end at midnight Saturday, February 9, 2002, after which only Euro notes and coins will be used. For further information, consult the Web site of the Irish Department of Finance at <http://www.irlgov.ie/finance>



GOVERNMENT MARKETS

Market Overview

Despite the spectacular success of the Irish economy in recent years, a major regional imbalance remains in economic development in Ireland. The infrastructure in major urban centres is under pressure from an upsurge in commercial and business activity coupled with a resultant population increase. By contrast, rural and smaller urban areas have lagged behind. To address this issue and related problems, **the Irish government has launched a seven-year National Development Plan for 2000-06**, with IR£40.5 billion (over C\$72 billion) committed to the Plan. Most observers agree that it will take longer than seven years to implement the Plan, and that lack of capacity among Irish firms will mean substantial business opportunities for foreign firms for another decade. Some

51% of Plan funds has been earmarked for economic and social infrastructure, i.e., national roads, public transport, water and wastewater, coastal protection, energy, social and affordable housing, and health capital. Two thirds of the total expenditure will occur in the regions outside Dublin. There will also be significant government aid to industry, agriculture and fisheries.

Opportunities

Many of the proposed works are of a scale that might interest Canadian firms, in the context of relatively manageable competition from other major foreign players. In this European market, the English language would be a significant asset to any Canadian contractors looking for business. Firms that could also provide

English-speaking labourers from Canada would also be highly pursued. Of interest to seasonal labourers in Canada is the mild Irish climate, which permits year-round construction. More details of the National Development Plan are available at <http://www.ndp.ie>

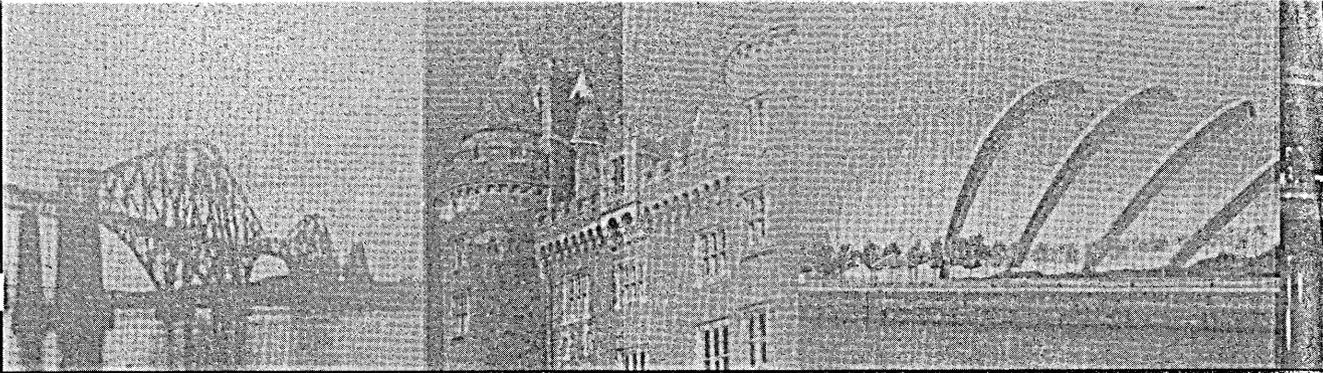
Twice monthly, the Commercial Division of the Canadian Embassy in Dublin carefully selects a variety of Irish government tenders for inclusion on the Web site of the International Business Opportunities Centre (IBOC). These projects may be in the sectors of construction, medical, consultancy services or defence. On occasion, contact with the Canadian Embassy is necessary to obtain further information on the interested tenders. Otherwise, full contact details are available on the IBOC Web site at <http://www.iboc.gc.ca>



Canada Export



Ireland



INFORMATION TECHNOLOGIES

Market Overview

A number of Canadian firms have made the plunge into the Irish market. What did they do right, and what advice would they give other Canadian companies thinking of entering the IT market in Ireland? X-Wave's Chief Operations Officer, David Thornhill, says, "The Irish government's attempts to create an 'e-commerce hub' make it an attractive place to be, because it allows Canadian companies to be in a market where all the big players are and they can also become your clients. The key to Ireland is the fact that it has attracted a large number of established multinational businesses." This Newfoundland-based firm is one of Canada's fastest-growing IT companies, providing end-to-end e-business solutions for systems integration, software engineering and product fulfilment. With over 2,000 employees in North America, X-Wave officially launched its Ireland operation on February 28, 2001. The Irish and Newfoundland governments signed an agreement in 1996 to foster hi-tech co-operation, and this has opened doors and created goodwill for X-Wave. "For 18 months we were doing work for Irish clients such as Esat Telecom and the Dublin Institute of Technology, so when we were looking to expand into Europe, we saw that Ireland offered an economy with long-term prospects," says Thornhill. The Irish government's efforts toward a functioning 'e-government' within the next few years have also made it a good client for IT companies offering the right solutions. X-Wave itself was recently brought in by the Irish Department of Enterprise, Trade and Employment to develop its e-government strategy for the future. It was also responsible for developing an Internet-based management information reporting system (an electronic 'report card') for communication between

25 county enterprise boards and the central government. Partnering with Canadian firms provides valuable outsourcing opportunities for Irish IT firms of all sizes. "We recognize the skills shortage here and realized we have a larger pool of talent in Canada," says Thornhill.

There are effectively two streams in this sector. First, there are 140 multinational companies, employing some 15,500 and exporting product to the value of IR£4.5 billion. Within this grouping the "big" names include Microsoft, Oracle, SAP, Lotus, IBM, Symantec and Novell. Canadian companies here include Jetform, Eicon, Matrox, Xwave, GEAC, Centrinity, QC Data, and Saturn Solutions. Corel Corp., however, recently closed its Irish subsidiary. Second, there are also approximately 600 indigenous software companies, employing approximately 14,000, with a total revenue of IR£1 billion, of which 80% is generated by exports. The industry has tended to be product (rather than service) led, which has helped small companies to develop more rapidly and move into the global marketplace. Although the majority of companies are export-oriented, a proportion of the indigenous companies have successfully maintained their capability to develop custom software for the home market.

Opportunities

The domestic software market is relatively modest, and is estimated at IR£400 million. Apart from popular packaged software, the segments offering most potential include exposure and response prevention (ERP), and customer-relationship-management (CRM) applications, Internet solutions, telecommunications software, computer-aided design (CAD), and educational and training products.

The Irish Software Association has a target of employing 40,000, as well as hoping to achieve exports of IR£10 billion by the end of 2002. However, the skills shortage is now constituting a barrier to growth. Programmers have been recruited from all over the world, and companies are also outsourcing to low-cost centres in south-east Asia.

Internet access is now available in some 97% of Irish companies with computers; 64% have intranets; 45% of companies with Internet access are now purchasing online; and 77% of companies have a Web site. As a result of the *Electronic Commerce Act 2000*, Ireland is one of the first countries to bring about legal recognition of e-business. It is expected that one in five retail purchases in Ireland will be made on the Internet by 2003.

The availability of adequate bandwidth has also been critical. The decision by Global Crossing and 360 networks of Canada to bring their Internet protocol-based networks to Ireland will provide substantial bandwidth to the rest of the world. In addition, there is over 1.2 million square feet of hosting space being developed, and the government is planning the extension of broadband and e-commerce infrastructure to less developed parts of the country.

For further information, contact:

Enterprise Ireland:
<http://www.enterprise-ireland.com>
 Information Society Commission: <http://www.isc.ie>
 National Software Directorate: <http://www.nsd.ie>

Major Shows
 e-EXPO, May 2-3, 2001, Dublin:
<http://www.techcentral.ie/2001>

Internet World 2001, October 10-11, 2001, Dublin:
 Tel.: (011) 353-11676-8626



ENVIRONMENTAL PRODUCTS and SERVICES

Market Overview

The average Irish household produces approximately one tonne of refuse each year, and currently 90% of this goes directly to landfill. The total generated industrial waste has increased from 6.2 million tonnes in 1995 to 9.1 million tonnes in 1998, an increase of 47%. The government has determined that, by the year 2013, half of all household and commercial waste will be diverted from landfill, while 65% of organic waste will be composted rather than dumped. Under the plan, 35% of household and commercial waste, and 85% of construction and demolition waste, will be recycled. The government has also set a target of having just 20 landfill sites by 2013. This plan is based on a 1993 EU directive on waste management.

The Irish government has included IR£650 million in the National Development Plan to cover the cost of developing the infrastructure to meet these targets. Consideration is also being given to the use of public-private partnerships. The country is divided into seven separate waste regions, which had to develop their own projections. Despite numerous plans to construct incinerator facilities since the 1980s, none has gone ahead. They have either failed to satisfy the planning authorities or have been halted by local lobby groups. As the situation deteriorates and

certain landfill sites reach full capacity, the Minister for the Environment and Local Government has indicated that he will fast-track the introduction of incinerators to meet crisis situations. The major initial project will be a 150,000 tonne per year waste-to-energy plant to be located in County Meath. This project will be a public-private partnership. A 600,000 tonne waste-to-energy project is also planned for Dublin. Some regional councillors have visited incineration facilities in Denmark and Germany during the past two years, and the authorities are monitoring the recycling-based achievements of the Province of Nova Scotia.

Due to massive industrial and housing growth, there has been increasing pressure on the country's water and wastewater infrastructure. To meet the EU Drinking Water and Urban Waste Water directives, the National Development Plan will invest some IR£3 billion in water and wastewater services. Approximately IR£1,102 million will go on wastewater schemes, IR£380 million on water-supply schemes, IR£550 million on rehabilitation and management of infrastructure, and IR£420 million for rural water programs. Some 529 schemes, whose scale varies widely, were identified: 79 are ongoing, 113 are to commence during 2000-02, and 131 are for the years 2003-06. The remaining schemes are to meet other requirements for current and future housing.

Opportunities

This market is competitive. In addition to the local contractors and consulting engineers, companies and consultants from the UK, France, Denmark and the United States have been actively chasing projects. A number of multinationals have established local offices or joined forces with local consultants. Additionally, contractors are experiencing a shortage of skilled labour, due to the economic boom and massive construction activity.

As environment-related projects are, for the most part, emerging from the public sector, the sourcing is undertaken by tender invitation. In the case of water and wastewater projects, they may be issued by up to 40 different local authorities. On the solid waste front, there are the seven separate regions, but the councils are also involved. Major tender invitations are publicized by the Canadian Embassy in Dublin through IBOC.

For further information, contact:

Department of the Environment and Local Government: <http://www.environ.ie>

Dublin Corporation: <http://www.dublincorp.ie>

Environmental Protection Agency: <http://www.epa.ie>

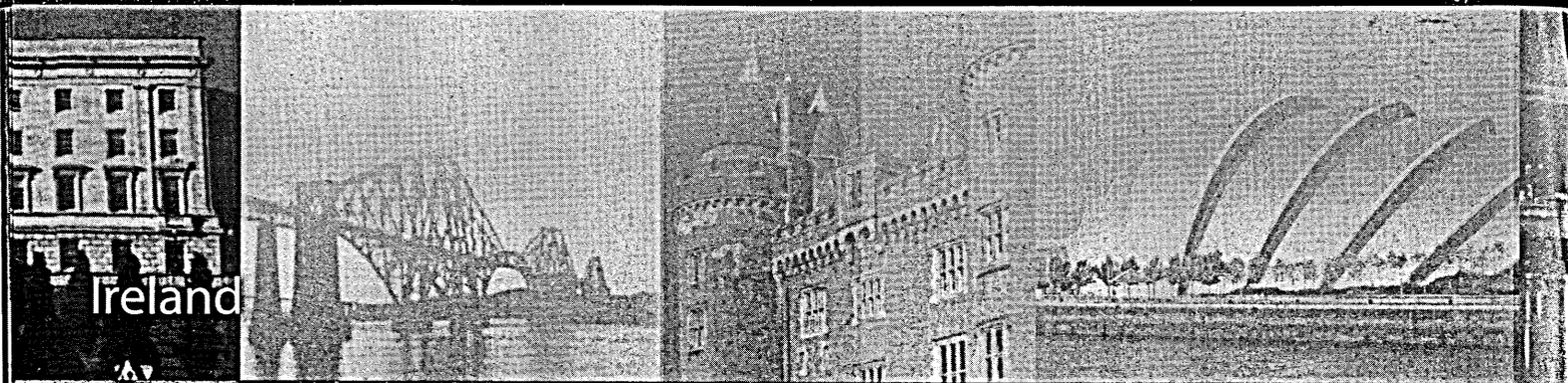
Major Shows

Irish Water, Waste, Environment Show,

November 28-29, 2001, Dublin.

E-mail: exhibit@fav-house.com





Ireland

HEALTH/MEDICAL

Market Overview

Health services in Ireland have been under considerable pressure during the 1990s to meet the ever increasing demands of modern society. However, with a sizeable budget surplus, the Department of Health and Children now has the resources to tackle many of the problems that have emerged during the last two decades. Based on the December 2000 Budget, the Minister was able to increase gross spending on health from IRE4.3 billion in 2000 to approximately IRE5.3 billion for 2001.

Significant delays in treatment and long hospital waiting lists have caused approximately 60% of the population to choose private health insurance programs to enjoy medical care on demand. Public hospitals around the country have been encouraged to generate their own income by setting aside beds for privately insured patients.

The dramatic changes in health spending and the increasing demands of the insured patients are effectively expanding the market. Newer and more expensive drugs

and technologies are constantly being developed, and patient demand is insistent that these should be made available by their doctors and hospitals.

Opportunities

The "growing" market, the demand for more sophisticated devices and drugs, plus the tendering system ensure that market potential is available to all suppliers regardless of scale. On the device front, manufacturers must secure the CE mark, based on EU medical directives.

Pharmaceutical companies must conform to the requirements of the Irish Medicines Board, which is currently assessing controls on alternative and traditional medicinal products, including herbal products. St. John's wort has already been designated as a prescription medicine.

Health authorities, boards and individual hospitals must purchase their equipment, pharmaceutical and construction needs by tender invitation. Key tenders may be viewed via the IBOC Web site at <http://www.iboc.gc.ca>

For further information, contact:

Department of Health and Children:
<http://www.doh.ie>

Irish Medical Directory:
<http://www.imd.ie>

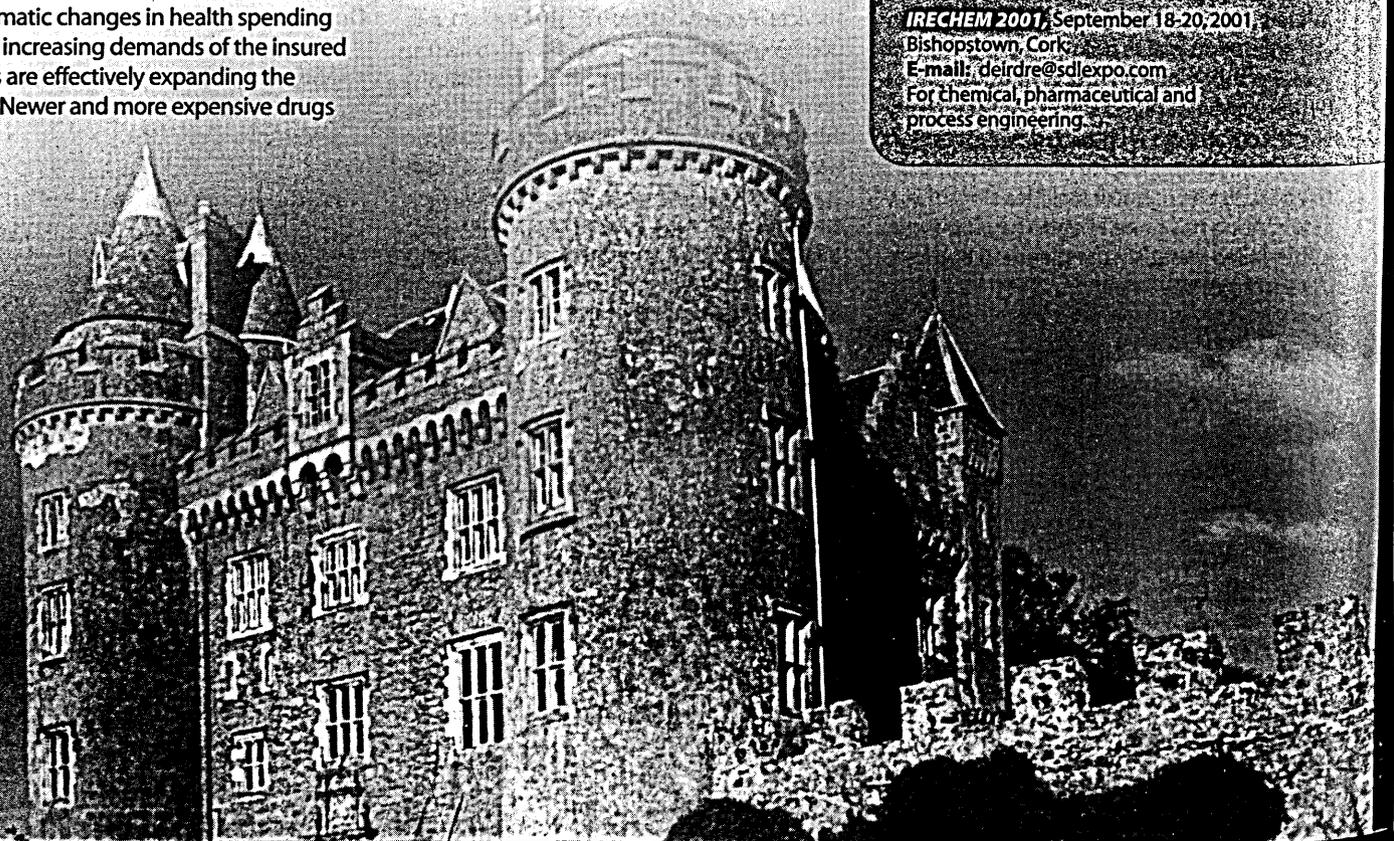
Irish Medicines Board:
<http://www.imb.ie>

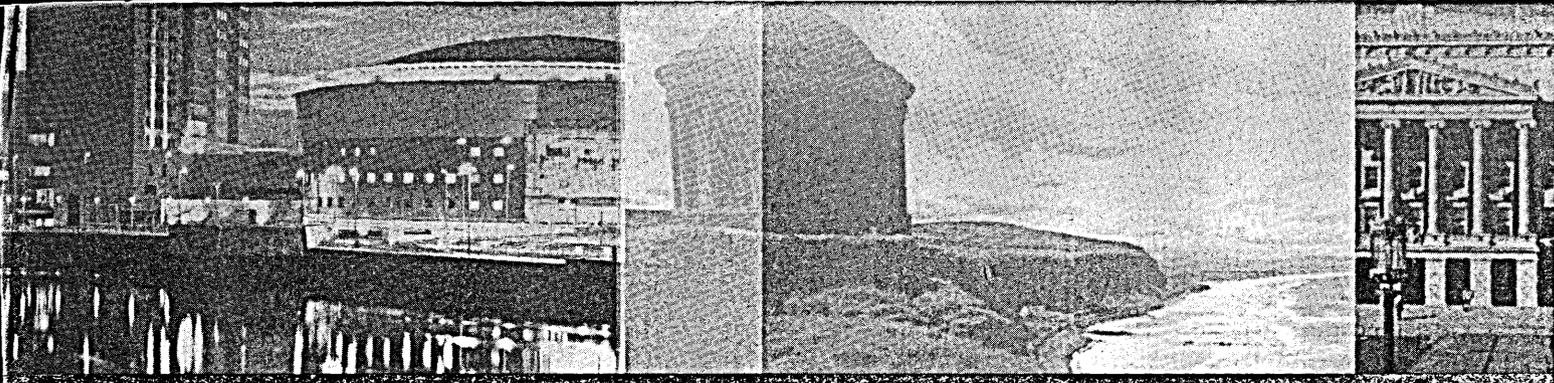
National Standards Authority of Ireland:
<http://www.nsal.ie> (Re: CE mark)

Major Shows
BioMedica 2001, April 25-26, 2001,
E-mail: amls@indigo.ie

Web Site: <http://www.amls.ie>
For medical and laboratory diagnostics
and instruments

IRECHEM 2001, September 18-20, 2001,
Bishopstown, Cork
E-mail: deirdre@sdlexpo.com
For chemical, pharmaceutical and
process engineering





CONSTRUCTION and BUILDING PRODUCTS

Market Overview

Since 1995, Ireland has been experiencing a construction industry 'boom' not matched in the EU. Ireland has the highest rate of construction investment in the EU at 17% of GDP, compared with the EU average of 12%, and the sector has grown at a faster rate than the overall Irish economy accounting for 20% of gross national product in 2000.

Housing starts alone for 2001 are expected to exceed 55,000. Construction is the largest employer in the state. Ireland's building culture has been brick and block, with timber-frame housing accounting for only 12% of the total output. The National Development Plan (2000-06) will explore innovations and, together with the Construction Industry Federation and the Department of the Environment and Local Government, will work to reduce energy consumption and integrate more environmentally sustainable materials.

The Irish building products market reports extremely strong growth but is a highly competitive sector. The relationship between construction activity and the building materials market looks good for exporters interested in entering the Irish market, since the volume of building output is expected to grow by 9% to reach over C\$32 billion (IR£14 billion) in 2001. Furthermore, the outlook for the Irish building materials sector is very positive, with building and construction investment forecast to increase by 11% in 2001, as the revitalization in overall construction activity continues. However, Ireland lacks the necessary manufacturing capacity for almost half of the building material import categories, and almost half of the Irish building materials market is driven by imports. Canada is prominently represented in this market through house-building materials, including rough wood, plywood and laminates.

The price of success is that indigenous construction companies (7,000) have neither the facilities nor the staffing levels to cope, and the completion of many of the more ambitious projects will require the importation of a considerable number of skilled and semi-skilled workers from abroad. It is estimated that an additional 10,000 jobs will have to be created in the industry during 2001. Tender price inflation is also a problem that has led to many strategic alliances between local and foreign contractors.

Opportunities

The most promising subsectors for Canadian building products include timber, boards and panels; paints and varnishes; sealants; cladding; floor and wall coverings; heating; and joinery products. Maple, oak parquetry, as well as strip solid timber flooring, continue to be popular in Ireland. Additional opportunities could be in heating products and wood-framed housing.

The market for wood-frame housing continues to grow steadily, and the adaptability of Canadian pre-engineered housing to Irish building tools and codes, and the availability of qualified construction and maintenance workers, are dominant concerns for the consumer. However, there is recognition of the energy-saving efficiencies compared to the traditional brick and block construction method.

Selling in Ireland is possible through hiring the services of an agent or distributor whose activity may cover specified regions, the entire country or even European sales. Three types of distribution agreements are covered by Irish law: exclusive distributorship, quasi-exclusive distributorships and informal distributor arrangements. Product representation in Ireland can be achieved by: establishing a local sales office to serve

Ireland and provide a distribution point for the rest of the EU; selling through an agent/distributor; selling through established dealers and wholesalers; or selling directly to DIY chains, builders' providers, retailer co-operatives, consumer co-operatives or other purchasing organizations. Given the aggressive nature of competition in the present market, exporters will need to provide more than product literature and samples to achieve results. In the case of a representative, regular communication and visits by seasoned sales personnel or company technicians can provide information on market developments and facilitate the successful resolution of any emerging problems. Exporters should also be aware that Irish businesses typically purchase from international sources and expect well-designed, high-quality products with efficient after-sales service.

For further information, contact:

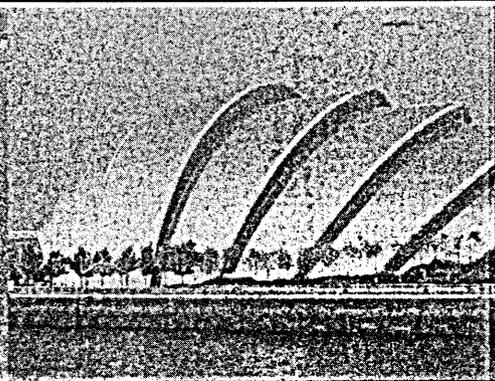
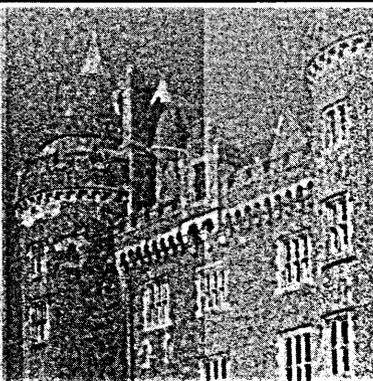
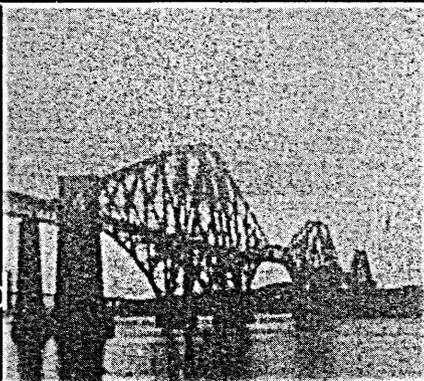
Construction Industry Federation:
<http://www.cif.ie>

Europe's leading e-construction site:
<http://www.buildonline.ie>

National Standards Authority of Ireland:
<http://www.nsa.ie>

Major Shows
Building Exhibition, September 20-22, 2001,
Dublin: Irish Services Ltd.
Tels: (001-353-1) 288-8821

The Building Exhibition and uPVC Exhibition.
E-mail: info@exhibitionsireland.com



Ireland

AGRI-FOOD

Market Overview

With the dramatic growth in Ireland's IT and pharmaceutical sectors, the agri-food business currently has a lesser profile. However, with 125,000 working in agriculture, and 47,000 employed in food and drink production, it is substantial. Approximately 75% of Irish food production is exported, much of it in commodity form, and, despite difficult market conditions for beef, as a result of the BSE (mad cow disease) scare, food and drink exports for 2000 rose by 4.4% to IR£5.4 billion. Consequently, the home market is highly competitive, especially since British processors perceive the Irish market as a logical extension of their own home market. The multinationals such as Nestlé, Unilever, RHM and Pillsbury have their own distribution subsidiaries, and some local production facilities as well. With the arrival of British and German supermarket groups, there is intense competition between retailers. As these groups have effectively introduced just-in-time central buying (and warehousing),

the independent grocery distributors have encountered difficulties or even fallen by the wayside.

Opportunities

The market potential for Canadian manufacturers tends to be the more specialized niche product. However, at the early stage of any product launch, the distributor may be reluctant to commit himself to accepting a container. Although, the "hello-money" concept is illegal, there is intense competition in securing shelf space. Consideration may also be given to channelling product via a larger UK-based distributor.

For further information, contact:

Marie A. Stamp, Senior Trade Commissioner
 John Sullivan, Commercial Officer
 (Mrs.) Gerry Mongey, Assistant Commercial Officer
 Canadian Embassy
 (Commercial Section)
 65 St. Stephen's Green
 Dublin 2, Ireland
 Tel: (00) 353 1 478 1988
 Fax: (00) 353 1 478 1285
 E-mail: cdembassy@iol.ie

for exterior siding. Canoxel and other such products have already been successfully marketed here.

Although the Netherlands has a well-developed timber frame construction (TFC) building sector, the Dutch market for pre-engineered and log homes is somewhat limited due to the dense urbanization in the western part of the country.

Canadian building products are already on display at the national "Bouwbeurs" building fairs and include, in addition to the items mentioned above, composite and recycled sheet materials, central vacuum cleaner systems, pneumatic scaffold lifts, and locks for doors and safes.

Open doors to the building market

The Netherlands is a relatively open market, characterized by a large proportion of imports. Few barriers exist, with the exception of Europe-wide measures such as kiln drying requirements for softwood lumber. Most Canadian exporters to the Netherlands in this sector work with local partners, which is essential for selling to end users. In sawn lumber, shippers may either sell directly to importers or may use timber agents, who work on commission. While product literature will eventually need to be translated into Dutch, English is acceptable for initial market exploration.

Sustainable growth

The Netherlands has an active environmental policy and the Dutch are

highly aware of environmental issues such as the importance of forest stewardship. DuBo, a program supported by the government that promotes sustainable building, encourages energy conservation in construction and the use of sustainably produced materials, including wood. Products which are demonstrated to be "environmentally friendly" may therefore enjoy a competitive edge.

Interest is growing in lumber certified as "sustainably produced". The Dutch import trade supports the "Keurhout" timber hallmarking organization, which evaluates certificates accompanying incoming consignments of lumber, while the Dutch environmental organizations actively promote the Forest Stewardship Council (FSC) certification system.

Small volumes of Canadian certified lumber have been imported to date, but as more Canadian producers offer a clear market advantage by certifying their forests, lumber imports from Canada will likely increase. This will apply particularly for species such as western red cedar, which is popular with architects, users and specifiers but is deemed "unsustainable" by environmental non-governmental organizations (NGO) which are campaigning to discourage its use.

Major competition

The Dutch produce many of their own building products, such as doors and door- and window-frames but import much of their electrical equipment, heating, ventilation and air-conditioning (HVAC) equipment, ceramics and tiles,

and roofing material from Europe. Products from low-wage countries dominate the DIY market and garden sector markets which are very price-competitive. Therefore Canadian exporters of high-value, up-market products may be more successful than those companies that compete directly with low-wage producers in Eastern Europe and Asia.

The Netherlands imports most of its softwood lumber from Scandinavia, although imports from the Baltic States have been growing. Canada remains a small player in the lumber import market, contributing only 2% of all imports.

Although niche market opportunities exist for Canadian manufacturers of pre-engineered timber frame and log homes, these firms should be aware that they will be competing directly with domestic timber frame builders.

Useful sources of information

- Netherlands Timber Trade Association (VNH), e-mail: vnh@wxs.nl
- H.I.B.I.N. (Organization for traders in building materials), Web site: www.hibin.nl
- Bouwbeurs (main national building products fair), Web site: www.bouwbeurs.nl

For more information, contact C.J. Rowley, Commercial Officer, Canadian Embassy, The Hague, tel.: (011-31-70) 311-1664, fax: (011-31-70) 311-1682, e-mail: chris.rowley@dfait-maeci.gc.ca Web site: www.ocanada.nl

CPI and CCC

—Continued from page 7

With growing demand for its outstanding product quality and customer service, CPI Canada is definitely counting on its strong partnership with CCC for the years ahead.

For more information, contact Klaus Beecker, Vice-President of Business Development, tel.: (905) 877-0161, fax: (905) 877-5327, e-mail: klaus.beecker@cmp.cpi.com

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2000 was a great year for Canadian exporters. Indeed, it was about as good as it gets: world economic growth of nearly 5%, a soft Canadian dollar and solid prices in most Canadian resource markets.

which has been the world's locomotive for the past several years. Most would acknowledge that a moderation in economic growth was necessary if we were to avoid the emergence of inflationary pressures. Indeed, that is why

rest of us down with it. What turned a central bankers' fine-tuning exercise into something far more profound?

The main mechanism seems to have been the bursting of the bubble in technology stocks. Consumer confidence was riding high on that bubble, and now it is coming down to earth. Consumer spending is at the heart of any economy, and if the U.S. consumer stays home, exporters that sell into the U.S. market may as well do the same.

Exports

A fender-bender, not a crash



EDC's Stephen S. Poloz

by Stephen S. Poloz, Vice-President and Chief Economist, Export Development Corporation

The problem with a peak in the business cycle is that every future direction leads downward. And financial markets have been telling us for several months that the good times are over.

Global slowdown underway

A global slowdown is clearly underway, and the epicentre is the U.S. economy,

a year ago most central banks were raising interest rates, to keep the situation from getting out of hand.

The question now, is, is the slowdown getting out of hand? Many would argue in the affirmative, suggesting that the U.S. economy is headed for a slump and will drag the

Concerns and remedies

There is reason to be concerned. The linkages between financial markets and consumer confidence are not all that well understood. But there are good reasons to believe that the U.S. economy is not falling off a cliff.

First, the U.S. Federal Reserve has demonstrated its willingness to cut interest rates and expand liquidity in the financial system to whatever extent necessary to ensure that the slowdown is not protracted. The Fed's

Continued on page 11 - Exports

Webmotion on the move — Continued from page 1

have become clients. The firm has also recently garnered a consulting contract in France with Novartis, one of the world's five largest pharmaceutical organizations.

Servicing smaller clients important

That doesn't mean Webmotion has become too big for its britches. Servicing smaller clients is still equally a priority. Indeed, Liscia notes, "Our strategic advantage comes in part from our ability to market a variety of services to small, medium-sized and large enterprises. Not only can we customize and deploy each Web project in a timely and cost-effective manner, but we can assist companies with the development of an infrastructure that grows with their e-business."

To help prospective clients think design questions through, Webmotion has a comprehensive site-planning checklist available on its site.

And proffering advice will be a major new business line for the company, which this year launched an e-consulting business unit, WM Consulting. Its emphasis will be on helping clients refine their Web site ergonomics, and improve online customer service and communication.

"Many clients in the Global 1000 have a need for consulting services which help better define online strategies and how to achieve competitive advantage," states Dorsaf Meliane, head of WM Consulting. "We offer comprehensive e-business industry profiling and personalized Web site analysis. We help firms understand the needs of their target market, how their chief competitors are meeting that demand, and where they themselves need to make changes to remain at the leading edge."

Penetrating foreign markets

How did Webmotion go about penetrating foreign markets?

"Personal contacts and word-of-mouth were very important to us when we were just starting out," says Meliane. "And these are still key factors."

"And from the very beginning we went the trade show route... like this April's E-finance Expo & Conference, to be held at the New York Hilton & Towers. It's only by going up against the best that you can show that you truly belong among them."

For more information, contact Cindy Goldberg, Director of Marketing and Communications, Webmotion Inc., tel.: (613) 731-4046, fax: (613) 260-9545, e-mail: cindy.goldberg@webmotion.com

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Sharing Trade Secrets")

OSAKA, JAPAN — October 25 – 26, 2001 — For any company in one of four key technology industries with an eye on Japan's hot high-tech market, Global Venture Forum (GVF) 2001 is one business development opportunity that comes knocking only once.

GVF 2001 is not a trade show, but rather a non-profit event — organized by the Osaka Chamber of Commerce and Industry with financial assistance from the Japanese government and industry — to solidify partnerships in the fields of information technology, biotech and medical technologies, environment and energy and advanced materials. Only those companies with technology solutions having a broad appeal and wishing to grow their business overseas should apply. Companies should also have sufficient resources to handle the follow-up and should not already have an exclusive relationship in Japan.

Approximately 50 firms are selected each year from between 160 and 200 firms world-wide to deliver their business presentations at GVF, now in its seventh year. These presentations are also distributed through brochures, via the Internet and through the Japanese media to over 15,000 Japanese organizations seeking partnerships and investment opportunities. A

Global Venture Forum 2001

firm can only be selected to present at GVF once, however that single opportunity is often all it takes to establish a beachhead in Japan.

Some participants have used GVF to find licensees for their technology,



and distributors and partners to establish sales channels in Japan. Other companies have found GVF to be an effective springboard to further their product and prototype development or to conduct joint R&D. Still others have used GVF to home in on financing. All companies presenting at GVF have benefited from the extensive coverage by the local and national

media, always on the look-out for interesting technology stories.

The first step to a one-time opportunity

Applying to GVF costs nothing. Applicants simply submit a two-page draft business presentation before June 14, 2001 to a committee of volunteers, who will assess it based on a number of criteria. If selected to present, companies then pay a nominal registration fee of US\$1,300 which includes the cost of most meals, one night in a hotel, use of all AV equipment, the services of a professional interpreter at all times, and simultaneous interpretation of the presentation.

For more information, contact Peter Drabble, Chief Secretary, North American Secretariat, Global Venture Forum, tel.: (202) 467-4403, fax: (202) 467-4413, e-mail: drabble@wibvwith.com Web site: www.wibv.com ✪

Exports — Continued from page 10

job today is not to push inflation down, like in the 1980s, but to keep inflation low and stable. That means preventing both economic booms and recessions.

Second, a tax cut is coming. The form and substance of that tax cut may evolve as it makes its way through the Washington policy maze, but it seems very likely to arrive around mid-year.

Third, oil prices have receded significantly, and this constitutes another tax cut working its way through the economy.

Fourth, today's technology and inventory management systems

mean that the shock is working its way through the economy with a speed never seen before. That means that the abruptness of the slowdown is likely to give way to a rapid return to moderate growth later this year.

Overall forecast moderate

Accordingly, a protracted downturn in the U.S. economy remains unlikely. U.S. growth this year will be U-shaped, but should average about 2%. Meanwhile, Europe should post growth of close to 3% this year. South American growth should remain solid, supported by relatively close ties to Europe. Asian

growth will be impacted by the U.S. slowdown, but both China and India have stronger fundamentals than they did just a few years ago.

The brunt of the slowdown will be borne by Mexico and Canada, both of which appear to have sufficient domestic momentum to weather the storm.

The bottom line? World economic growth is likely to average 3.5% this year. Canadian export sales should grow by around 2-3% in 2001 — a far cry from last year's stellar performance to be sure, but a respectable year nonetheless. ✪

Information and Communications Technologies (ICT) are key to bringing increased goods and services to Southwest China's combined population of 150 million, and that's why the Canadian Consulate in Chongqing is working with the provincial governments of Chongqing, Sichuan, Yunnan and Guizhou provinces to host InfoCom – China West, a networking seminar designed to build new ICT partnerships under China's Western Development Strategy (WDS). The seminar will take place in Chongqing June 12, 2001.

A major thrust in Southwest China's WDS is the expansion of ICT infrastructure and capacity. The WDS is financially committed to using ICT to broaden the range of goods and services to the region, which in turn will open up substantial regional market opportunities for IT and telecom technologies, goods and services. And, by removing regulatory barriers to foreign investment, local governments aim to improve local business environments and hence encourage more investment and technology partnerships.

Business delegates from Southwest China are already well aware of Canada's ICT capabilities and expertise, having attended the previous two Softworld trade shows in Vancouver and Halifax, followed by visits to other major ICT hubs in Canada. The recent Team Canada trade mission to China in February has successfully raised Canada's ICT profile in this region as well.

InfoCom – China West will feature the Chinese Ministry of Information Industries and the four provincial governments in Southwest China presenting their ICT plans and programs, opportunities and challenges for increasing ICT capacity in their respective regions. This will be followed by afternoon sessions during which Canadian companies will have the opportunity to profile their technologies, products and services in a series of presentations and on-site displays.

Consulate's networking role

The Canadian Consulate will draw on its strong ties to local governments to ensure that both government and business in each jurisdiction is

InfoCom – China West

well-represented at InfoCom – China West. To this end, the Consulate will work with local ICT offices to identify and screen business opportunities with high potential, to facilitate networking opportunities, and will follow up with one-on-one partnering sessions between potential Chinese partners and customers and Canadian participants in the seminar.

The added value of the seminar's afternoon session will be the bringing together of local government decision-makers, telecom equipment buyers, Internet service providers, Web designers, e-commerce solutions providers, and universities from across the region with the focus on software, e-business, broadband adaptation, Internet, telecom, intelligent transportation, optical-electronic manufacturing, integrated circuits, R&D localization, and specialized high-demand segments of the local ICT industry.

Register soon

Canadian and Chinese participants are encouraged to get the most out of the seminar by registering on-line at www.cdncon.org before May 15, 2001, outlining their capabilities and objectives, company profiles and partnership interests. This will help in identifying potential partnerships and in setting up one-on-one sessions beforehand. An added bonus for each corporate participant is the distribution of this information to seminar attendees, via bilingual.

brochure and CD. As well, the presentations delivered at the seminar will be web cast live on China's premier ICT Web site at www.yesky.com

The final date to register is May 15, 2001.

For further information, contact Peter Liao, Senior Commercial Officer,

Canadian Consulate, Chongqing, tel.: (011-86-23) 6373-8007, fax: (011-86-23) 6373-8026, e-mail: peter.liao@dfait-maeci.gc.ca Web site: www.canada.org.cn/chongqing/index.htm or Dale Forbes, Manager, China and Hong Kong, Information and Communications Technologies Branch, Industry Canada, tel.: (613) 990-9092, fax: (613) 990-4215, e-mail: forbes.dale@ic.gc.ca ✪



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WIN
EXPORTS

Italy is a leader in technology in several sub-sectors of the agri-food industry including the processing of meat and vegetables, in particular, tomatoes. Italian ham and salami are manufactured at 1,800 plants and consumed daily, both in Italy and throughout Europe, and the process-

Italian companies can either export or form a partnership with a Canadian firm. But since Italians already export, this only means additional competition for Canadian firms. A partnership, however, can serve the financial interests of both Canadian and Italian firms.

in forming partnerships. The recent announcement of the joint venture between Parmalat and Haricana of Quebec, to build a 50-million dollar bottled water plant, is a manifestation of what can be achieved.

The Canadian Embassy in Rome and the Canadian Consulate in Milan

Strategic partnerships with Italian companies

ing of tomatoes is an Italian forté. Factory machines turn tomatoes into dry powder, using a procedure similar to the manufacture of detergent.

Italy manufactures thousands of cheeses, several of which are known to Canadian consumers including Gorgonzola (a blue cheese), mozzarella, and what is said to be Italy's king of cheeses and the cheese of kings — Parmigiano Reggiano — produced in Parma, in northern Italy. Italian expertise in the dairy and cheese manufacturing sector has resulted in Parmalat, a major Italian multinational corporation, acquiring Canadian operations of Ault Foods and Beatrice Foods.

However, it is in the pasta sector that Italians are probably best known, producing a myriad of shapes and sizes from the minuscule minestrone noodle to the extra-large lasagna noodle. An increasing number of Italian pasta factories are found on several continents.

Wine is produced in all 20 regions of Italy with Canada particularly valuing those from Tuscany. Again, Italy's expertise in this sector is renowned and many of its wines are guaranteed vintages (*denominazione di origine controllata e garantita*).

In the baking industry and biscuit making, Italy is called the land of 1,200 loaves (*pane*).

With all this expertise, Italy needs more markets to sell its products.

In the context of globalization and downsizing trends, Canadian firms may want to seek financial and/or technological support to consolidate their position in the North American market.

Italian firms, on the other hand, want to develop in North America, and are attracted by Canadian firms with effective distribution networks in Canada and the United States. This is an area of considerable strength for Canadian firms.

SIAL Montreal [International Exhibition of Food, Beverages, Wines and Spirits], held March 4-6, 2001, brought together numerous firms from around the world, with one of the largest contingents from Italy, for which 6,000 square metres of space was booked. This was an excellent occasion to meet with 22 Italian food companies and to assess their interest

are extremely active in promoting partnerships which are beneficial to Canadian industry as a whole, including co-production, licence agreements and joint venture projects.

For more information, contact Paul Delaney, Counsellor (Agriculture), Canadian Embassy, Rome, tel.: (011-39-06) 44598355, fax: (011-39-06) 44598754, e-mail: paul.delaney@dfait-maeci.gc.ca ✪

Correction

In the April 2, 2001, issue of *CanadExport*, in the article "FITTING Canadians to do business with the world," the correct Web site for Team Canada Inc should have read as <http://exportsource.gc.ca>

Re-engagement with India — Continued from page 1

and acted as a catalyst for bilateral trade. Canada is encouraged by India's economic reform efforts and the results that it has achieved. The Government of Canada will continue to seek new commercial opportunities in India's evolving business environment, particularly in the information technology sector.

For the complete statement by Minister Manley, see the Department of Foreign Affairs and International Trade Web site www.dfait-maeci.gc.ca and click on Foreign Policy/Publications/Ministers' Speeches and Press Releases.

A more detailed article on this subject will appear in the next issue of *CanadExport*. ✪

Canadian women entrepreneurs "Going Places!"

Canadian women business owners are selling their products and services all over the world. As part of International Women's Day on March 8, the Department of Foreign Affairs and International Trade and Export Development Corporation sponsored a coast-to-coast live video conference called "Going Places!" to celebrate the successes of women entrepreneurs in foreign markets and to encourage others to consider exporting.

Businesswomen interested in the export field had the opportunity to learn from and share with eight successful exporters and be part of an audience of 400 from St. John's to Vancouver. They shared their stories, best practices and advice with other women business owners across the country. The guest speakers provided insight into the hurdles of selecting and developing an export market, the cultural issues involved in conducting

business abroad, and how to handle export risks. This conference marked a unique opportunity to become part of a national network of entre-



Organizers of the St. John's event (from left to right): Bonnie Woodland, Newfoundland & Labrador Organization of Women Entrepreneurs; Bea Courtney, Newfoundland & Labrador Organization of Women Entrepreneurs; Cindy Roma, Telelink - The Call Centre Inc.; Joanne Smyth, Atlantic Canada Opportunities Agency.

preneurial women and to find out more about the specific resources and programs available to exporters.

"Going Places!" was made possible through the efforts of a number of

women's business organizations from across Canada.

For more information, contact Andrea Kucey, Export Services — Small and Medium-sized Enterprises Division, DFAIT, tel.: (613) 996-4785, fax: (613) 996-9265, e-mail: andrea.kucey@dfait-maeci.gc.ca *

TWO EVENTS PRECEDING THE SUMMIT OF AMERICAS IN QUEBEC CITY

April 2 — Le Rendez-vous des Amériques 2001, Montreal, included presentations by representatives of Export Development Corporation and trade commissioners from the Department of Foreign Affairs and International Trade, and the keynote address by Minister of International Trade Pierre Pettigrew.

April 17-20 — Conférence de Montréal: 7th International Forum on the New Economy will address the creation of a free trade area encompassing all countries in the Americas, and will include nine delegations from Latin America and the Caribbean, along with Canadian leaders in business, politics, labour and academe. Guest of honour is Mexican President Vicente Fox.

For more information, contact Saïd Bala, Communications Director, Conférence de Montréal, tel.: (514) 283-5142 or (toll-free) 1-888-772-5142, e-mail: conference@conferenceofmontreal.com Web site: www.conferencedemontreal.com *

Business Ethics 2001

TORONTO — May 24-25, 2001 — **Business Ethics 2001: Conducting Business in a Global Marketplace.** As part of its second annual Corporate Social Responsibility (CSR) Week, the Conference Board of Canada is organizing a conference exploring the new and delicate ethical issues raised by international business dealings: corruption and bribery, human rights violations, operating in an unstable environment, and effective global ethics programs.

Leading experts will speak on business ethics around the world, the top ethical issues in doing business abroad, and lessons learned from

case studies in North America, Europe and Asia Pacific. Also on the program are networking opportunities.

Business Ethics 2001 is being offered in association with Export Development Corporation (www.edc-see.ca), Institute for Global Ethics (Canada) (www.globalethics.org), and Nexen Inc. (www.nexeninc.com). It coincides with two other CSR-related conferences on community investment and environment.

For more information, contact Conference Board of Canada, tel.: 1-800-267-0666, Web site: www.conferenceboard.ca *



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Missed the "Women Crossing Borders" trade mission to the U.K. and Ireland?

Get the next best thing!

It's not too late to participate in this; you can do it from the comfort of your home or office by watching the on-demand Web cast.

The trade mission brought a group of 24 businesswomen to London representing three sectors: information technology, service



Participants of the "Women Crossing Borders" trade mission on the main staircase of Canada House, London.

With the start-up rate of women-owned businesses more than doubling during the last decade, women entrepreneurs' contribution to the Canadian economy is significant and growing. With an ever-increasing role as exporters, the first "Women Crossing Borders" Trade Mission and Forum to the U.K. and Ireland, held February 4-9, 2001, was timely.

industries and consumer products. The group participated in a series of seminars, sector-specific workshops and a matchmaking event, capped by a series of networking opportunities. A number of the participants then continued to Dublin, Ireland, for a similar event.

Later in the week, businesswomen came together at Canada House and

at the Foreign and Commonwealth Office in London for the Women in Business Forum, co-hosted by the governments of Canada and the U.K. The forum targeted both British and Canadian businesswomen heading small and medium-sized export-ready firms with the objective of strengthening bilateral networks and fostering new partnerships among British and Canadian businesswomen, as well as officials and academics. Among the approximately 200 participants were leading entrepreneurs, management and strategy experts, policy makers and advocates, professional organizations, academics, and the media.

You can still reap some of the benefits of this event. Thanks to Canadian new media firm Global Links you can see and hear over 20 dynamic presentations from British and Canadian leaders in business and government, and the success stories of women-owned businesses. Topics include "What you Need to Know to Grow" and "Working Smarter with Knowledge-based Industries." Just visit www.e-ventsplus.com

For more information, contact Andrea Kucey, Export Services — Small and Medium-sized Enterprises Division, DFAIT, tel.: (613) 996-4785, fax: (613) 996-9265, e-mail: andrea.kucey@dfait-maeci.gc.ca

For more information regarding the Web cast, contact Diane Girard, Global Links, e-mail: dgirard@ican.net *

India International Maritime Expo 2001

MUMBAI, INDIA — October 10-13, 2001 — India's second international maritime exhibition, INMEX 2001, will cover a broad spectrum: shipping; shipbuilding; ship repair; ports and harbours; port development; port infrastructure; the fishing, leisure and tourism industries; offshore; dredging; inland waterways; oceanography; and more.

INMEX '99 was held in Goa and showcased the technology and equipment of over 20 overseas participants. Visitors included Indian government officials and key players from other Indian Ocean rim countries. This year, INMEX will move to India's business capital of Mumbai, where it should have a bigger impact.

If you are interested in participating in INMEX, contact Pradeep Deviah & Associates, tel.: (011-91-80) 554-7169 / -7434, fax: (011-91-80) 554-2258, e-mail: pdaexpo@vsnl.com
Web site: www.inmexindia.com

For more information, contact Alan McBride, South Asia Division, DFAIT, tel.: (613) 944-1653, fax: (613) 996-5897, e-mail: alan.mcbride@dfait-maeci.gc.ca *

International Aid and Trade Exhibition and Conference

NEW YORK CITY — June 20-21, 2001 — At the International Aid and Trade Exhibition and Conference, find out what it takes to become a supplier to the United Nations, an organization that purchases goods and services worth approximately US\$3 billion per

year. Senior procurement officers will explain their bidding procedures, tell you what they buy and where, and help you get on their supplier rosters. Many UN agencies will have display booths, and you will be able to meet one-on-one with procurement officers.

Specially valuable for companies new to the UN market are the many business seminars to be offered during the conference. Representatives of various UN agencies, NGOs and international financial institutions will explain how they do business.

For more information about the seminar program, visit the Aid and Trade Web site www.aidandtrade.com or contact Lisa Rambert, Business Development Officer, Canadian Consulate General, New York, fax: (212) 596-1793, e-mail: lrambert@canapple.com Web site: www.canapple.com

To register as a visitor to the exhibition or a delegate to the conference, visit www.aidandtrade.com and click on Who Should Attend?

To take part as an exhibitor, contact kevin.sammon@aidandtrade.com

For guides on doing business with international agencies, visit: www.infoexport.gc.ca/ifinet

For general information about doing business with the UN and about its procurement procedures, contact Lisa Rambert at the Canadian Consulate General, New York (see above). *

Food & Hotel China 2001

SHANGHAI, CHINA — August 28-31 — China's top trade show for the food, drink and hospitality industry is returning to Shanghai. Food & Hotel China (FHC) is a trade-only exhibition of the latest products and innovations from around the world. It offers five shows in one: food; wine and spirits; bakery and confectionery; equipment; and hospitality interiors. A new feature this year is the China Export Zone, showcasing top local manufacturers of export-quality products.

Rising living standards and expanding tourism are driving growth in China's food and hospitality sector, and spurring interest in FHC. At FHC 2000, over 10,000 buyers attended.

Already, Canada and 20 other countries have committed to setting up national and regional pavilions at FHC 2001. The Canadian Consulate General in Shanghai is organizing a range of events to help Canadian exhibitors network with

major retailers, agents and wholesalers.

FHC is China's only food event to be recognized by the prestigious Union des Foires Internationales.

To book space at Food & Hotel China 2001, contact Henry Deng, Canadian Consulate General, Shanghai, tel.: (011-86-21) 6279-8400, ext. 5563, fax: (011-86-21) 6279-8401, e-mail: henry.deng@dfait-maeci.gc.ca Web site: www.shanghai.gc.ca or the FHC Canadian representative UNILINK, tel.: (613) 549-0404, fax: (613) 549-2528, e-mail: info@unilinkfairs.com Web site: www.unilinkfairs.com

For more information, contact Gregory Chin, China and Mongolia Division, DFAIT, tel.: (613) 996-7256, fax: (613) 944-1068, e-mail: gregory.chin@dfait-maeci.gc.ca or Maria Lo, International Markets Development Officer, Agriculture and Agri-Food Canada, tel.: (613) 759-7729, fax: (613) 759-7506, e-mail: lom@em.agr.ca *



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Enquiries Service

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A vital forum

The Mexico-Canada Chamber of Commerce

Dept. of Foreign Affairs
Min. des Affaires étrangères

MAY 22 2001

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Retourner à la bibliothèque du Ministère

Bilateral trade between Canada and Mexico has nearly tripled since NAFTA came into force, increasing from \$6.7 billion in 1994 to \$18.0 billion in 2000. Right now, the value of our exports to Mexico (\$5.9 billion) is only half that of our imports from that country (\$12.1 billion). But Canadian exports (up 36% from 1999 to 2000) are increasing more quickly than imports (up 27%).

Free Trade Agreement came into effect, Mexico has moved ahead of Italy, Hong Kong, Taiwan and the Netherlands as an export market for Canada.



Canadian investments in Mexico have nearly tripled, rising from C\$1 billion in 1994 to \$2.8 billion in 1999. During that time, Canada went from ninth to fourth place as an investor in Mexico.

The Chamber: value added

Over and above NAFTA, which certainly generates major benefits for industry in the signatory countries, the Mexico-Canada Chamber of Commerce

Continued on page 8 - The Mexico

With a population of 100 million, Mexico is Canada's most important trading partner in Latin America and a gateway to other markets in this vast region. Since the North American

Market access report outlines Canada's international trade priorities

On April 11, 2001, Minister Pettigrew released the government's annual report on Canada's priorities for improving access to foreign markets.

Opening Doors to the World: Canada's International Market Access Priorities - 2001 describes Canada's market access objectives for goods, services and investment in key markets, including the United States.

Opening Doors to the World also includes Canada's important market access successes which will benefit Canadian exporters and investors. These successes include the opening of the Mexican market for fixed and mobile satellite services to Canadian firms; the agreement by the European Union to provide access for Canadian icewine; and the

Continued on page 13 - Market

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May 1, 2001

Financial Assistance to
Companies and Associations



Canada

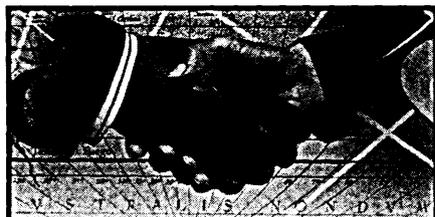
International Business Opportunities Centre

The International Business Opportunities Centre (IBOC) provides a matching service — connecting foreign buyers with Canadian companies. The Centre provides timely, relevant and targeted business leads from the desks of foreign buyers to the doorsteps of Canadian companies.

The following lists some of the Centre's current trade opportunities — for a wider selection, visit the Web site at www.iboc.gc.ca/webleads/webleads.asp

Canadian exporters needing assistance in preparing international bid documents may want to use the international contracts expertise and services offered by the Canadian Commercial Corporation. This Crown Corporation is located at 50 O'Connor Street, Suite 1100, Ottawa, ON K1A 0S6, tel.: (613) 996-0034, fax: (613) 995-2121.

SINGAPORE — Supply of Desalinated Water — The Public Utilities Board (PUB) intends to pre-qualify bidders from the private sector for the supply of 30 million imperial gallons per day (MIGD) (136,000 cubic metres per day)



International Business Opportunities Centre

As Team Canada Inc.'s Sourcing Centre, the International Business Opportunities Centre (IBOC) matches business opportunities from around the world with the business interests of Canadian exporters, particularly small and medium-sized enterprises. IBOC offers a value-added service to trade commissioners by directly contacting Canadian companies about foreign trade leads.

To pursue our international trade leads, check out our Web site at www.iboc.gc.ca (particularly our E-Leads® and Web-Leads®).

of desalinated water on a Build-Own-Operate (BOO) basis. Interested developers may choose from a range of desalination processes, in particular multi-effect distillation (MED), multi-stage flash distillation (MSF) and reverse osmosis (RO). To qualify, sufficient operation experience must be demonstrated, as well as relevant experience in the implementation of privately financed BOO or BOOT projects in the water or power sectors. Applicants should also demonstrate capabilities in engineering, procurement, and construction, and in the operation and maintenance of desalination plants and power plants (if applicable). Cost of the qualification document (non-refundable): \$5206.00. Closing date: June 1, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010327-01114. For details: www.iboc.gc.ca/webleads.asp?id=2095en (Notice received from the Canadian High Commission in Singapore.)

THAILAND — Cable Accessories (69 kV and 115 kV) — The Metropolitan Electricity Authority is seeking public tenders (No. WB4-9301-CBX) for 69 kV and 115 kV cable accessories. Cost of bid documents: US\$35.00. Closing date: May 30, 2001. Contact

IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010321-01048. (Notice received from the Canadian Embassy in Bangkok.)

SINGAPORE — Automated Ultrasonic Examination Facility — An invitation to bid has been issued to all potential suppliers/manufacturers who wish to design, supply, install, test and commission an automated ultrasonic examination facility at SMRT Bishan Depot. Cost of bid documents: \$525.75. Closing date: June 12, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010326-01095. (Notice received from the Canadian High Commission in Singapore.)

IBOC trade opportunities — find out more at www.iboc.gc.ca *

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CanadExport

Harnessing the power of the sun, a dream dating back to antiquity, is now a reality so commonplace people tend to be blasé about it — even though the solar industry is still in its infancy, and specialists say we have not yet begun to tap its full potential.

Canadian company set to energize rural China

Major solar project

As China modernizes, and concern for environmental issues increases, the acquisition of the best and most advanced energy technologies becomes more important than ever before.

ATS, a solar pioneer

Enter a solar pioneer: Canada's Automation Tooling Systems Inc. (ATS). The Cambridge, Ontario company, with 3,200 employees at 25 facilities in three continents, is a leader in the design and production of turnkey automated manufacturing and test systems, used primarily by multinational companies to reduce costs and raise quality in a variety of industries, including automotive, information technology, consumer products and health care.

But ATS is also an acknowledged pioneer in the field of solar energy. Through its wholly owned subsidiaries, it is a world leader in multi-crystalline solar cells and modules, with a 7% share of the world market, making it the fourth-largest solar cell manufacturer in the world. It is the only Canadian company to own a world-class solar module producer and proprietary photovoltaic technologies.

An exciting pilot project

During the recent Team Canada trade mission to Beijing, Shanghai and Hong Kong, ATS announced the start of an exciting pilot project that will provide solar electricity

to rural homes in Western China through the use of ATS's photovoltaic technology. The pilot project, being undertaken with government and private industry partners, expands on the success of an ongoing project on photovoltaic renewable energy that was started over a year ago.

The project is the culmination of efforts by ATS, the Canadian Government's Technology Early Action Measures Program, and Chinese partners Xining New Energy Development Company and China Renewable Energy Industry Association. The total value of the project is approximately \$2.9 million.



Tibet monks purchasing ATS/Photowatt panels and equipment for their community.

The solar project is one of the largest of its kind in China. "When completed," says Shawn Xiaohua Qu, ATS's Director, Photovoltaic Product Planning and Business Development, "this project may provide electricity to 15,000 or more rural family homes in the western provinces of China."

Photovoltaic technology is particularly useful in remote areas of developing countries, where the population is often scattered across large geographic areas and where electricity grids are virtually non-existent. "China, for instance, still has nearly 25% of its villages and

15 million families (70 million people) in rural areas without any access to electricity," notes Dr. Qu. In addition, there are many islands off the coast of China where the sole power source is often a diesel generator, which is noisy, polluting, expensive and unreliable since fuel has to be boated in from the mainland. ATS's photovoltaic solar panels provide a clean, renewable, low maintenance source of energy.

It is estimated that between the years 2000 and 2010, solar home systems for remote areas in China will present a \$1.4-billion market.

Team Canada adds credibility

Although ATS already had contacts in China and a project under way, being part of the Team Canada mission enabled the company to raise the project's profile, which, says Qu, "is very important when doing business in other parts of the world."

"When you go to another country on your own, your potential customers don't fully understand your status as a company, and that the Canadian government is supporting your efforts," he says. "As a Team Canada participant your credibility is immediately established, which lets you get right down to doing business."

And this is exactly what ATS is doing, adds Shawn Qu, who recently returned from a week-long visit to Beijing to make sure that the project start-up is running smoothly.

For more information on Automation Tooling Systems Inc., contact Dr. Shawn Xiaohua Qu, Director, Photovoltaic Product Planning and Business Development, tel.: (519) 650-2332, fax: (519) 650-8062, e-mail: squ@atsautomation.com Web site: www.atsautomation.com *

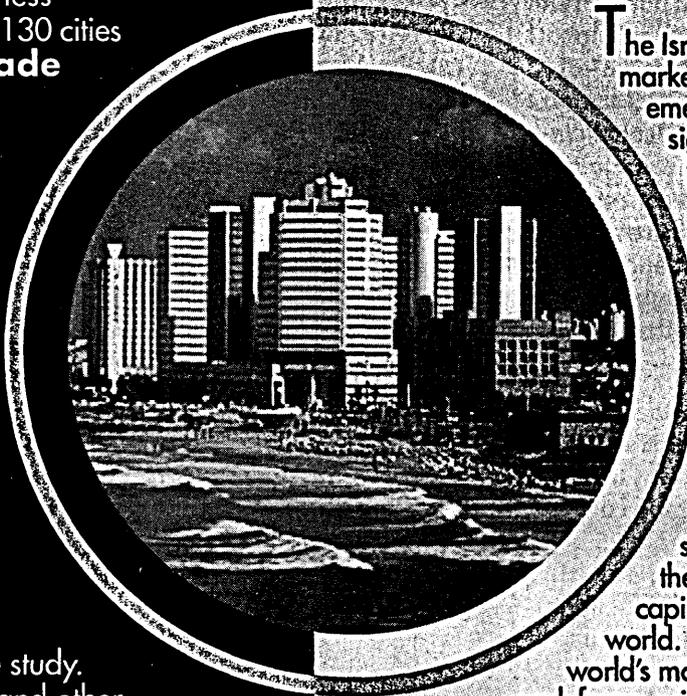


ISRAEL - The Bion

With a team of 500 business professionals in more than 130 cities around the world, the **Trade Commissioner Service** has the market knowledge you need to succeed in your target market. Our Market Research Centre and our offices abroad have prepared over 600 market studies available for free on our Web site. These studies will help you identify foreign business opportunities and learn more about your target market.

This is an overview of one study. For the full version of this and other studies, visit our Web site. When you are prepared to do business abroad, you can use our Web site to get in touch with our offices around the world and request personalized services electronically.

www.infoexport.gc.ca



The Israeli biotechnology market is a small, yet emerging market that holds significant opportunities for Canadian companies. Analysts predict that by 2003, the number of biotech companies in Israel will jump from 135 to as many as 250, with sales totaling \$2.6 billion.

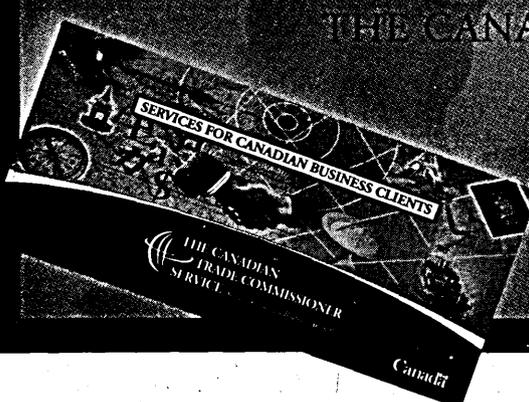
Market Snapshot

Israel is a modern and diverse country of over six million people with the third-highest GDP per capita in the developing world. It also has one of the world's most skilled and educated work forces, with more doctors, scientists and engineers per capita than any other nation. The reputation of Israel's work force, lower clinical trial costs, and a history of bringing new products to an advanced stage of development faster than anywhere else in the world makes Israel an attractive place to conduct clinical research and establish research partnerships.

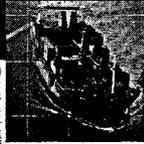
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See insert for your Bio-Industries Market contacts in Africa and the Middle East.



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Medical Market

The Israeli government strongly supports the biotechnology industry with programs to match research funding, establish technology incubators, and encourage international cooperation. In the past few years, research emphasis has shifted from the development of diagnostics and agricultural products to new pharmaceuticals and biopharmaceuticals. Currently, pharmaceutical and diagnostics firms represent 72% of the industry.

Market Potential

The Israeli biotechnology industry has yet to achieve the level of maturity and development of its competitors, particularly when compared to the United States, Canada, Germany and the United Kingdom. However, the potential for progress is significant because of strong government support and the emergence of several large- and medium-sized firms with sufficient infrastructures to develop and test drugs.



Characterized by a high level of competition, Israel is expected to become a centre for the development of biopharmaceuticals and generic medications. Currently, Israeli biotechnology firms tend to sell their early stage technology to international

investors or multinational concerns, rather than take the risk to develop the product further. Combining Canadian and Israeli talents could see additional development in both countries in this sector. Best prospects for growth in the industry are in bio-electronics, pharmacogenomics, proteomics, bio-informatics and structure-based drug design.

Opportunities

Opportunities for Canadian companies in this market include research partnership and technology transfer agreements. There are also opportunities to work cooperatively with Israeli companies to conduct clinical trials.

Canadian companies interested in fostering research and development relationships with Israeli companies are encouraged to consult the Israeli Industry Centre for Research and Development (known as the MATIMOP Program). This is a public nonprofit organization that promotes joint industrial development of advanced

technologies. The MATIMOP Web site at www2.matimop.org.il contains a database outlining cooperative program opportunities that span a range of advanced technologies.

See Potential?

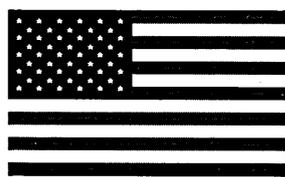
To learn more about these market opportunities, the competitive environment, and market entry strategies, read the full report, *The Biomedical Market in Israel*. The report, prepared by the Market Research Centre of the Trade Commissioner Service, is available on-line at www.infoexport.gc.ca

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Could this be your market?
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The Biomedical Market

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The U.S. Connection

The U.S. Connection is produced in co-operation with DFAIT's U.S. Business Development Division (URT). For information about articles on this page, contact URT by fax at (613) 944-9119 or e-mail at commerce@dfait-maeci.gc.ca. For all other export enquiries, call the Team Canada Inc Export Info Service toll-free at 1-888-811-1119.

Canadian artists get a better picture of the U.S. market

With two new market reports in the works and several major U.S. giftware events on the horizon, Canadians in the arts and crafts sector can look forward to some good advice and plenty of exposure in the U.S. market for fine arts and giftware.

New market studies

The Department of Foreign Affairs and International Trade (DFAIT) is producing a market study for the United States, focusing on the needs and opportunities that are unique to the makers of one-of-a-kind fine crafts. The study, due this coming fall, will list key American galleries, including overviews and contact information for each, as well as information on other marketing channels such as interior designers, art consultants and media-specific publications and events. It will also offer tips to help artists brush-up on the best ways to penetrate the U.S. market. Look for an announcement in an upcoming issue of *CanadExport*.

Artists, craftspeople and wholesalers of authentic Aboriginal arts and crafts will soon be able to read all about the market opportunities that exist along the Pacific Northwest coast — from Alaska to Seattle. *The Alaska/Pacific Northwest Coast Market Study for Aboriginal Arts and Crafts*, a joint project between Aboriginal Business Canada, the Canadian Consulate

General in Seattle, and a number of other divisions within DFAIT, will serve as a supplement to the *U.S. Market Report — A Guide for Canadian Exporters of Aboriginal Arts and Crafts* this coming summer.

Bearing gifts to Atlanta

Canadian giftware manufacturers and production craftspeople looking for sales agents and representation in the southeastern United States

For these articles and more, see the Spring 2001 edition of NEW DIRECTIONS, a complimentary quarterly newsletter published by DFAIT (copies available from the Enquiries Service — see p. 16) on behalf of the Canadian Giftware and Craft Industry. Its Editor-in-Chief is Dana Boyle, Business Development Officer, Canadian Consulate General in Minneapolis.

should plan to spend September 14 to 16, 2001 in Atlanta. The Canadian Consulate General in Atlanta will be hosting its second annual Giftware Rep Locator program, to be held during the *Atlanta Fall Gift & Accessories Market and Atlanta Gourmet Show*.

Breaking into this market, which includes North Carolina, South Carolina, Georgia, Alabama, Mississippi, Tennessee, Florida, the U.S. Virgin Islands and Puerto Rico, can be overwhelming but this event can help

companies line up key contacts that might otherwise have been inaccessible and lay the groundwork for a successful rep-finding trip. Last fall's mission, organized by the Consulate, was so successful that ten out of eleven participating companies found reps on the spot. Most of those relationships are still working well, and to prove it six of the Canadian companies were back in Atlanta to exhibit with their new reps in the huge January show.

For those not familiar with this major national show, the Atlanta Gift Mart name was replaced two years ago by AmericasMart (www.americasmart.com), which encompasses the Gift Mart, Merchandise Mart and Apparel Mart buildings and is operated by AMC Inc. It is the world's largest gift and home furnishings wholesale marketplace, covering 4.2 million square feet. The shows are held each January, March, July and September, with the major shows taking place in January and July. Buyers here have quick and easy access to more products, from more suppliers, than anywhere else in the world.

For further information, contact Sylvie Racine, Canadian Consulate General, Atlanta, tel.: (404) 532-2015, e-mail: sylvie.racine@dfait-maeci.gc.ca before July 14, 2001.

EXTUS mission

This is an educational mission geared to Canadian giftware manufacturers and production craftspeople interested in exporting to the U.S. Companies will have a chance to visit the *Western New York Gift Show* in Rochester

Continued on page 8 — Canadian artists

Check the Business Section of the Canada-U.S. Relations Web site at www.can-am.gc.ca ... for valuable information on doing business in and with the United States.

When the flurry of purchase orders began coming in from Club Monaco U.S.A., 49th Apparel Inc. had no doubts about its ability to meet the increased demand. But finding the capital to purchase the raw materials was another matter. Encouraged by its bank, the

Sales south of 49th parallel

All sewn up for 49th Apparel

leather garment maker looked to the Canadian Commercial Corporation (CCC). With the Progress Payment Program (PPP) in place to take care of its temporary financing needs, the Winnipeg manufacturer's beautiful leather garments were soon making their way across the 49th parallel.

Located on the outskirts of the Winnipeg Garment District, 49th Apparel was established in 1995 but has a history dating back to 1952, when the father of the current president founded Winnipeg Leather Goods Manufacturing Ltd.

The family-run business, with 20 employees, manufactures and imports all types of men's and ladies' high-end

leather apparel, which it sells to major and independent retailers and corporate customers in Canada and the United States. The company has been dealing with Club Monaco Corporation for many years, supplying the trendy clothing retailer with "private-label" products made to its exact specifications.

Orders on the rise

49th Apparel president Mark Yukelis explains the sudden influx of orders. "The fashion business is cyclical. At the moment we're on an upswing on the leather cycle. Club Monaco is very aware of the trend and wants to offer its customers better leathers. So its order with us grew significantly."

As far as revenue generation is concerned, Yukelis explains, his business is cyclical too. "Our sales are predominantly generated in the fall and winter months. Sales between August and December account for 75% of our revenues."

With Club Monaco's increased orders arriving in spring 2000, and 49th Apparel's existing operating line with the Royal Bank not able to meet the cash requirements, the two cycles collided to create a temporary cash-flow problem.

PPP mends gap

"When Club Monaco came along with all these orders, it became apparent that we were in no way going to be able to manage unless we got some extra financing," explains Yukelis, whose Account Manager of Business Banking, Robert Dryden, recommended that he approach CCC.

"It was a great case for Dryden to bring to us," says CCC's PPP Program Manager Sue Elgar. "He was taking

SHAPING TRADE SOLUTIONS FOR OUR EXPORTERS



Canadian Commercial Corporation

The Canadian Commercial Corporation (CCC) is an export sales agency of the Government of Canada providing special access to the U.S. defence and aerospace markets and specializing in sales to foreign governments.

Canadian exporters can gain greater access to government and other markets, as well as a competitive advantage, through CCC's contracting expertise and unique government-backed guarantee of contract performance.

CCC can facilitate export sales that often result in the waiving of performance bonds, advanced payment arrangements and generally better project terms.

When requested, CCC acts as prime contractor for government-to-government transactions and provides access to pre-shipment export financing from commercial sources.

For more information, contact CCC, tel.: (613) 996-0034, toll-free in Canada: (800) 748-8191, fax: (613) 947-3903, e-mail: info@ccc.ca
Web site: www.ccc.ca

care of his client by referring them to the PPP."

In July 2000, Elgar set up a revolving PPP valued at \$350,000, which allowed 49th Apparel to finance 90% of Club Monaco's purchase orders. "CCC put all this in place effortlessly and painlessly," says a pleased Yukelis. "And Sue Elgar was more than wonderful; I'm a fan."

Improved business position

The benefits to the company, which had the PPP line of credit paid down within five months, extend beyond its ability to fulfil one set of purchase orders. "The assistance we received from the PPP has significantly improved our business position," explains Yukelis, whose company had less than stellar sales in the years ending April 1999 and April 2000. "This year, thanks to CCC, we're making much more of a comeback. We've almost doubled our business in two years."

It's clear that when it comes to sewing fine leather clothing, 49th Apparel has the expertise. Thanks to CCC, the company now also has its financial needs all sewn up.

Continued on page 10 - 49th Apparel

DOING BUSINESS WITH THE U.S. FEDERAL GOVERNMENT?

Find out more from the Canadian Embassy in Washington, D.C. (www.canadianembassy.org) under "Business Opportunities: U.S. Government Procurement."

Log onto opportunities via the General Services Administration (www.gsa.gov), which facilitates purchases by the U.S. government — the world's largest consumer — and the Electronic Posting System site (www.eps.gov).

When you're ready to pursue these opportunities, the Canadian Commercial Corporation (www.ccc.ca) can assist you with the interpretation of the U.S. procurement system or ensure that as a Canadian company, you are eligible to participate.

—Continued from page 1

enables companies in Canada and Mexico to meet, get to know one another, and conduct trade or investment business.

forum for its members, offering a whole range of opportunities for sustainable business development (trade, partnerships, investment) between Mexico and Canada."

The Mexico-Canada Chamber of Commerce

The Chamber has been serving members since 1996, and has close to 100 corporate and individual members who regularly take part in activities and also have access to valuable tools and information (e-mail and special CDs) on opportunities in both countries.

"The Chamber," explains its president, Jean-Paul David, "is an essential

Activities

In the past few years, Chamber members have taken part in several major events: the Coparmex mission, in cooperation with the Association des manufacturiers et exportateurs du Québec, or AMEQ; the address given by Governor Miguel Alemán of the state of Veracruz; the Jaltrade mission of Mexican companies from the state of Jalisco; the Chamber's comidas or networking dinners, open exclusively to members; and more. Chamber members are also kept abreast of the latest economic and trade developments in Mexico.

In tangible terms, membership in the Chamber includes:

- official participation in the Mexico-Canada business community;
- activities (conferences, cocktail parties, missions, partnerships);
- networking with other Chamber members at the Chamber comidas and similar events;
- access to valuable information (advice at meetings) and useful tools (such as the Arthur Andersen CD on doing business in Mexico) on investment and trade between Mexico and Canada.

The Chamber is also a member of Coparmex Nacional, a Mexican association of more than 30,000 firms in

Mexico that offers Chamber members numerous opportunities to develop promising business trends.

A heavy agenda for 2001

The Chamber agenda for 2001 is quite full as a result of all that has occurred recently: a change of government in Mexico, the coming into force of a free trade agreement between Mexico and the European Union, the Quebec Summit of the Americas last month, etc.

"For example," says Jean-Paul David, "a major event is scheduled for the fall, called Tex-Mex 2001. It will focus on high tech (information technology as well as biotechnology) and its aim will be to promote alliances and investment."

Jean-Paul David points out that, as a trading partner, Mexico represents an ideal avenue for Canadian businesses to diversify abroad. "In this regard, the Mexico-Canada Chamber of Commerce is an excellent focal point for its members in terms of bringing multilateral trade or investment projects to fruition."

For further information, firms or individuals wishing to join the Mexico-Canada Chamber of Commerce to broaden their network of contacts and take part in our activities are invited to contact President Jean-Paul David, tel.: 1-877-489-9068, fax: (514) 525- 5287, e-mail: jpdavid@mercadex.ca (Web site currently under construction). ★



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WIN
EXPORTS

Canadian artists

—Continued from page 6

New York — a regional trade show for the up-state New York territory — and meet with officials from U.S. Customs as well as local sales reps. Learning about the market can help companies prepare for a successful debut.

For further information, contact Katrin Spence, Canadian Consulate General, Buffalo, tel.: (716) 858-9557 ext 3357, e-mail: katrin.spence@dfait-maeci.gc.ca ★

In Germany's advanced manufacturing sector, the search is on for new materials to give German industrial products a competitive edge, with the result that research and development (R&D) funding by German governments and industry is on the rise. Canadian businesses that specialize in

New materials sector profile Germany

new materials will find ample opportunities in this growing high-tech sector.

Market overview

The size of the R&D budget set aside for new materials is a good indication of the size of the market. The total annual budget dedicated to this largely R&D field from all levels of German government is DM 750 million (\$525 million), directed to both public and industrial labs. In addition, German industry spent approximately DM 76 million (\$55 million) on new materials R&D in 1999, an increase of 7% over 1998. Certain fields, such as structural ceramics, experienced an even higher growth rate, approaching 20%.

The transportation and the information technology sectors have the greatest demand for new materials and consequently have the highest R&D expenditures. The development of energy-producing technologies, medical technologies and manufacturing technologies accounts for the remaining demand. R&D resources are distributed equally among ceramics, metals and polymers.

An important consideration when developing any new material is its impact on the environment. In the transportation and the energy-producing sectors, demand is high for technologies that protect resources or reduce emissions.

New materials, new projects

The following R&D projects are two examples of German funding at work in the field of new materials.

- The steel producer Ispat Stahlwerke and automobile parts producer Muhr & Bender are co-developing a super-hard steel for valve and axle springs. To date, the static hardness of this customized steel has been increased by 20% through the use of micro-alloy elements and by

optimizing the thermo-mechanical treatment.

- W.C. Heraeus and Siemens are developing a new ceramics-processing technology to produce miniaturized passive electronic components. The technology will be based on glassy ceramics and will integrate the passive components (resistors, capacitors and



inductors) into the substrate, while "Flip-Chip" techniques will be used for assembling the unhusd integrated switches. Multilayer substrates will be used for complex electronic switches.

Market access

Canadian companies can enter the German market in a number of ways. Trade shows are useful for contacting interested clients and for demonstrating products to management representatives, technical experts and buyers. The Materialica trade show and conference, which takes place in Munich from October 1 to 4 inclusive, is the most important of these. In 2000, 25 Canadian researchers from public and industrial labs, representing such diverse fields as magnesium, fuel cells, crystallography and polymers, attended the show in search of customers, partners and research contracts.

Another excellent way to make contacts in the German market is through R&D groups, either industrial

or public. In fact, many professors in public research institutes have worked in industrial labs and therefore have excellent contacts in their respective fields.

Useful sources of information and Web sites

Deutsche Gesellschaft für Materialkunde e.V. [German Society for Materials Science] Hamburger Allee 26, 60486 Frankfurt, Web site: www.dgm.de/

Business and technology development opportunities for 2001

- PARTEC 2001 International Congress for Particle Technology, Nuremberg — Mar. 27–29, Web site: www.partec2001.de/e/index.html
- CastTec 2001 International Trade Show for Casting and Information Technologies, Sindelfingen — April 3–5, 2001, Web site: www.casttec.com/eIndex.html
- ECCE 3rd European Congress of Chemical Engineering, Nuremberg — June 26–28, Web site: www.dechema.de/englisch/veranstaltungen/ecce/pages/f_ecce.htm
- ReX & GG The first Joint International Conference on Recrystallization and Grain Growth, Aachen — Aug. 27–31, Web site: <http://rex-gg.imm.rwth-aachen.de/>
- Third Lane 2001 "Laser Assisted Net Shape Engineering", Erlangen — Aug. 28–31, Web site: www.lft.uni-erlangen.de/SEITEN/LANE/2001/LANE_01_index_D.html
- Fourth World Congress on Oxidation Catalysis, Potsdam — Sept. 16–21, Web site: www.dechema.de
- European Metallurgical Conference 2001, Friedrichshafen — Sept. 18–21, Web site: http://region.tu-clausthal.de/gdmb/emc/about_emc.shtml
- Materials Week and Materialica 2001, International Congress on Advanced Materials, Processes and Applications, Munich — Oct. 1–4, Web site: www.materialsweek.org
- HT-CMC High Temperature Ceramic Matrix Composite Conference, Munich — Oct. 1–3, Web site: www.htcmc.org

Continued on page 10 – Germany

Whatever the Caisse de dépôt et placement du Québec does is newsworthy. This vast pension fund manager with \$125 billion of total assets has the clout, reputation and expertise to make capital markets stand up and pay attention.

the momentum had started propelling us to where we are now. As well as our new Montreal facilities in the SNC Lavalin building, we have offices in Vancouver, Toronto, and Calgary.

And we have over \$300 million in lendable capital from Bank of Montreal,

Now the cards are breaking our way once more. It is not just that CDP Capital International is investing \$2.9 million in Northstar. CDP also has a specialized global network with offices in Paris, Warsaw, Bangkok, Hong Kong, Seoul and Mexico City that can open new kinds of doors for SME exporters throughout Quebec, and Canada.

The reason I say they are new is that CDP has a different focus than our banking partners. With a portfolio of 69 investments valued at more than \$1.5 billion, CDP invests in funds and directly in expanding companies in Europe, Asia and Latin America. It also manages private equity funds in certain emerging markets in partnership with local teams. And through its venture capital and partner network, CDP Capital International also assists Québec companies interested in expanding abroad. Together, the CDP's private-investment subsidiaries hold a portfolio valued at more than \$15 billion.

In cities and towns throughout Quebec, National Bank opened doors for Northstar to SME exporters. Now CDP Capital International can open doors for them in major capitals around the world.

And that is just the kind of big news the Caisse is famous for making.

For more information on Northstar, contact Scott Shepherd, tel.: 1-800-663-9288, e-mail: s.shepherd@northstar.ca Internet: www.northstar.ca *

New player on the Northstar Team

Welcoming Caisse de dépôt

It certainly was a major development for Northstar when in April we hosted a reception in the elegant Royal Bank facilities on the top floor of One Place Ville-Marie to welcome CDP Capital International, the international arm of the Caisse.

It seems hard to believe it was only a couple of years ago that Northstar opened a small office on the fourth floor of the same building.

Montreal seemed like kind of a lonely place back then, to tell you the truth.

True, Bank of Montreal was the key initial investor when I started up Northstar Trade Finance Inc. back in 1994, from a base in Richmond B.C. And

along with Royal Bank of Canada, HSBC Bank Canada, National Bank of Canada and now CDP Capital International.

The Government of British Columbia is also a shareholder. And all Northstar loans are insured by Export Development Corporation (EDC).

But Quebec is a special place, and our business is based on building an especially close relationship with our clients. They are the kind of entrepreneurs who run new and growing export businesses, and who can use

our core services, medium term financing in the \$100,000 to \$5 million range to foreign buyers of Canadian, and floor plan financing.

A little over a year ago, we got a major break when National Bank joined us. At the time, I said that National Bank brought more to the Northstar table than merely an enhancement to our financing capabilities. It also brought on board long-established relationships with innumerable entrepreneurs throughout Quebec.



Scott Shepherd,
President and Chief
Executive Officer,
NORTHSTAR

Germany

— Continued from page 9

- **MACC 2001 Materials Aspects on Automotive Catalytic Converters, Munich** — Oct. 3-4, Web site: www.macc.dgm.de

For further information, contact Steffen Preusser, Technology Development Officer, Canadian Embassy, Berlin, tel.: (011-49-30) 2031-2365, fax: (011-49-30) 2031-2142, e-mail: steffen.preusser@dfait-maeci.gc.ca Web site: www.canada.de *

49th Apparel — Continued from page 7

For more information on 49th Apparel, contact company president Mark Yukelis, tel.: (204) 943-8884, fax: (204) 943-8889, e-mail: markylis@ilos.net

For further information on the Progress Payment Program and other CCC services, contact the information officer at 1-800-748-8191. *



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After a demonstration of its capabilities at an experiment station in Shikoku prefecture last November, a robot called "AT-2" may some day be helping out with the chores in Japanese orange groves. The AT-2, created jointly by Applied AI Systems, Inc. (AAI) (www.aai.ca) of Ottawa and the Japanese Ministry of Agriculture, is a service robot designed specifically to reduce the work involved in tending to oranges, and thus ease the burden on ageing fruit farmers in Japan.



AT-2 is actually a mobile transportation platform, equipped with a camera and a computerized "brain" that enables the robot to move through a muddy grove among the orange trees, identifying each one. Not only will AT-2 carry fruit as it travels down the rows, but it will also fertilize the

trees. How can a robot accomplish this? AT-2 will be able to sense the colour of the leaves in each tree and will analyze this information to determine whether or not the tree is healthy.

application development. The company is particularly interested in service robots like the AT-2 that are designed to make life easier for an ageing workforce, and is currently developing other

Canadian robot cares for Japanese oranges

Then, if a particular tree needs to be fertilized, AT-2 will calculate the precise amount of fertilizer to apply.

The Japanese vision of robots in farmers' fields is almost a reality and with the success of the AT-2 this tremendous labour-saving technology will likely be developed further.

AAI Systems, Inc., an Ottawa-based robotics research and development company, has been active in Canada and Japan for several years, creating and supplying robots for research and

robotic devices to assist the elderly and infirm, such as intelligent wheelchairs.

For more information, contact Jo Anne Roy-Foster, Trade Commissioner, Japan Division, DFAIT, tel.: (613) 992-6185, fax: (613) 944-2397, e-mail: joanne.roy-foster@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/ni-ka/ or David Steuerman, Third Secretary, Canadian Embassy, Tokyo, tel.: (011-81-3) 5412-6200, fax: (011-81-3) 5412-6247, e-mail: david.steuerman@dfait.maeci.gc.ca *

Canadian pork exports rise to new heights in the Land of the Rising Sun

Exports of Canadian pork to Japan were valued at \$476 million and approached 115,000 million tonnes in 2000 — a 21% increase in volume and an astonishing 43% increase in value over 1999.

The value of pork exports to Japan has risen dramatically recently thanks to the increasing exports of chilled pork, which is prepared using new packing technology. Canadian exporters have seen the value of these products climb 70% over the previous year to almost \$180 million. Canada now holds over 23% of the Japanese import market for fresh pork, making it the supplier of choice in this lucrative market.

The consistent quality of Canadian pork and pork by-products, as well as the ability of Canadian pork exporters to adapt to the demands of the Japanese consumer, are the main reasons that Canadian pork has reached the number one spot in the Japanese marketplace. This adaptability on the part of everyone along the pork export chain has resulted in the development of trusted relationships with Japanese importers and wholesalers over the years. The implementation of a quality assurance program by the Canadian Pork Council, and pilot research projects aimed at improving pork are contributing to good relations as well.

Last November, Canada Pork International hosted a seminar in Tokyo attended by 30 representatives from the Canadian pork industry as well as over 170 Japanese buyers and wholesalers. Given the huge success of this event, a similar seminar will be held next year in a different Japanese city.

For further information, contact Canada Pork International, Martin Lavoje, tel.: (613) 236-9886, fax: (613) 236-6658, e-mail: cpi@canadapork.com Web site: www.canadapork.com *

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The story of FutureBridge Incorporated and its recent break into the Chinese market reads like something out of Ripley's *Believe It or Not*: Adhering to traditional business practices, the company president didn't even incorporate his company until after he had identified the

wide range of integrated systems, such as building automation, cabling, telecommunications and wireless, LAN/WAN, security and alarms, and remote metering.

Hearing about the project, Ruan put together an experienced team, a strong proposal and, once the oppor-

(FutureBridge just missed the deadline) — was not being convinced of the capabilities of just one Canadian company. FutureBridge does not possess the technology itself, but will be playing a coordinating/managing role in outsourcing the work to local Ottawa companies.

"What set us apart as one of the bidding companies was that we came along to say we have the network of Canadian companies with the expertise and the technology, and there was Team Canada to back us up, to give the message that Canadian business is reliable. That was what was needed from our end to secure this agreement. The value for us on the timing and input of Team Canada is immeasurable."

Team Canada facilitator in China Bridge to future for Ottawa high-tech company



solid \$30-million opportunity in China. Securing the agreement was then facilitated by the fortuitous timing of the February 2001 Team Canada Mission to China, on which FutureBridge wasn't even a participant. And then there's the fact that other local Canadian companies stand to benefit from the project — the Ottawa high-tech start-up's first.

tunity looked solid, the company itself. FutureBridge's five staff members have been working hard ever since.

Incorporated just last November, FutureBridge, which specializes in systems design for "intelligent buildings," is definitely a young company with a bright future. Securing that future has, however, taken past careful planning by company founder and president Shemin Ruan. Rather than following the current, high-risk trend of seeking venture capital to finance a new technology, Ruan followed the more traditional business model of pursuing a business opportunity.

Solid opportunity paves way

The search took Ruan to China, his country of birth, where he learned from business associate Zhongshi Liang that the Peking University Zhong Guan Yuan Landmark Investment Co., of which Liang is president and CEO, was looking for a partner to supply integrated systems for an ultra-modern international student residence complex to be built at the university.

The project calls for the design and provision of equipment in a



Integrated Network Agreement signing ceremony, from left to right, Zhigui Zeng, General Manager, Peking University Zhong Guan Yuan Landmark Investment Co.; Shemin Ruan, President, FutureBridge Inc.

Mission creates right atmosphere

Complementing their hard work was the fortuitous timing of the Team Canada Mission to China this past February. "The mission created the right atmosphere for negotiations and sent the right signals at the right time," says Monica Bodurka, FutureBridge manager. "It had a profound effect on the Chinese business people we were dealing with. They basically got the message that Canadian technology is good — that we have the expertise to design and equip something very modern and intelligent."

The Chinese company — which was a participant on the mission

Cultivating relationships

Cultivating relationships with their Chinese partners was also important to securing the agreement. "We put together a strong team and a strong proposal, but spending time with the Chinese delegation was also key," explains Bodurka. "Relationships are very important to the Chinese people."

In late March, the delegation flew to Ottawa to sign the agreement at a special reception attended by, among others, the Honourable Rey Pagtakhan, Secretary of State (Asia-Pacific).

FutureBridge is currently in the process of completing the designs for the various systems and is actively seeking partners and alliances for the various components of the project. Construction on the Peking University residence is set to begin in early May.

Word of mouth brings work

In the meantime, word about FutureBridge is spreading in China, and the company is already exploring two other opportunities — and will soon be opening a division in Beijing. The company's bridge to China is looking solid indeed.

For more information, contact Monica Bodurka, Manager, tel.: (613) 521-1425, fax: (613) 521-3232, e-mail: monica@futurebridge.ca internet: www.futurebridge.ca *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Roadmap to China and Hong Kong")

Dalhousie MBA students win 2001 Minister's Cup

Early this year, students at Dalhousie University in Halifax were the top Canadian team at the 15th Annual MTT-Dalhousie International

Business Case Competition. The event promotes business studies at the university level. Competing teams are assigned a recent business



Minister Pettigrew with members of the winning Dalhousie team. Front, from left: Dr. Mary Brooks, Joanne Lam. Back, from left: Allison Hounsell, Leila Burden, Pierre Pettigrew, Bryanne Tait, Blair Falconer, Sheri Halfyard.

Market access report outlines Canada's international trade priorities

—Continued from page 1

implementation of a third round of accelerated North American Free Trade Agreement tariff reductions.

"With exports of goods and services accounting for 45.6 percent of Canada's GDP and one third of Canadian jobs, trade is an important engine of Canada's economy," said Minister Pettigrew. "Improving and securing access to foreign markets is a key factor in ensuring continued prosperity for Canadians. We will continue our efforts to bring down trade barriers, working in close consultation with Canadians."

The report is available on two Department of Foreign Affairs and International Trade Web sites:

www.dfait-maeci.gc.ca and www.exportsource.ca or by calling 1-800-267-8376 or (613) 944-4000 in the Ottawa area. ✪

case with an international focus, and must work out the solution. MBA students at institutions around the world take part via fax and video-conferencing.

As the highest ranking Canadian team, Dalhousie won the Minister's Cup awarded by the Department of Foreign Affairs and International Trade. International Trade Minister Pierre Pettigrew presented the Cup and individual prizes to team members and representatives from Dalhousie's International Business Society and its Centre for International Business Studies.

For more information, contact Dalhousie International Business Society, tel.: (902) 494-1482, Web site: www.dibs.ns.ca ✪

Report on oil and gas trade mission to North Africa

For a full report on the fruitful oil and gas industry trade mission to North Africa (Tunisia, Algeria and Libya), last February, organized by the Department of Foreign Affairs and International Trade and Industry Canada, see www.infoexport.gc.ca/canadexport and click on "Trade Fairs and Missions." ✪

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New York Summer Fancy Food Show

NEW YORK CITY — July 8-10, 2001 — The 47th Annual Summer International Fancy Food & Confection Show is one of the most important annual expositions for the gourmet/specialty food trade in the United States (a US\$13 billion market). And to be in the midst of the action, the Canadian pavilion is the ideal place.

Organized by the National Association for the Specialty Food Trade (NASFT), the Summer Fancy Food Show typically features more than 2,000 U.S. and foreign exhibitors and 30 international pavilions displaying 60,000-plus products. The show draws 25,000 qualified buyers from more than 75 countries, including senior representatives from virtually every segment of the retail and food service industries: retailers, restaurateurs, brokers, wholesalers, importers and other distributors of gourmet, specialty and ethnic foods.

Located in the popular International Section, the Canadian pavilion will have 26 booths and will offer a full range of services to participating exhibitors. Serve the visiting crowds your mouth-watering Canadian specialties, and sign them up for a contract!

Another major feature of the show is its many workshops and seminars on new products, trends, distribution and marketing. Scheduled for July 6 is

a daylong seminar on "The Basics of the Specialty Food Trade." Led by NASFT president John Roberts, the information-packed workshop offers practical insights and business-building specifics. The Canadian Consulate General in New York will bring a delegation to the event, made up of export-ready Canadian companies interested in doing business in New York, New Jersey and Connecticut. Space is limited, so apply early. The application deadline is June 1.

For more information on the New York Summer Fancy Food Show, visit the NASFT Web site: www.fancyfoodshows.com and follow the links for details on exhibiting/attending.

For more information on the Canadian pavilion, contact David P. Watters, International Trade Show Manager, Agriculture and Agri-Food Canada, tel.: (613) 759-7739, fax: (613) 759-7506, e-mail: wattersd@em.agr.ca Web site: <http://ats-sea.agr.ca/public/htmldocs/e0009.htm>

For more information on joining the Canadian delegation to the July 6 workshop, contact Lisa Rambert, Business Development Officer, Canadian Consulate General, New York, fax: (212) 596-1793, e-mail: Lisa.Rambert@canapple.com Web site: www.canapple.com *

International Fair of Ecuador

GUAYAQUIL, ECUADOR — July 23-29, 2001 — The 17th International Fair of Ecuador, organized by the Guayaquil Chamber of Commerce, will take place this year in Durán, 15 minutes from downtown Guayaquil.

Held every two years since 1970, the trade fair is a major gateway for international trade with Ecuador. Delegations are expected from throughout the Americas and the European Union.

The fair will highlight the sectors of agriculture, fisheries, mining, petroleum, telecommunications, electricity generation, construction and industrial machinery, tourism, informatics, and more.

Exhibitors who register and pay their fees before June 15 will be listed in an official catalogue.

If you are interested in taking part, contact the Canadian Embassy in Quito before May 15, 2001: Richard Dubuc, Vice-Consul and Trade Program Manager, Canadian Embassy, Quito, tel.: (011-593-2) 506-162, fax: (011-593-2) 503-108, e-mail: richard.dubuc@dfait-maeci.gc.ca or quito@dfait-maeci.gc.ca Web site: www.infoexport.gc.ca/ec

To register directly with the organizers, contact Maria José Larrea, Guayaquil Chamber of Commerce, tel.: (011-593-4) 682-771, fax: (011-593-4) 681-088, e-mail: mlarrea@ccgye.org.ec or feria@lacamara.org *

Canada to offer the world's most wanted food products at ANUGA 2001

COLOGNE, GERMANY — October 13-17, 2001 — This year, ANUGA 2001 will be the number one trade show for decision makers in the food and beverage industry around the world. And at the top of their wanted list will be products marked "made in Canada," a guarantee of food safety and high quality.

Agriculture and Agri-Food Canada is organizing a Canadian pavilion at the fair; this will give exhibitors access to a full range of services enabling them

to seize the many opportunities available. For those who can't attend, an ad in the 2001 Canadian Exhibitors brochure will help them reach over 8,000 industry professionals, including businesspeople, journalists, editors, and buyers in the food and beverage industry. Another option is to sponsor a Canadian pavilion event.

For more information on participating in ANUGA, contact David P. Watters, International Trade Show

Manager, Agriculture and Agri-Food Canada, tel.: (613) 759-7739, fax: (613) 759-7506, e-mail: wattersd@em.agr.ca

For more information on food and beverage opportunities in Germany, contact Stephan Rung, Commercial Officer, Canadian Consulate, Dusseldorf, tel.: (011-49-211) 172-1718, fax: (011-49-211) 359-165, e-mail: stephan.rung@dfait-maeci.gc.ca Web site: <http://ats-sea.agr.ca/agrifood-canada-germany/index.html> or Yvonne Gruenthaler, Northern Europe Division, DFAIT, tel.: (613) 943-0893, fax: (613) 995-6319, e-mail: yvonne.gruenthaler@dfait-maeci.gc.ca *

India's agri-food market

India has over a billion people and an economy growing steadily at 6.2% per year, which translates into opportunities for Canadian business, especially in the agri-food sector.

In the Punjab — the country's breadbasket — the government-owned Markfed marketing co-operative has invited private-sector bids on setting up high-tech facilities for handling, storing and transporting grain in bulk. Among those showing interest in the project (which will receive World Bank funding) are Korean firms and a Canadian consortium.

The project will help reduce food losses caused by inefficient handling, now costing India \$16.4 billion per year. To solve the problem, India needs new farming infrastructure investments amounting to \$34.8 bil-

lion, including \$8.57 billion to build an efficient transportation system.

Processed food

A recent study by marketing consultants KSA Technopak found that India's ready-to-eat processed food market is growing at the annual rate of 40%. Estimates put its current size at \$525 to \$557 million.

To boost investment, the government is considering a 10-year tax holiday for the food processing sector.

The opportunities have attracted leading retail food chains from France, the Netherlands, Hong Kong and Germany. In the growing bottled water business, new entrants include Coca-Cola, Pepsi and Nestlé. And the Australian firm, Paton's, plans to market its fine chocolates, jam, honey, etc. in India.

Agricultural trade fair – Agri Intex COIMBATORE, INDIA — August 1-5, 2001 — This international agricultural exhibition will highlight developments and opportunities in agriculture and related activities, and is expected to attract leading players in the sector.

To participate in Agri Intex 2001, contact Codissia Trade Fair Complex, Coimbatore, fax: (011-91-422) 593-507, e-mail: cointec@vsnl.com Web site: www.agriintex.com

For more information, contact Ram N. Gupta, Senior Trade Advisor, Canadian High Commission, New Delhi, tel.: (011-91-11) 687-6500, fax: (011-91-11) 687-5387, e-mail: ram.gupta@dfait-maeci.gc.ca Web site: www.infoexport.gc.ca/in *

(As mentioned in the April 16, 2001, CanadExport, a detailed article on Canada's re-engagement with India will be published in a forthcoming issue.)

Anchors aweigh for the Canadian Trade Show on Board

PUERTO RICO, ST. THOMAS, ANTIGUA, ST. MAARTEN, ST. LUCIA and BARBADOS — November 24- December 1, 2001 — A Caribbean cruise on Royal Caribbean Cruise Lines is the setting for the Canadian Trade Show on Board, showcasing Canada's food and beverage sector as well as its construction and building products sector. The unique event is organized by Canadian Export Development and supported by the Canadian Consulate General in Atlanta, the Canadian High Commission in Barbados and the Department of Foreign Affairs and International Trade (DFAIT).

With stops in six destinations, this is a chance to display your products and/or services and explore business opportunities in the Caribbean.

Key decision makers and buyers in government and the private sector will be invited to visit the Trade Show on Board. Participants may be eligible for financial assistance under DFAIT's Program for Export Market Develop-

ment. For details, visit the International Trade Centre Web site: www.cbcs.org

For more information or to register, contact Robert Grison, Director of Operations, Canadian Export Development, tel.: (613) 825-9916, fax: (613) 825-7108, e-mail: cced@sympatico.ca

For more information on business

opportunities in these sectors, contact:

- Charlotte Hutson, Commercial Officer, Canadian High Commission, Barbados, tel.: (1-246) 429-3550, fax: (1-246) 437-8474, e-mail: charlotte.hutson@dfait-maeci.gc.ca
- (Building products sector — St. Thomas and Puerto Rico), William Stolz, Business Development Officer, Canadian Consulate General, Atlanta, tel.: (404) 532-2017, fax: (404) 532-2050, e-mail: william.stolz@dfait-maeci.gc.ca *

Polska-Canada 2001

MONTREAL — May 10-13, 2001 — Polska-Canada 2001 is Poland's first trade fair in Canada. Organized in cooperation with the Canada-Poland Chamber of Commerce, the fair will take place at the Palais des Congrès. Over 100 exhibitors will present Poland's finest offerings in areas ranging from high-tech to food and beverages. The fair is open to the general public and admission is free.

Come learn about trade, business and other opportunities with Poland — a market of 40 million people, whose

bilateral trade with Canada was worth upwards of \$430 million in 2000.

For more information, contact the Economic and Commercial Division, Embassy of the Republic of Poland in Canada, tel.: (514) 282-1732/-1734, fax: (514) 282-1784/-9296, e-mail: tradeoffice@poland-canada.org Web site: www.poland-canada.org

For more information on market opportunities in Poland, contact Pierre Boucley, Trade Commissioner, Baltic, Central European and EFTA Countries Division, DFAIT, tel.: (613) 992-1449, fax: (613) 995-8756, e-mail: pierre.boucley@dfait-maeci.gc.ca *

Seminar on financing international education, research and training

MONTREAL — May 10, 2001 — McGill University is the venue for a one-day seminar sponsored by the Department of Foreign Affairs and International Trade (DFAIT) on "Financing Your International Education, Research, and Training Activities: From Finding Prospects to Preparing Winning Proposals, Applications and Bids."

The luncheon speaker is Dr. David Strangway, president of the Canada Foundation for Innovation and former

president of the University of British Columbia. His topic will be "Supporting Research in a Global Environment."

Drawn from the public and private sectors, the 10 panellists include representatives of the Canadian International Development Agency, the Social Sciences and Humanities Research Council of Canada, DFAIT, Industry Canada, and the Nova Scotia Department of Economic Development, as well as a consultant for global venture

capital and the investment banking industry. They will share their insights on where to find and how to develop the finances to make your organizations and businesses grow and flourish.

Break-out sessions will give participants practice in submitting winning applications, bids and proposals.

To register or for more information, contact Maricruz Garcia-Rejon, McGill Faculty of Education, International Office, tel.: (514) 398-3529, fax: (514) 398-4233, e-mail: maricruz.garcia-rejon@mcgill.ca

Plastics a leader in Canada

- **Increase in end-use markets:** A leading growth sector in Canada, plastics are being used more and more for packaging, construction and automotive parts.

—> Domestic market grew 6.3% in 2000 while exports increased by 15%.^A

- **Size does matter:** NAFTA allows duty-free access to the largest plastics market in the world.

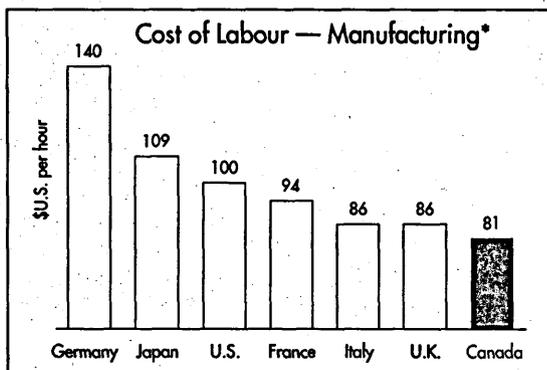
The Canadian plastics industry includes 1700 companies employing 112,000 people.^A

- **Canadian advantages:**

—> Abundant and competitively priced resin supply

—> World-class cluster of machinery- and mould-producing companies

—> Canada is the world's third-largest exporter of moulds, and fifth-largest exporter of plastics machinery.



* Figures are for 1999. Total compensation costs include direct pay, and the cost of other labour taxes, employer expenditures for legally required insurance programs and contractual and private benefit plans.

Source: U.S. Bureau of Labor Statistics.

For more information on investing and doing business in Canada, click on www.investincanada.gc.ca or call (613) 941-0354, fax: (613) 941-3796, e-mail: lanoy.louise@ic.gc.ca

^A Sources: Statistics Canada and Industry Canada

"DOING BUSINESS IN RUSSIA IN THE NEW MILLENNIUM"

CALGARY — May 22, 2001 — Learn the ins and outs of doing business in the Russian Federation at a half-day conference at the McDougall Centre organized by the Canada Eurasia Energy & Industry Alliance (CEEIA).

Among the scheduled speakers: Russia's Ambassador to Canada, Vitaly Churkin; Graham Rush, Minister-Counsellor (Commercial) at the Canadian Embassy in Moscow; and industry leaders.

To register, contact CEEIA, fax: (403) 218-8727, e-mail: iva@ceeia.org

For more information, visit the CEEIA Web site: www.ceeia.org

Canada Eurasia Energy & Industry Alliance is a non-profit organization based in Calgary. It promotes the business development of Canadian industry in Eastern Europe, the Commonwealth of Independent States, and Central Asia.

Enquiries Service

DFAIT's Enquiries Service provides counselling, publications, and referral services to Canadian exporters. Trade-related information can be obtained by calling 1-800-267-8376 (Ottawa region: 944-4000) or by fax at (613) 996-9709; by calling the Enquiries Service FaxLink (from a fax machine) at (613) 944-4500; or by accessing the DFAIT Internet site at www.dfait-maeci.gc.ca

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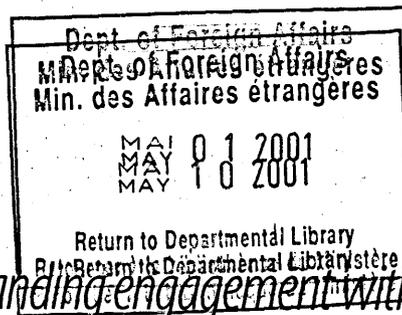
UNITED NATIONS
PROCUREMENT GUIDE
(See insert.)

Canada



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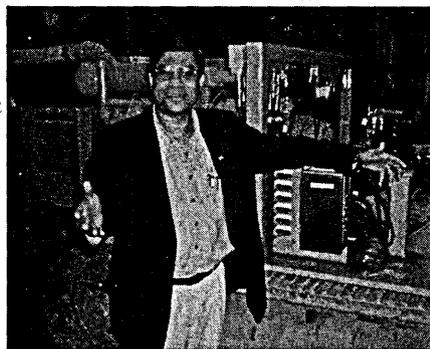
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Long-standing engagement with India

Cubex Limited

Hemant Shah, CEO of Winnipeg-based joint-venture company **KLR Cubex Indo Canada JV** (Cubex India), isn't shy about crediting the Canadian Trade Commissioner Service (TCS) for his many export successes. The introduction to his current joint-venture partner, in fact, came from



Cubex C.E.O. Hemant M. Shah with his megamatic mining drill in action.

the Canadian High Commission (CHC) in New Delhi. And that's neither the beginning nor the end of the story. Shah's connection with TCS in his exporting endeavours to India goes back more than 20 years, and isn't about to stop. With Canada's recent official re-engagement with India, CanadExport is pleased to profile a businessman and business embodying the very kind of relationship the Government is committed to re-establishing and pursuing.

When Hemant Shah emigrated from India in 1978, he immediately began to explore opportunities for exporting back to his homeland. Almost from the start he received support from the International Trade Centre (ITC) in Winnipeg. "The trade commissioners
Continued on page 3 – Cubex Limited

Technical assistance for Latin America, Caribbean projects

EDC-OAS agency link to benefit Canadians

Canadian companies looking to do business in Latin America can benefit from a new co-operation agreement between Export Development Corporation (EDC) and the Inter-American Agency for Co-operation and Development (IACD) of the Organization of American States (OAS).

Under a Memorandum of Understanding signed last month at the Conférence de Montréal, the two organizations will work together to

enhance the delivery of technical assistance projects in Latin America and the Caribbean.

The IACD is responsible for the financing and strengthening of technical co-operation and training within and among the 34 member countries of the OAS. To this end, IACD will be establishing a database of required projects as well as the public agencies and private companies that can deliver projects

Continued on page 9 – EDC-OAS

International Business Opportunities Centre

The International Business Opportunities Centre (IBOC) provides a matching service — connecting foreign buyers with Canadian companies. The Centre provides timely, relevant and targeted business leads from the desks of foreign buyers to the doorsteps of Canadian companies.

The following lists some of the Centre's current trade opportunities — for a wider selection, visit the Web site at www.iboc.gc.ca/webleads/webleads.asp

Canadian exporters needing assistance in preparing international bid documents may want to use the international contracts expertise and services offered by the Canadian Commercial Corporation. This Crown Corporation is located at 50 O'Connor Street, Suite 1100, Ottawa, ON K1A 0S6, tel.: (613) 996-0034, fax: (613) 995-2121.

THAILAND — Transmission System and Substation Development (IFI) — The Provincial Electricity Authority has issued an invitation to bid (bid no. PEA-TSD.3.P-4.5/2001) for the construction of a 115-kV transmission line comprising three circuits totaling 57.8 km. Part 1: Bang Lang substation to Bang

Lang substation main entrance = 1.8 km; Part 2: Bang Lang substation main entrance to kilometre marker No. 40 on highway No. 410 (Yala-Betong) = 23 km; Part 3: kilometre marker No. 40 on highway No. 410 (Yala-Betong) to Betong substation = 33 km. The contract will be financed by the International Bank for Reconstruction and Development (IBRD) under loan no. 4067 TH. Bids will only be accepted from suppliers who supply the materials manufactured by IBRD member countries. Bid selling: April 3, 2001 to May 25, 2001. Briefing session: June 1, 2001 at Electric administration area 3 (south), Yala Province. Bid guarantee: US\$250,000. Cost of bid document: US\$160.50. Closing date: July 2, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010406-01263. (Notice received from the Canadian Embassy in Bangkok.)

CZECH REPUBLIC — Pasteurization and Fermentation Equipment for Beverage Industry (Partnering) — A medium-sized Czech bottling equipment manufacturer is seeking medium-to-large-sized Canadian manufacturers and exporters of beverage fabrication equipment for a joint venture exporting to central Europe (Poland, Hungary, Slovakia) and eastern Europe. The

Czech company primarily supplies equipment to brewing companies and seeks a Canadian partner to complement its production line. The ideal candidate should be involved in the manufacture of pasteurization and fermentation equipment for the beverage industry (beer and sodas) or the pharmaceutical industry, and interested in expanding export sales into eastern and central Europe with an experienced partner. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010330-01155. (Notice received from the Canadian Embassy in Prague.)

INDIA — Fibre Optic Cable — This invitation for bids follows the general procurement notice for this project that appeared in UN Development Business No. 554 March 16, 2001. The Power Grid Corporation of India Ltd.

Continued on page 7 — Business



International Business Opportunities Centre

As Team Canada Inc's Sourcing Centre, the International Business Opportunities Centre (IBOC) matches business opportunities from around the world with the business interests of Canadian exporters, particularly small and medium-sized enterprises. IBOC offers a value-added service to trade commissioners by directly contacting Canadian companies about foreign trade leads.

To pursue our international trade leads, check out our Web site at www.iboc.gc.ca (particularly our E-Leads® and Web-Leads®).

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CanadExport

—Continued from page 1

I came into contact with then made me the successful businessman I am today," says Shah with complete candour. "Officers such as John Blackwood, Ron Bollman and Graham Weber gave me guidance and moral support."

The networking channels Shah developed in those early years, which also involved the commercial officers at the CHC and the Canadian Consulate in Bombay (now Mumbai), led to one export success after another.

Tailoring product to need

His involvement with Cubex Limited — the Canadian side of the joint-venture company and a leading manufacturer of mining and construction equipment since 1971 — goes back to 1985, when he provided consulting for international marketing.

The current joint venture, with a private-sector partner in Hyderabad, was formed in 1998 to develop an underground drilling machine tailored to India's needs. Cubex Limited found its future joint-venture partner at a mining trade show in Calcutta in 1997 — through an introduction made

by David Summers, then Commercial Counsellor at the CHC. A prototype machine developed by Cubex India is now successfully operating on a mine

rule: patience. "You have to have a long-term presence. Deals are not made quickly. It took me 21 years to be what I am today."

Cubex Limited engaged in India

site in India, and the company has already received orders from private drillers.

Posts open doors

That introduction, and the outcome, demonstrate the high value Shah places on TCS services. "People are mistaken in thinking that once you're well established as an exporter you don't need the posts anymore. Cubex definitely has a presence now — we are exporting in 30 countries — but we can always use more leads."

Cubex Limited, and its joint-venture CEO, have also benefited from many other Canadian government services, including those of Export Development Corporation (EDC), Canadian International Development Agency Industrial Cooperation Program (CIDA-INC), and DFAIT's Program for Export Market Development (PEMD).

Companies close deals

Shah's attitude toward government services is one of use, not abuse. "PEMD was there when we needed it. But now that we're established in international markets, we don't apply for it anymore."

Similarly, he cautions new exporters against expecting the trade commissioners and commercial officers to do all the work. "The posts are there to assist you; they will give you contacts. They open the door, but you, the exporter, have to close it."

The man who has closed many an export deal has a wealth of other advice for exporters new to the Indian market, beginning with the cardinal

Think small

Small and medium-sized firms have a better chance of success than large ones in India, says Shah. "It's faster, and more affordable, to complete a small joint venture — and one small success will lead to another."

He takes his own small (\$2-million) Cubex joint venture as an example. With a solid presence now in India, Cubex Limited is poised to expand the municipal equipment side of its business. In fact, the company already has meetings set up in cities across India in May with potential customers — meetings, incidentally, arranged by the commercial officers at the CHC and Consulate.

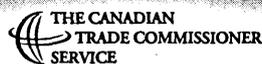
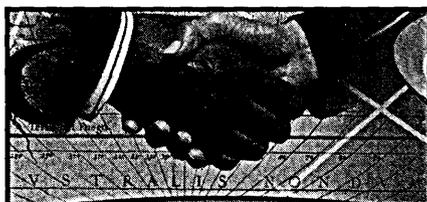
Engaging in cycle

And so the story comes full circle, and the cycle continues. It's a cycle in which the Canadian government has officially re-engaged as of March 20 [see *CanadExport* Vol.19, No.7], and one that Shah applauds. "Re-engagement will encourage many Canadian companies that are looking to explore opportunities in India and many others that are already engaged."

And this engaging businessman knows that engagement is what it's all about.

For more information, contact Hemant Shah, CEO, Cubex India, tel.: (204) 694-5505, fax: (204) 633-0665, e-mail: hirshah@mts.net Web site: www.cubex.net ★

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Sharing Trade Secrets.")



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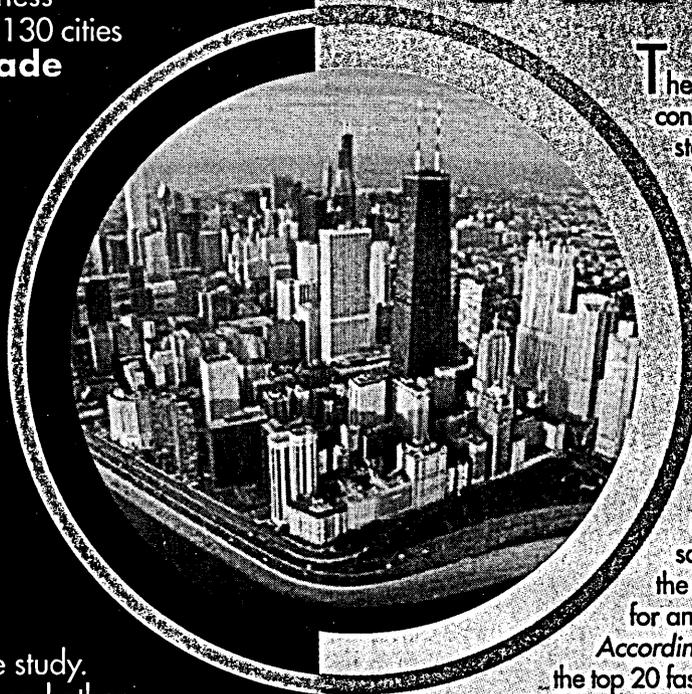
THE CANADIAN
TRADE COMMISSIONER
SERVICE

THE MIDWEST STATES

With a team of 500 business professionals in more than 130 cities around the world, the **Trade Commissioner Service** has the market knowledge you need to succeed in your target market. Our Market Research Centre and our offices abroad have prepared over 600 market studies available for free on our Web site. These studies will help you identify foreign business opportunities and learn more about your target market.

This is an overview of one study. For the full version of this and other studies, visit our Web site. When you are prepared to do business abroad, you can use our Web site to get in touch with our offices around the world and request personalized services electronically.

www.infoexport.gc.ca



The Office Furniture

The demand for office and contract furniture in the Midwest states of Illinois, Missouri and Wisconsin continues to rise steadily. A strong Midwest economy and the booming corporate hub of Chicago at its centre make this region an attractive location for Canadian furniture exporters.

In 1998, the U.S. office furniture market reached record-high growth with sales of \$18 billion of which the Midwest states accounted for an estimated \$1.5 billion.

According to *Furniture Today*, six of the top 20 fastest growing markets in the United States are in this region.

Illinois, and Chicago in particular, holds significant prospects for office and contract furniture sales in the Midwest. Chicago accounts for about 70% of Illinois' business activity and is a leader in corporate expansion. The volume of business activity and corporate facilities in Chicago alone represents

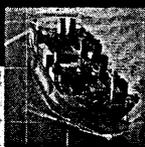
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See insert for your Consumer Products Industry contacts in the United States.





and Contract Market



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profitable opportunities for Canadian furniture exporters.

Market Trends

A burgeoning market trend within the contract furniture industry is the demand for SOHO (small office/home office) furniture. Industry experts indicate that the U.S. SOHO market is growing faster than any other segment within the office furniture market. With a population close to that of Canada and above-average median family incomes, the Midwest states present a higher probability of home office users, which means greater opportunities for Canadian exporters of SOHO furniture. Ready-to-assemble furniture is especially popular, and a big seller is the self-contained home office-in-an-armoire.

Ergonomic furniture has also become a very lucrative sub-sector of the market in the Midwest, and throughout the United States. To improve health and safety in the workplace, several government and state regulatory agencies are considering establishing ergonomic standards.



As well, the escalating concentration of aging baby boomers in the U.S. has spurred construction of assisted-care facilities and senior housing. Illinois and Wisconsin have already seen dramatic increases in the number of new assisted-care and retirement facilities, and the trend is expected to continue.

Competitive Environment

Companies in the Midwest currently import most of their office furniture products from Asia and Europe, although contract furniture is typically purchased from companies with local representatives and a solid reputation in the market. Canadian furniture exporters should consider the U.S. market a natural extension of the domestic market, given the size, proximity to Canada, similarities in manufacturing and distribution, and preferential conditions created under NAFTA.

Opportunities

The office furniture business in the U.S. has become increasingly competitive. Today, a small number of large companies dominate the market. Best prospects for Canadian companies therefore exist in the expanding niche markets, such as SOHO (small office/home office), and higher-end office furniture. In particular, Canadian manufacturers that are able to offer a compact and inexpensive computer workstation can find great opportunities in this market.

Illinois remains the brightest area for sales of institutional

and contract furniture with much of the growth in new school construction. There is also an increasing amount of refurbishing and renovating occurring in the hotel/lodging industry. This can present flourishing opportunities to Canadian furniture companies capable of serving this market.

See Potential?

To learn more about these market opportunities, the competitive environment, and market entry strategies, please read the full report, *The Contract Furniture Market in the U.S. Midwest*. The report, prepared by the Market Research Centre of the Trade Commissioner Service, is available on-line at

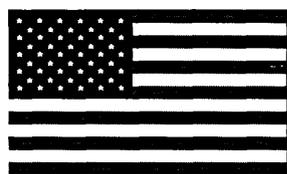
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The U.S. Connection

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Hub of the growing southeast U.S. market

Booming Atlanta

The Canadian Consulate General in Atlanta (www.can-am.gc.ca/atlanta) is situated in the heart of the fastest-growing region in the U.S.A., a territory that includes Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, and the territories of Puerto Rico and the U.S. Virgin Islands. The fifth-largest economy in the world, this market offers immense opportunities for Canadian business in all industry sectors.

Over the past six years, the population of the SEUSA has grown to over 50 million while the region has posted some of the country's greatest gains in new jobs, housing starts and per capita income. More than fifty Fortune 500 companies have their worldwide headquarters in the region, including such diverse firms as MCI WorldCom, The Coca-Cola Corporation, FedEx, Bank of America and The Home Depot. The region leads the U.S. in the six major retail segments — food, apparel, automotive, furnishings, pharmaceuticals and leisure. A rapid expansion of professional service industries, particularly in the health care, transportation and communications sectors, has made the area a prime target for investment promotion and technology transfer.

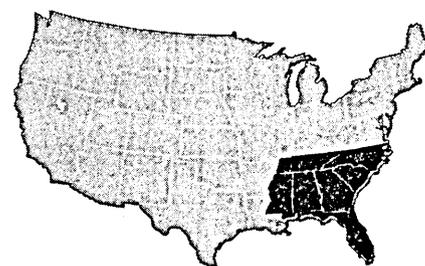
Hot spot snapshots

ATLANTA — banking, transportation, convention and educational hub — is the SEUSA's key economic sparkplug for the southern high-tech boom. Georgia's solid core of more than 40 universities, colleges and technical schools provides a steady supply of high-quality workers, which has done much to attract investment and brand Georgia as a high-tech centre of excellence. Indeed, more than 9,000 high-tech firms and more than 1,200 international businesses are located in Atlanta. According to the Milken

In 2000, Canadian exports to the SEUSA topped \$26 billion — almost three times as great as our exports to Japan, our number two export market. Our exports to the State of Georgia alone amounted to \$5.7 billion — equal to exports to our number three market, the U.K.

Institute, Atlanta ranks higher than Denver, San Diego and San Francisco on the list of top 50 high-tech poles in the U.S. Accompanying this rising high-tech industry is a burgeoning venture capital climate.

THE NORTH CAROLINA RESEARCH TRIANGLE PARK (RTP) — anchored by a concentration of related industries between the cities of Raleigh, Durham and Chapel Hill — has grown into a fertile hotbed of economic activity, led by sectors such as



research and development (R&D), biotechnology, information technology and pharmaceuticals. While the park itself occupies 7,000 acres, the region's influence extends far beyond its borders, with 70% of the technology concentration stretching along the Interstate 85 corridor. More jobs are created on this 400-mile corridor between Atlanta and Raleigh than in any comparable location in the U.S. due to the presence of auto factories (BMW, Mercedes, Honda), high-tech firms, warehouse and distribution centres, malls, office towers and untold numbers of smaller businesses.

Key business opportunities

Custom software development — Canada is developing a strong reputation for high quality and competitive costs in this field. The Consulate has been successful in encouraging

Continued on page 7

Check the Business Section of the Canada-U.S. Relations Web site at www.can-am.gc.ca ...for valuable information on doing business in and with the United States.

companies in the SEUSA to out-source some of their software development to Canada. Training and simulation software for the U.S. military is in demand, as is data processing and financial services software.

Biotech/Pharmaceutical research partnering — North Carolina is the third-largest biotechnology centre in the U.S., providing abundant opportunities for partnering with local companies for clinical trials, contract research and marketing, particularly in the RTP, a centre of intense R&D activity.

Environmental clean-up partnering — For a number of years, the Consulate's officer for environment business development has followed developments closely at both the Department of Energy laboratories at Oak Ridge, Tennessee and their facilities in Savannah River, South Carolina. Both sites offer opportunities for the use of technology and for partnering to develop technologies to clean up the mixed wastes that have been exposed to radioactivity at these sites. Opportunities also exist at both the state and city level relating to ground water pollution and clean-up, soil remediation and petroleum clean-up.

Construction and home furnishings — The SEUSA is the manufacturing and sales capital of the U.S. for



Team Canada Atlantic

www.teamcanadaatlantic.com



Team Canada - Équipe Canada

Prime Minister Jean Chrétien is in Atlanta this week taking part in Team Canada Atlantic's first-ever trade mission to the region. The Prime Minister joins a delegation of companies from Atlantic Canada, the four Atlantic Premiers and Trade Minister Pierre Pettigrew to facilitate new business partnerships, increase trade and investment and build strategic alliances between business in Atlantic Canada and the southern United States. Business participants will focus primarily on opportunities in information technologies, value-added food products, light manufacturing, value-added wood products and life sciences.

"Team Canada Atlantic's missions to New England over the past three years have generated almost \$7 million in direct sales for Atlantic companies," states Prime Minister Chrétien. "We are extremely optimistic that the mission to Atlanta will be equally successful and assist in developing a stronger foothold in the dynamic southern U.S. marketplace."

residential furniture. The High Point International Home Furnishings Market, held every spring and fall, is the largest furniture show in the world and an important venue for Canadian companies. Opportunities also abound in the construction and building industries, especially in "green" housing.

For more information, contact Vinnette Bramwell, Coordinator, Market Information Centre, Canadian Consulate General, Atlanta, tel.: (404) 532-2000 ext. 3351, e-mail: vinnette.bramwell@dfait-maeci.gc.ca Web site: www.can-am.gc.ca/atlanta *

Business Opportunities — Continued from page 2

(POWERGRID), New Delhi, has applied for a loan from the World Bank toward the cost of the POWERGRID Diversification into Telecommunication (PDT) Project which will implement a national telecommunication network backbone supporting capacity requirements and provide an expansion capability for future requirements. The POWERGRID will direct part of this loan towards contracts for installing underground fibre optic cable (UFOC). The POWERGRID is inviting sealed bids from eligible bidders to supply the following: 1) Package 4A:UFOC (1,155 km), specification no. C-02407-L878B-1; 2) Package 4B:UFOC (961 km), specification no. C-02408-L878B-1. This procurement includes survey, planning, design, engineering, supply, installation, termination, testing and commissioning of UFOC;

permanently lubricated high-density polyethylene (PLB HDPE) pipe, GI pipe and RCC Hume pipe; all associated hardware, accessories, fittings, joint boxes, etc.; fibre optic distribution panel (FODP); and all other work/items specified or required to meet the technical specifications. A pre-bid conference will be held on May 18, 2001 at POWERGRID to clarify the scope of the work, the available data and other issues. Cost of bid documents: US\$200 or Rs 10,500. Closing date: June 19, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010404-01237. (Notice received from the Canadian High Commission in New Delhi.) *

IBOC trade opportunities — find out more at www.iboc.gc.ca

DOING BUSINESS WITH THE U.S. FEDERAL GOVERNMENT?

Find out more from the Canadian Embassy in Washington, D.C. (www.canadianembassy.org) under "Business Opportunities: U.S. Government Procurement."

Log onto opportunities via the General Services Administration (www.gsa.gov), which facilitates purchases by the U.S. government — the world's largest consumer — and the Electronic Posting System site (www.eps.gov).

When you're ready to pursue these opportunities, the Canadian Commercial Corporation (www.ccc.ca) can assist you with the interpretation of the U.S. procurement system or ensure that as a Canadian company, you are eligible to participate.

When *Hard Suits Inc.* speaks of gaining its competitive edge "down under," the leading international supplier of specialized underwater equipment is not just referring to the ocean depths. It was a

cue operations," explains Hard Suits President John Jacobson.

In the wake of the Australian project, the U.S. Navy reviewed its own needs and released bid specs for a system with performance requirements

Competitive edge "down under" Hard Suits Inc.

Canadian Commercial Corporation (CCC)-facilitated contract with the Royal Australian Navy (RAN) in 1995 that garnered the company significant attention for its innovative submarine rescue system. With CCC again at the helm as prime contractor, the North Vancouver-based company is now developing next-generation submarine rescue equipment for the United States Navy.

Created in 1986, Hard Suits currently employs 44 people in the development of subsea intervention technologies such as atmospheric diving suits and submarine rescue systems. A wholly owned subsidiary of Stolt Offshore S.A., the company exports 90% of its products, largely to the international military market.

Although the company had previously contracted with the U.S. Navy — through CCC — to develop atmospheric diving suits rated at, respectively, 1200 and 2000 feet, it was the REMORA system that Hard Suits designed for the RAN that paved the way for the current U.S. contract.

Unique technology provides edge REMORA, a manned, tethered submersible that mates to the disabled submarine to perform rescues, has a unique feature. "We use a patented articulating mating skirt, based on our rotary joint technology, which allows the rescuing vehicle to mate with the disabled submarine at angles of up to 60° and still maintain a level position — it considerably eases res-

cue operations." "Our articulated mating skirt technology gave us a definite competitive edge," says Jacobson.

The edge became an outright success. In September 2000, Hard Suits was awarded a three-year US\$20-million contract to design, build and test a pressurized rescue module system



(PRMS) capable of mating to a disabled submarine at angles up to 45° and of carrying 16 rescuees and 2 medics.

CCC: "The Canadian Way"

The company, which could have sought the contract through its U.S. parent company, chose to use the services of CCC. "It can be difficult and cumbersome when dealing directly with the U.S., because they want to flow down U.S. regulations," explains Jacobson. "But we're a small Canadian contractor — we really need to be executing our contracts under Canadian regulations. CCC is a good deal. They act as

SHAPING TRADE SOLUTIONS FOR OUR EXPORTERS



Canadian
Commercial
Corporation

The Canadian Commercial Corporation (CCC) is an export sales agency of the Government of Canada providing special access to the U.S. defence and aerospace markets and specializing in sales to foreign governments.

Canadian exporters can gain greater access to government and other markets, as well as a competitive advantage, through CCC's contracting expertise and unique government-backed guarantee of contract performance.

CCC can facilitate export sales that often result in the waiving of performance bonds, advanced payment arrangements and generally better project terms.

When requested, CCC acts as prime contractor for government-to-government transactions and provides access to pre-shipment export financing from commercial sources.

For more information, contact CCC, tel.: (613) 996-0034, toll-free in Canada: (800) 748-8191, fax: (613) 947-3903, e-mail: Info@ccc.ca
Web site: www.ccc.ca

the go-between and are able to guarantee our performance to the U.S. government. They also fulfil the U.S. government's auditing requirements and make sure we're doing what we're supposed to be doing."

Hard Suits also uses CCC's services for its other international contracts. "CCC gives us some leverage with foreign governments. It's a valuable tool for anyone who wants to sell to foreign governments."

From CCC's point of view, Hard Suits is an equally valuable partner. "Their technology is being sought after around the world, and they're very easy to work with," says Project Manager Sheila McCorkle. "We definitely hope to work with them a great deal in the near future. There are other irons in the fire."

Those irons are positioning Hard Suits to expand the safety net for many more navy sailors around the world who work "down under."

For more information, contact John Jacobson, President, Hard Suits Inc., tel.: (604) 986-5600, fax: (604) 986-7125. ★

UNITED NATIONS PROCUREMENT GUIDE

Unique Export Opportunities

*How do you house 22 million refugees?
What kind of logistics are required to
provide clean water, basic food needs
and medicine to the world's children living
in countries ravaged by war and famine?
Where does the United Nations (UN) fulfil
its printing needs?*

True, the opportunistic nature of these questions is repellent to some, but, to consultants and manufacturers around

the world, they represent opportunities for consulting and supplying equipment. While doing this, however, they also contribute in their own small way to the UN's overall mandate of poverty reduction and world peace.

Canadian companies with a successful record of exports to the UN consistently report that, initially, they are attracted by the opportunities that are offered in New York City, given the proximity of multiple UN agencies. They also indicate that selling to the UN system is relatively risk-free, since payment is assured, albeit slow. Lastly, these markets serve as a bridgehead to make their products and

services known in other export markets. Procurement officials of UN agencies unanimously report that Canadian companies are reputable, and offer high-quality goods and world-class professional consulting services at competitive rates. However, these same officials state that they lack sufficient knowledge and information about the capabilities of Canadian firms. This obvious anomaly should give a clear sign of untapped opportunities to Canadian exporters.

To help you to focus your market research and to be successful in your bid to market to these institutions, this guide distils information generated by UN agencies from a wide range of sources, including the Internet. It is presented through the filter of the author's experience in dealing with the UN system since 1983.



THE CANADIAN
TRADE COMMISSIONER
SERVICE

Prepared by the Export Financing Division (TBF).



Department of Foreign Affairs
and International Trade

Ministère des Affaires étrangères
et du Commerce international

Canada

Features of UN Export Markets

The UN system is represented by 30 affiliated agencies, which together spend a total of US\$3 billion on a wide range of goods and services required for development assistance and humanitarian relief in over 100 nations around the globe. To break down and analyse the details of these figures, you can consult each agency's annual procurement statistics in a compendium put together by the Inter-Agency Procurement Services Office (IAPSO) of the United Nations Development Program (UNDP) at <http://www.iapso.org/set.asp?id=44>

It is worth mentioning that approximately 75% of the US\$3 billion is spent by only 8 of these 30 agencies and that 45% of the overall budget is spent on professional services. The average dollar value of a contract ranges from US\$10,000 to US\$20,000.

To understand the overall UN system, view their organization chart at <http://www.un.org/aboutun/chart.html>

All Sources of Funding (US\$ millions)

AGENCY	1998				1999			
	GOODS	SERVICES	TOTAL	(%)	GOODS	SERVICES	TOTAL	(%)
Food and Agriculture Organization	90.20	17.66	107.87	3.54%	87.01	30.78	117.78	3.51%
Pan-American Health Organization	134.82	-	134.82	4.43%	212.44	-	212.44	6.34%
UN Development Program (Direct Execution-DEX)	-	-	-	-	102.92	-	102.92	3.07%
UN Development Program/IAPSO	71.36	-	71.36	2.34%	65.52	-	65.52	1.95%
UN Development Program (National Execution-NEX)	120.72	481.34	602.05	19.77%	120.86	249.10	369.96	11.04%
UN Educational, Scientific & Cultural Organization	26.69	63.40	90.09	2.96%	25.67	82.77	108.43	3.24%
UN Department of Peacekeeping Operations	68.63	38.81	107.43	3.53%	-	-	-	-
UN Fund for Population Activities	76.86	5.67	82.54	2.71%	58.15	13.84	71.99	2.15%
UN High Commissioner for Refugees	49.82	8.31	58.13	1.91%	102.06	8.43	110.49	3.30%
UN International Children's Fund	327.00	-	327.00	10.74%	411.59	-	411.59	12.26%
UN/Procurement Division	65.33	182.29	247.63	8.13%	228.73	239.32	468.05	13.96%
UN Office for Project Services	132.44	104.63	237.08	7.78%	131.80	-	131.80	3.93%
World Food Program	261.22	303.74	564.95	18.55%	242.57	437.91	680.48	20.30%
TOTAL	1,425.09	1,205.85	2,630.95	86.39%	1,789.32	1,062.15	2,851.45	85.05%

Whereas the great majority of Canada's Overseas Development Assistance is tied to the procurement of goods and services of Canadian origin, UN procurement of technical assistance is untied, and therefore, UN agencies follow public procurement rules in accordance with the UN's financial rules and regulations. Even though all agencies must follow the same set of rules, over the years, each agency has developed its own series of procurement policies and procedures to meet specific operational requirements. To familiarize yourself with each agency's specific procedures, consult the *General Business Guide* that has been developed and made available by IAPSO. A hard copy can be purchased and will be delivered by mail, or it can be downloaded free of charge from the Agency's Web site at <http://www.iapso.org/set.asp?id=44>

As a rule, UN agencies must award contracts to the lowest eligible bidder, and they will very seldom diverge from

this. This means that the critical factor is price, providing the minimum specifications described in the solicitation document are met.

In recent years, agencies with larger procurement budgets have decentralized a portion of their procurement operations. In general, they delegate procurement authority to field offices to achieve speed and operational requirements. Major procurement decisions are still approved by headquarters. The exception here is the UNDP's projects, which are devolved to national execution. In these cases, UNDP allows the recipient government agency to implement the project and execute the procurement in close co-operation with the UNDP in-country office. Where appropriate, UNDP will use intermediary specialized agencies such as International Labour Organization (ILO), UN Educational, Scientific and Cultural Organization (UNESCO), Food and Agriculture Organization (FAO), etc. to deliver its technical assistance.

Development Markets versus Humanitarian Markets

The UN system can be further segmented in two broad markets: the development assistance offered to member countries, and

the humanitarian assistance deployed as a result of natural or man-made disasters. Both markets require a different approach based on the following basic understandings:

	Development Assistance	Humanitarian Assistance
Aim	World peace, long-term economic development and poverty reduction	Short-term relief to the effects of man-made and natural disasters
Agencies Involved	United Nations (UN), New York United Nations Development Program (UNDP) through the United Nations Office for Project Services (UNOPS), New York United Nations Fund for Population Activity (UN FPA), New York United Nations International Children's Fund (UNICEF), New York World Health Organization (WHO), Geneva, and Pan-American Health Organization (PAHO), Washington, D.C. International Civil Aviation Organization (ICAO), Montreal Food and Agriculture Organization (FAO), Rome United Nations Industrial Development Organization (UNIDO), Vienna International Atomic Energy Agency (IAEA), Vienna United Nations Environment Program (UNEP), Nairobi	United Nations (UN), New York United Nations International Children's Fund (UNICEF), New York United Nations High Commissioner for Refugees (UNHCR), Geneva World Food Program (WFP), Rome International Committee of the Red Cross (ICRC) and League of the Red Cross and Red Crescent, Geneva
Typical Goods and Services Required	<ul style="list-style-type: none"> • Pumping and irrigation equipment • Off-road vehicles • Computers • Telecommunication equipment • Vaccines • Pharmaceutical • Contraceptives • School books and supplies • Consulting services in all areas; i.e. environment, trade promotion, tourism, good governance, agricultural services, etc. 	<ul style="list-style-type: none"> • Pharmaceutical • Water purification tablets • Vehicles, tents, tools • Medical equipment and supplies • Food products • High protein biscuits • Air charters • Crisis counselling • Advocacy • Logistical services • Generators • Clothing • Blankets • Telecommunication equipment
Inputs to a Marketing Strategy	Understand UN agency's country programs. Be known by officers in program divisions. Know procurement people. Maintain contacts in recipient country's government.	Maintain a high level of readiness. Offer equipment and goods with standard specifications. (Contact the agency in advance.) Be known by agency staff, including procurement staff.

The above synoptic table is incomplete without the following remarks.

- 1 Some agencies are involved in these two spheres, and it could well be that your company would be interested to target both areas. It becomes crucial to understand the mandate, programs and planning processes of these agencies. A network of contacts within the agencies is invaluable.
- 2 The frequency and volume of purchase varies from year to year depending on resource availability, and incidence and magnitude of crises.
- 3 When it comes to frequently purchased equipment and supplies, emergency relief products, pharmaceuticals and vehicles, agencies have standardized their specifications for ease of purchase, maintenance and consistency in quality. It is important to ask the agency to provide you with their standard specifications well in advance of the bidding process.

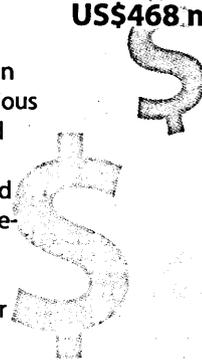
Peacekeeping Operations

The UN Department of Peacekeeping Operations, which fulfils civil defence needs, is another subsection of the UN market in New York. It reported a procurement volume of US\$279 million for 1999. UN peacekeeping forces deployed around the world need rations, shelter, telecommunications and vehicles in the same quality and standard as the Canadian Department

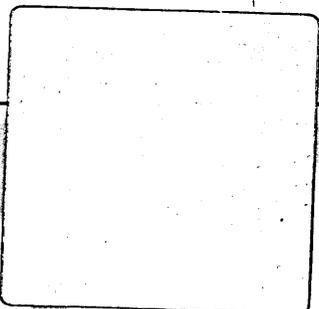
of National Defence. For further information, see <http://www.un.org/Depts/ptd/contact.htm>

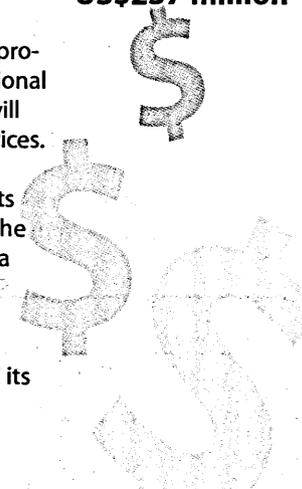
Where Would You Like To Start?

Given the proximity of the agencies, New York is a logical starting point. Moreover, over 60% of the procurement budget is decided or spent by four UN agencies based in New York.

Agency	Web Address and Basic Description	1999 Budget
<p>United Nations Procurement Division, New York UN PD</p>	<p>http://www.un.org/Depts/ptd</p> <p>The UN Secretariat, located in the landmark building on the East River in Manhattan supports the activities of the UN General Assembly, the various commissions around the world and peacekeeping missions deployed around the globe. Its procurement unit, UN PD, has two procurement subunits: procurement for the Secretariat (office supplies, printing and building support services, consulting, etc.) and procurement for peacekeeping missions and offices away from headquarters.</p> <p>Their UN PD Web site is well-developed, and it gives you the contact for each commodity, for tender notices and contract awards, and tells you where to register to be included on their roster.</p>	<p>US\$468 million</p> 
<p>United Nations Development Program, New York UNDP</p>	<p>http://www.undp.org/toppages/discover/index.html</p> <p>UNDP is a key agency to know, not only because of its budget size, but also because it has offices in all recipient countries. The UNDP Resident Representative is the highest-ranking UN official in the country and the Resident Co-ordinator for all UN agencies for complex emergencies.</p> <p>Strangely enough, UNDP does very little of its own procurement. Instead, procurement is performed in one of the following three ways:</p> <ul style="list-style-type: none"> • UNOPS (See below.); • NEX. In this case, UNDP allows the recipient government to implement projects providing it has the capacity. In these cases, local UNDP staff provide guidance and oversight. It is important to develop a relationship with them, as well as with the concerned government officials of the country; and • DEX. Recently, UNDP has decided to assume full responsibility for project implementation of its own projects in emergency situations. In these cases, it relies on the services of IAPSO to perform the procurement. 	<p>US\$602 million</p> 

continued on page V 



Agency	Web Address and Basic Description	1999 Budget
<p>United Nations Office for Project Services, New York, Geneva and Copenhagen UNOPS</p>	<p>http://www.unops.org</p> <p>One of the characteristics of UNOPS is that it does not have its own program but executes programs funded by other UN agencies, international institutions and other donors. Its marketing literature states that it will do any project anywhere! It procures a wide array of goods and services.</p> <p>Project portfolio managers are responsible for implementing projects on behalf of clients, and UNOPS promotes the ability to be close to the client. It is a decentralized operation with offices in New York, Geneva and Copenhagen.</p> <p>At the time of writing, UNOPS was trying to formalize its pipeline of projects to facilitate the identification of business opportunities and its list of contacts.</p> <p>The preferred method of doing business with UNOPS is to develop personal contacts with their portfolio managers.</p>	<p>US\$237 million</p> 
<p>United Nations International Children's Fund, Copenhagen and New York UNICEF</p>	<p>http://www.supply.unicef.dk</p> <p>Based in Copenhagen, with offices in New York, Pretoria and Turkey, the supply division is integral to UNICEF program co-operation, overseeing the procurement of supplies worth over \$300 million each year. In addition to purchasing essential commodities for children, the Division provides procurement, logistical and technical expertise to UNICEF programs in 161 countries and territories around the world.</p> <p>The bulk of UNICEF offshore procurement is for essential commodities for children – vaccines and immunization supplies, pharmaceuticals and micronutrients, medical and educational supplies, therapeutic foods – in addition to vehicles and computer equipment. It also seeks specialized consulting services for crisis management, i.e. psychosocial care, social services, education experts, etc.</p> <p>Supplies are crucial to UNICEF's emergency-response capacity. From its warehouse in Copenhagen (UNIPAC), Supply Division is able to dispatch emergency supply shipments within 24 hours of receiving an order.</p> <p>In the fall of 2000, UNICEF strengthened its New York procurement operation by assigning procurement responsibilities for the Americas.</p>	<p>US\$327 million</p>  
<p>United Nations for Population Activities, New York UNFPA</p>	<p>http://www.unfpa.org/about/procurement/procurement.htm</p> <p>This agency provides technical assistance to governments with programs to control population growth. Its procurement office is responsible for the supply of contraceptives and related medical equipment.</p> <p>The UN FPA Web site is well-developed and provides a section outlining their procurement notices, including where and how to register.</p>	<p>US\$82.5 million</p> 

Other agencies elsewhere may be worth investigating. It depends on the sector of business and whether you have something unique to offer. Please refer to the UNDP/IAPSO *General Business Guide* for more details.

The author's experience has shown that the further you are from New York, the less you are considered

by procurement officials. Therefore, a visit to New York could be profitable. However, he suggests that, if you are interested in marketing beyond the agencies that are based in New York, you should not make a specific trip to visit these agencies but should just make a stopover visit on your way to or from another business destination.

Agency	Web Address and Basic Description	1999 Budget
<p>United Nations High Commissioner for Refugees, Geneva</p>	<p>http://www.unhcr.ch</p> <p>The Supply and Transportation Section at HCR headquarters fulfils the material assistance needs for refugees and internally displaced people, so that they can survive and rebuild their lives until they return to their homes. Regional offices are located in Nairobi, Sarajevo, Djakarta, Abidjan and Skopje.</p> <p>Well over 80% of this Section's procurement is for shelter and medical supplies, vehicles, food and logistics.</p> <p>UN HCR has stockpiled some emergency items in a UNICEF/UNIPAC warehouse in Copenhagen and has developed stand-by contracts with key suppliers.</p>	<p>US\$115 million</p>
<p>UNHCR</p>		
<p>World Food Program, Rome</p>	<p>http://www.wfp.org/index.htm</p> <p>WFP is the frontline UN organization that is fighting to eradicate world hunger. It procures food commodities and related non-food items for emergency food aid to least developed and low-income, food-deficient countries around the world.</p> <p>In 1998, WFP delivered 2.8 million metric tons of food aid to nearly 75 million people in emergencies, and long-term refugee operations and development projects.</p>	<p>US\$242 million</p>
<p>WFP</p>		

UNDP IAPSO

The UNDP's Inter-Agency Procurement Services Office (IAPSO), has procurement professionals on staff providing supply services to any government organization, including UNDP's own procurement. From a Canadian point of view, IAPSO is a good source of information. It acts as a central repository of UN-wide procurement statistics and develops the annual *General Business Guide*, mentioned earlier, describing each agency's procurement policies and procedures, and describing what they

buy. IAPSO's mandate is interesting in that it tries to harmonize procurement procedures throughout the UN system. This is quite a challenge, since each agency jealously defends its prerogative to adapt UN financial rules to their agency's operational needs. Finally, IAPSO places at the disposal of its sister agencies a central vendor database and standard specifications for commonly purchased items. The database can be seen at <http://www.uncsd.org>

UNDP IAPSO has recently launched an international procurement initiative, UN Web Buy, which allows buyers in international development organizations, i.e. agencies of the UN system, international NGOs, etc. to browse its on-line catalogues of frequently purchased items such as office equipment and supplies, vehicles and computer equipment. Pricing information is obtained through international competitive bidding. It can be reached at <http://www.unwebbuy.org>

Vendor Databases

The Web sites and procurement officers of UN agencies will suggest that you register on their agency's vendor database. IAPSO also suggests that you register on the central database, UNCSD, for a fee of US\$200. There appears to be some doubt about the usefulness of a central vendor database, and the effort and expense of registering is not an absolute guarantee that you will be invited to bid. It is a necessary bureaucratic exercise but not sufficient. In almost 20 years of experience with these agencies, the author advises that an excellent track record and ongoing relationships beat vendor registration hands down.

Staying Informed on Other Opportunities

Each agency increasingly uses their Web site to advertise upcoming bidding opportunities. In some cases, IAPSO and UNOPS for example, the agency will also use the monthly publication, *Development Business*, for soliciting offers through both general and specific procurement notices. This publication is available in both paper and electronic version. The subscription costs US\$495 per year, and the electronic version has the advantage of a powerful search engine. The electronic version can be seen at <http://www.devbusiness.org>

Canadian Government Support

The International Financial Institutions (IFI) Unit within the Export Financing Division (TBF) at the Department of Foreign Affairs and International Trade (DFAIT) acts as the focal point for the promotion and dissemination of business opportunities that are funded by the UN and IFIs. The Unit, which can be contacted at **E-mail:** ifinet@dfait-maeci.gc.ca or **Tel.:** (613) 995-7251, has developed an Internet site called IFInet, which provides a wealth of information on UN and IFI procurement, including business guides, success stories, news and links and events, as well as useful information and contacts. This site can be accessed at <http://www.infoexport.gc.ca/ifinet>



THE CANADIAN TRADE COMMISSIONER SERVICE

TBF works closely with the network of posts abroad of the **Trade Commissioner Service of the Department of Foreign Affairs and International Trade** and with its domestic partners such as the International Trade Centres. Trade officers in 135 posts act as the eyes and ears of the Canadian business community abroad. They can help exporters who have researched and selected their target markets by identifying, for example, key contacts among UN officials in the cities where they have procurement offices and in program countries where UN agencies have specific programs. To find out more about the Trade Commissioner Service and how to get in touch with trade officers at posts, you can access InfoExport at <http://www.infoexport.gc.ca>

In New York, the Canadian Consulate General assists Canadian companies interested in pursuing business opportunities at the UN by identifying contacts, providing information and advice on the market, monitoring upcoming business opportunities, and troubleshooting if necessary. For more information, visit their well-developed Web site at <http://www.canapple.com>

The **Canadian Commercial Corporation (CCC)** is a Crown Corporation, which offers a full range of services on UN procurement, from identifying business opportunities, evaluating projects, and helping exporters to develop bids and proposals, to acting as prime contractor and guaranteeing contract performance. The CCC will also negotiate and administer contracts, as well as arrange access to pre-shipment financing for export sales. Occasionally, CCC may even help to improve payment terms. CCC has over 17 years of experience in dealing with the various UN procurement offices. CCC can be reached at <http://www.ccc.ca>



Canadian
Commercial
Corporation

How to Succeed in These Markets

World Trade Centre *Montréal*

The World Trade Centre (WTC) in Montreal offers two complementary services for intermediate and advanced exporters who are interested in the potential of the UN market. The Centre can be reached at <http://www.wtcmontreal.com>

- **Your Business Guide to the United Nations** – For exporters looking into international markets, this in-depth one-day seminar, which is offered across Canada, teaches how to do business with the UN and how to develop your own strategy to succeed in these markets. It is a cost-efficient approach to improving your knowledge of these markets and enhancing your ability to develop an adequate strategy from your home base in Canada. This



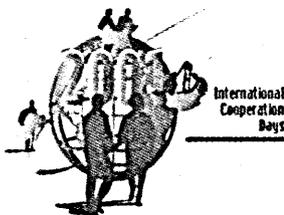
awareness-developing seminar represents a very valuable investment, as it will help you to determine whether your export plans are suitable for UN markets. (The WTC in Montreal also organizes a seminar called *Your Business Guide to Multilateral Development Banks*).

- **Outgoing Trade Missions to the United Nations** – For exporters ready to move one step forward, the WTC in Montreal organizes sector-specific missions to UN agencies based in New York. During the two-day mission, you will meet and establish valuable contacts with key procurement officers, who will provide you with specific information on business opportunities in your sector of activity. (The WTC in Montreal also organizes outgoing trade missions to the World Bank and the Inter-American Bank in Washington, D.C.)



Canadian
Manufacturers &
Exporters

Canadian Manufacturers and Exporters (CME) organizes, in close collaboration with the Canadian International Development Agency (CIDA), two international development conferences a year in Canada. These International Development Days bring together representatives from the UN, IFIs, CIDA, DFAIT, and representatives from private-sector, academic and non-governmental organizations (NGOs) to discuss opportunities in international development and how these are financed. The next International Development Days will be held in Winnipeg from November 14 to 16, 2001. Information on the CME and this event can be found at <http://www.cme-mec.ca>



International
Cooperation
Days

CME also contributes to the organization of International Co-operation Days (ICD), which is CIDA's major conference that is held every 18 months. The next ICD will be held in Ottawa from June 18 to 20, 2001. More information on this event is available under the heading "International Co-operation Days" at <http://www.acdi-cida.gc.ca>



Finally, every year in New York City, International Aid and Trade brings together heads of UN agencies, government officials, NGO representatives and chief executive officers of major international companies to strengthen the partnership between the UN and the private sector. This is a good starting point to learn more about these markets, because you will not only meet representatives of agencies based in New York but also those from other UN agencies, mostly located in Europe. In 2001, the trade show will be held on June 20 and 21. For more information, visit <http://www.aidandtrade.com>

The Need to Learn More

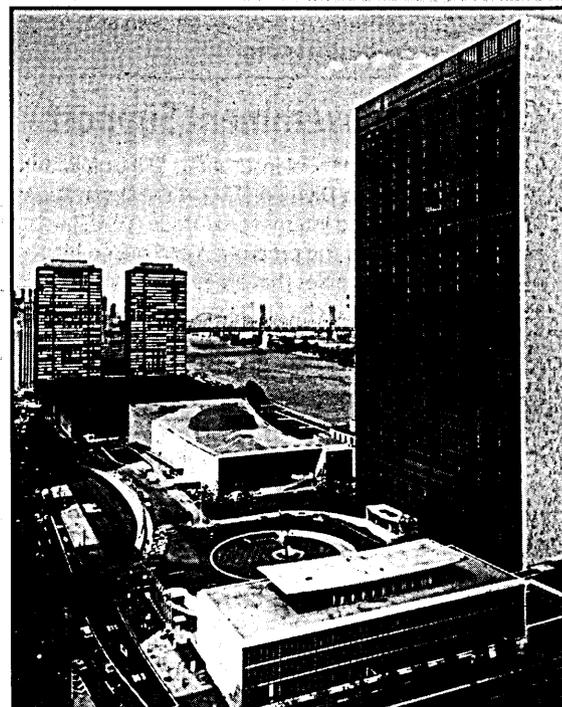
The author first visited UN agencies in New York in January 1983. He was attending an international bid opening on behalf of Canadian companies that were

bidding for drilling rigs purchased by UNICEF. Even though he is a procurement professional, he was still overwhelmed by the event. The diversity of nations and cultures, the specifics of procurement rules, and the hustle and bustle in the corridors of these international organizations made a lasting impression on him. He wished that he had had three times the preparation before going on this mission simply to allow himself to absorb everything.

Success in these markets is not defined differently than elsewhere. It is based on two axioms: information and relationships. Information is now easily available on the Internet, which was not the case in 1983. More efforts are required to analyse this data and give it relevance to your company. Relationships and reputation will develop as you decide to get involved. It is also another major reward of these markets.

About The Author

Louis Poliquin is a Washington-based Canadian consultant, who specializes in procurements for multilateral development organizations, and trains Fortune 500 companies in contract negotiation. He has worked in the United States, Egypt and Switzerland. Since 1983, he has dealt regularly with procurements emanating from UN agencies and multilateral development banks. He was Chief of the UN Procurement Section for the Canadian Commercial Corporation from 1984 to 1988. As an independent consultant, he has worked on numerous assignments helping companies and government officials to develop export markets in a wide range of sectors. He regularly offers training seminars to Canadian business and DFAIT officials on the subject of procurements. He can be reached at louispoliquin@earthlink.net



Despite a slowing global economy, Canadian export sales in 2001 are still expected to increase slightly over last year and will be even stronger in 2002, according to a semi-annual global export forecast issued last month by Export Development Corporation (EDC).

"As predicted, the world economy has shifted down a gear but a gradual U-shaped recovery in global activity should emerge in the second half of this year, leading to even stronger growth in 2002," says EDC vice-president and chief economist Stephen Poloz.

Canadian export sales are expected to increase by 2 to 3% in 2001, and expand by 7 to 8% in 2002.

These projected growth figures are well below the 16% increase last year, but that increase was inflated significantly by extraordinary rises in energy prices.

"What we are looking at this year and next is similar to what we saw in 1995-1996, when export growth slowed from 15% to 5%, then recovered to about 8% growth," adds Poloz.

The automotive sector is facing a contraction in exports in 2001,

followed by a modest further decline in 2002. In contrast, machinery and equipment exports will surpass autos this year in terms of economic importance, underscoring the extent of economic diversification that has

Despite global slowdown

EDC forecasts modest export growth

occurred in recent years. Key leading export growth sectors include: aerospace, telecommunications, agri-food, resource-based and consumer goods and services.

Although exports to the U.S. are expected to rise by 1% this year, sales to Mexico and Europe are projected to rise by more than 5% and to South America by more than 9%. Exports to Asian markets will also post a solid performance, particularly in China and India.

Provincially, the clearest evidence of slower export sales this year will be in Ontario and B.C. Newfoundland is projected to lead the way during 2001-2002 as new energy projects come on stream.

"The bottom line for Canadian exporters is that this will not be a banner year, but it will still be a positive one," says Poloz.

For more information, contact: Rod Giles, Corporate Communications, EDC, tel.: (613) 598-2904, e-mail: rgiles@edc-see.ca Web site: www.edc-see.ca *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Export Financing and Insurance")

EDC-OAS agency team up

—Continued from page 1

throughout the hemisphere on a best-practices, fair-price basis without need for competitive tendering.

EDC believes that its early participation in this program can help to ensure that the IACD reviews best-practices technologies practiced by Canadian companies and to ensure that Canadian companies and agencies are included in IACD's programs.

Under the agreement, EDC will consider financing for IACD-sponsored projects in areas such as improvement in government services, education and human development, poverty alleviation, small

and medium business, and information, communications and environmental technology. It is expected that IACD will focus on smaller projects. As such, this new program will be of particular interest to Canadian companies that provide services in such areas as engineering, systems design, training, education, and other services.

For more information on the IACD programs, contact the Development Programs Department, Inter-American Agency for Cooperation and Development of the Organization of American States, Washington, D.C., tel.: (202) 458-6259,

fax: (202) 458-3526 or Janelle Conaway, Department of Public Information, Organization of American States, tel.: (202) 458-6841, e-mail: jconaway@oas.org Web site: www.oas.org *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Export Financing and Insurance")



The nutraceuticals market

During 2000, researchers at Hong Kong's Lingnan University (www.ln.edu.hk) surveyed local consumption of nutraceuticals and health food products. They found that one sixth of the Hong Kong population, or more than one million people, used nutraceuticals or health food products.

Focus on Hong Kong

Chinese tradition encourages the use of herbal products. With that background and the current affluence, in recent years Hong Kong residents have turned to nutraceuticals and health foods. These currently account for one third of the sales in personal care retail chains. In addition, more than 10 specialty health food chains and direct marketing firms have entered this multi-million-dollar market.

The Lingnan survey found that demand is strongest for beautifying and weight control products. Becoming more available are products offering medical benefits, but consumers hesitate to use them because of lack of clinical support. Most popular are antioxidants, shark liver oil (squalene), dietary supplements and replacements, and replenishing products.

The survey also found that consumers are less serious about nutraceuticals and health food products than medications. Users often ignore the instructions accompanying products and tend to use them to suit their convenience. For this reason, nutraceuticals and health food products must have consumer-friendly packaging.

Packaging key

According to Jo Jo Leung — manager of the Trading Division of SCMP Retailing (HK) Limited, which operates Health Plus, Hong Kong's largest spe-

cialty health food chain — the single-portion sachet package is most popular with users. Since they don't want to feel that they are taking medication, they prefer tablets with distinctive shapes — triangles, stars and even hearts. Says Jo Jo, consumers want their nutraceuticals to look like candies rather than prescription medication.

Nutraceuticals and health food products are stocked in a wide range of outlets and shelved alongside regular grocery items in personal care stores.



To stand out, their packaging must be eye-catching. In this respect, Hong Kong consumers often find Canadian nutraceutical and health food products

dull and unappealing. To expand sales in the Hong Kong marketplace, Canadian nutraceutical and health food manufacturers should consider changes to their packaging.

For more information, contact Houston Wong, Commercial Officer (Agriculture and Agri-Food), Canadian Consulate General, Hong Kong, tel.: (011-852) 2847-7434, e-mail: houston.wong@dfait-maeci.gc.ca Web site: www.hongkong.gc.ca

The expanding organic food market

In June 2000, the Hong Kong Agriculture, Fisheries and Conservation Department conducted a survey investigating the market potential of organic vegetables. Of the 616 consumers interviewed, 80% expressed interest in buying organic vegetables. The proportion, however, dropped to 20% if the price of organic vegetables should be 50% above that of non-organic.

The survey also found that local restaurants, vegetable buyers, wholesalers,

organic farms, supermarkets and media were interested in promoting organic vegetables but wanted to see a more consistent and varied supply.

Consumer demand is rising not only for vegetables but for all types of organic food products. To meet the demand, the number of organic food shops is increasing and special organic food sections were recently set up in Hong Kong's two major supermarket chains, PARKnSHOP and Wellcome. Currently, PARKnSHOP stocks more than 200 organic food items ranging from dried peas and beans to snacks. This is a growing market with vast potential.

For more information, contact Houston Wong (see *Nutraceuticals story above*).

Canadian Atlantic salmon in demand

Fresh Atlantic farm salmon has now become one of the most popular types of fish in Hong Kong. It is available in outlets ranging from five-star restaurants to retail food shops. According to Hong Kong import statistics, in the first eight months of 2000 imports of fresh Atlantic farm salmon reached 4,805 tonnes — a 42% rise over the same period in 1999.

Norway was the source for 96% of the imports but Canada, a newcomer to the market, expanded its market share almost fourfold to 130 tonnes.

Accounting for Canada's success was the freshness guaranteed by the comparatively short transit time between British Columbia and Hong Kong, plus the aggressive marketing efforts of Pan Fish Group, a B.C.-based salmon farm and processing company. Shipping salmon from source to Hong Kong takes over 70 hours for Norway but less than 20 hours for Canada. As a result, discerning Hong Kong buyers increasingly are choosing fresh Canadian Atlantic farmed salmon.

For more information, contact Houston Wong (see *Nutraceuticals story above*). ★

The fact that Canada is home to a mere 1.2% of the world's cattle but produces 2.5% of the world's beef demonstrates just how efficient the Canadian beef and veal industry is. Everyone in the industry, from owners and managers to cutters on the line, has been gearing up to squeeze as much profit as possible from our Canadian herds. The

may not be able to dominate the market but instead must find ways to win the support of buyers and encourage them to "buy Canadian". Part of this strategy involves reducing the dependency on the American market — which was the destination for 72% of our exports in 2000 — and building up new markets in countries like Japan.

dependence on one market while at the same time stimulating demand for our beef, and growth and prosperity in our industry.

High stakes in Japan

The Canadian beef industry has set itself an impressive goal: to capture 5% of Japan's import beef market by the year 2010, which will translate into

Putting Canadian Beef on the Japanese Hibachi

Canadian beef industry's 2010 goal to make 5% of Japan's beef Canadian-brand is part of its two-pronged approach to increase profits and reduce dependency on the American market.

Worldwide, over 1 billion head of cattle and buffalo represent beef production estimated at 49.3 million tonnes. While Canada's 12.7 million head represents less than 1.2% of the world's total, the Canadian beef industry's production of 1.2 million tonnes of beef accounts for 2.5% of the world's total. A simple calculation shows that our industry produces beef 108% more efficiently than the world average. Unfortunately, this data also indicates that Canada is a relatively small player in the world's corral. What's a country with relatively few cattle, but top-notch production efficiency to do?

New export culture

The answer lies in the new export culture that the Canadian beef industry has adopted, one that involves the tough work of establishing new trading partnerships to produce both higher volumes and greater margins. Canadian beef producers understand that they

Approximately one-half of Canada's net beef production is moving into export markets, which for years have set the floor and ceiling prices for Canadian cattle



and beef. In 1990, the United States accounted for over 90% of our beef export market. Even though our beef exports to the U.S. have indeed fallen over the past decade, an unhealthy dependence on this single market persists. More troubling are indications that these exports appear to have passed a certain comfort level in the United States, which in turn has triggered protectionist forces determined to disrupt this trade.

Canada's response has been to implement international market development programs to enhance global perceptions of Canadian beef and veal. The vision is to make Canadian-brand beef and veal the worldwide symbol of excellence in every product category. Developing export markets in Asia and Mexico is an important step in reducing the

an estimated 76,000 tonnes or \$438 million worth of beef and veal products or one-half million head of Canadian grain-fed cattle. To achieve this, Canadian beef exporters must maintain an annual compounded growth rate of 11% over the next ten years, but with sales to Japan already increasing at an annual rate of 19% over the past decade this goal is far from unrealistic.

In fact, the Japanese are so eager for Canadian beef that even with an import duty set at 38.5% buyers there still find it cheaper to import beef rather than purchase local Wagyu and Holstein steer meat. The Japanese people are also developing a healthy taste for lean beef rather than the heavily marbled variety that has traditionally dominated Japan's beef market — more good news for everyone in the Canadian beef industry.

For more information, contact Joanne Roy-Foster, Trade Commissioner, tel.: (613) 992-6155, fax: (613) 944-2397, e-mail: joanne.roy-foster@dfait-maeci.gc.ca or Greg Giokas, Counsellor (Commercial), Canadian Embassy, Tokyo, tel.: (011-81-3) 5412-6200, fax: (011-81-2) 5412-6250. ★

Raymond Blanc, the Roux Brothers, and Nico Ladenis may not be household names in Canada, but these Michelin-rated superchefs are as famous in Britain as any rock star or sports icon. Their star status reflects the growing British pre-occupation with the preparation and

Michelin-starred restaurants than any other city outside Paris. Whether home-prepared or a product of the British hospitality industry, "good food" is now synonymous with Great Britain.

Accounting for this change in culinary attitudes is the fact that the

The Savoy hotel, the salmon sarnie in the school lunch-bag, the 100% fruit purée snack bar at a Holland & Barrett check-out counter, or the wild blueberries in a British muffin are all tastes of Canada. The Canadian food industry proudly supplies such diverse items as freshly made bagels to Sainsbury's in-store bakery, fine B.C. wines to Waitrose, premium extra-mature Québec cheddar to Tesco, Ontario Caesar salad kits to Safeway, and organic breakfast cereals to ASDA. These products represent only a small portion of Canada's food presence in the U.K. but nonetheless demonstrate the degree to which the top multiples in Britain recognize Canada as a supplier of the highest-quality food, able to meet their uniquely challenging standards. The bottom line is that there is both room — and reason — for Canadian agri-food exporters to expand into Britain.

What's cooking in Britain?

consumption of high-quality food — be it organic, ethnic, nouvelle or fusion. Opportunities exist across the board for Canadian suppliers in this affluent market of 60 million, with British consumers already stocking up on Canadian lobster and salmon, wild blueberries and maple syrup.

Britain is clearly following a new recipe as it redefines its food culture, experimenting with new ideas and tastes and using innovative, unique or novel products. Celebrity chefs like Delia Smith and Ainsley Harriot are also cooking up some of the hottest viewer ratings in British television and when one of them suggests topping Shrove Tuesday pancakes with 100% pure Canadian maple syrup, British distributors scramble to find a supply — fast. Gone are the days of the mushy-pea fritter: London now boasts more

British are now purchasing their food from retail and food service outlets in an environment that is both competitive and creative, fed largely by a



booming economy through the mid-to-late 90s. As well, the rapidly changing socio-demographic face of many of its cities has contributed to experimentation, indulgence and to the self-confidence that has led Britain to redefine what goes into the British food basket or onto the British restaurant plate.

Canadian food on the British menu
Total annual U.K. food, feed and drink imports amount to over £17 billion (\$39 billion) and Canada's share of this import market is approximately 1%, or \$460 million. The lobster at

Trade shows

Food and beverage trade shows are typically the most economical and efficient way to promote products, meet a broad range of contacts and assess the competition. The U.K. hosts a variety of such trade and consumer food shows, ideal for introducing Canadian products, whether organic, natural, or mainstream, to a wide British audience. Check them out at http://ats-sea.agr.ca/public/events_europe-e.htm

For more information, contact Janet E. Farmer, Commercial Officer, Canadian High Commission, London, tel.: (011-44-20) 7258-6600, fax: (011-44-20) 7258-6384, e-mail: janet.farmer@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/london/ ★

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In our April 2 issue, CanadExport reported on FITTskills, especially its on-line program training Canadians for international trade. But this is only part of the story: FITTskills is taught in a classroom setting in over 20 locations across Canada. And (with apologies to the techies among us) this mode of delivery has distinct advantages.

In Canada's export-oriented economy, most SMEs have got the message that they should be thinking of going global. But how or where can they acquire the skills to compete in markets in the United States or further afield?

The answer is *FITTskills*, a program of the Forum for International Trade Training (FITT). *FITTskills* offers practical, step-by-step, hands-on training under the guidance of experts in the field. The courses lead to designation as a Certified International Trade Professional (CITP), Canada's only professional certification for international trade practitioners.

With the *FITTskills* on-line program, you can log on and start learning wherever you happen to be in Canada. For many, that convenience is a huge plus. But *FITTskills* in the classroom adds another dimension:

the opportunity to interact with other trainees, many of whom have international experience and are currently working in various aspects of international trade.

In Vancouver, for example, *FITTskills* is taught at the B.C. Institute for Studies

learn more about international trade." For Jim, the people he studied with were as important as the curriculum: "As a class we had lived in over one third of the world and spoke enough languages to set up a local branch office for the UN." Jim is now market-

FITTskills in the classroom: Learning from the trade experts — and each other

in International Trade (BCISIT). Recently, several graduates of the program made headlines in a local business newspaper: the company they had formed signed a contract to export low-cost, earthquake-proof housing to India. It was during *FITTskills* that the group had met and discovered that they had the complementary skills needed to create a new and profitable venture.

Another *FITTskills* success story is Jim Boerma, CITP, who recently completed the program. From his first course, he recognized, "I was in the right place, with the right people, to

ing manager in the B.C. division of Canadian Manufacturers and Exporters (CME) — a leading business network that seeks to improve the competitiveness of Canadian industry and expand export business.

BCISIT expects 35 students to complete the program this year. The Institute is only one of over 20 partners offering *FITTskills* courses across Canada. Check out the one near you!

The Forum for International Trade Training is a national, not-for-profit professional organization committed to developing and delivering international trade training programs and services, establishing Canada-wide standards and certification, and ensuring continuing professional development in the practice of international trade.

For more information, contact Dale Harvey, Executive Director, BCISIT, tel.: (604) 412-7686, e-mail: Dale_Harvey@bcit.ca Web site: www.bcit.ca or FITT, tel.: 1-800-561-3488 or (613) 230-3553, fax: (613) 230-6808, e-mail: corp@fitt.ca Web site: www.fitt.ca

FITT 4th Annual Conference

OTTAWA — June 3-4, 2001 — Doing business abroad? Join your fellow global traders at the Forum for International Trade Training (FITT) 4th Annual Conference. FITT is Canada's leader in international trade training and has designed a program to teach you about new trends for doing business abroad and provide you with an update on hot markets.

Canada Export Award winners Richard L'Abbé, Med-Eng Systems, and Ron Clifton, International Datacasting, will share their trade secrets on what it takes to successfully penetrate foreign markets. Trade commissioners from the

Department of Foreign Affairs and International Trade will discuss the opportunities in foreign markets. And, Donna Messer, one of Canada's most respected networking gurus, will lead an interactive session on the art of successful networking. Other presentations will focus on "Strategic Marketing," "Logistics, E-Commerce and Customs," and "Internet Tools and Technologies."

For more information, contact: tel.: (819) 827-5931 or (819) 827-5168, e-mail: conference@fitt.ca

To consult the program and to register on-line, visit www.fitt.ca/conference/2001



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Mining trade show in Peru

AREQUIPA, PERU — September 10-14, 2001 — **Extemin** is a must for any supplier seriously interested in the dynamic mining market in Peru. Part of a biannual technical symposium organized by the Institute of Mining Engineers of Peru, the 1999 show drew over 2,000 registered delegates plus more than 1,500 exhibitors, sales representatives and others. The technical papers, networking opportunities and post-convention mine tours all attract top-level technical experts and decision makers.

The centrally located Canada pavilion, organized by the Canadian Association of Mining Equipment and Services for Export (CAMESE), will offer maximum exposure in a market where Canadians are highly respected for mining investment, technology and supply. The Canadian Embassy in Peru will have a booth at the pavilion, facilitating contacts with local companies and providing market information and guidance.

To register, contact CAMESE, tel.: (905) 513-0046, fax: (905) 513-1834, e-mail: minesupply@camese.org
Web site: www.camese.org

For more information on Extemin, contact Oscar Vásquez, Canadian Embassy, Lima, tel.: (011-51-1) 444-4015, fax: (011-51-1) 444-4347, e-mail: oscar.vasquez@dfait-maeci.gc.ca or Nathalie Bradbury, South America Division, DFAIT, tel.: (613) 996-4199, fax: (613) 943-8808, e-mail: nathalie.bradbury@dfait-maeci.gc.ca
Web site: www.dfait-maeci.gc.ca/latinamerica ✪

CeBIT Information Technology and Telecommunications Trade Show

HANNOVER, GERMANY — March 22-28, 2001 — Canadian companies recently participated in **CeBIT 2001**, the world's largest and most comprehensive ICT trade show. With 8,106 exhibitors and 830,000 visitors at this year's event, CeBIT continues to grow in scope and importance.

A wide range of topics under the information technology and telecommunications umbrella were covered. More than 30 Canadian companies exhibited, including Nortel Networks, Corel Corporation, Cognos, Open Text, Matrox and ATI Technologies.

Two Canadian pavilions were organized, one focusing on software, Internet and e-commerce, and the other featuring networking technologies.

DFAIT activities at the fair included an ICT investment reception hosted by Canada's Ambassador to Germany, Marie Bernard-Meunier, a press conference on the Canadian ICT industry, and a seminar on m-commerce in Canada.

CeBIT represents an excellent opportunity to generate new business leads, build awareness and gain an overview of the worldwide ICT market. All of the major industry players attend, and the 8,000-plus exhibitors themselves represent a

significant market. This year's exhibitors awarded the show excellent marks, emphasizing the even greater attendance by professionals, as well as the increase in visitors from outside Germany.

CeBIT 2002 will take place March 13-20, 2002. The application deadline for independent exhibitors is June 30, 2001.

For more information on exhibiting at CeBIT 2002, contact Representative for Deutsche Messe AG in Canada, Co-Mar Management Services in Toronto, tel.: 1-800-727-4183 or (416) 690-0331, fax: (416) 690-1244, e-mail: comar@hfcanda.com

For more information on the German ICT market, contact Deborah Peterson, Vice-Consul and Trade Commissioner (Information Technology), Canadian Consulate, Munich, tel.: (011-49-89) 21-99-57-18, fax: (011-49-89) 21-99-57-57, e-mail: deborah.peterson@dfait-maeci.gc.ca ✪

Ecuador Oil and Power 2001

QUITO, ECUADOR — September 26-30, 2001 — **Ecuador Oil and Power** is one of the country's largest trade shows, with 250 exhibitors expected to take part this year. The focus will be on oil, gas, mining, energy and the environment — all sectors where Ecuador has significant potential.

The government has introduced new mining legislation favourable to foreign investment, and it has signed a contract with a private consortium for construction of a pipeline valued at over US\$1 billion.

Come explore the opportunities and make key contacts at **Ecuador Oil and Power**. If sufficient Canadian

companies participate, a Canada booth may be organized. Please inform the Embassy as soon as possible of your plans.

For more information, contact Richard Dubuc, Vice-Consul and Trade Program Manager, or Ricardo Valdez, Commercial Officer, Canadian Embassy, Quito, tel.: (011-593-2) 506-162, fax: (011-593-2) 503-108, e-mail: richard.dubuc@dfait-maeci.gc.ca or ricardo.valdez@dfait-maeci.gc.ca or quito@dfait-maeci.gc.ca Web site: www.infoexport.gc.ca/ec or HJ Beccach Marketing Inc. (show organizers), e-mail: hbeccach@uio.satnet.net Web site: www.feriashjbeccach.com ✪

MONTERREY and MEXICO CITY, MEXICO — July 2-5, 2001 — A Canadian suppliers mission organized by the Department of Foreign Affairs and International Trade (DFAIT), Export Development Corporation (EDC) and Industry Canada is expected to draw some 10 to 15 industry players. The aim is to solidify the business relationships initiated with the Mexican buyers invited to Plast-Ex (April 30-May 3, 2001) (www.plastex.org), which will then translate into increased business opportunities in this growing market.

Mexico is a net importer of plastics and plastic products, and the market is expected to grow by 15 percent per

Target: Mexico's plastics and packaging sector

year for the next three years. Even if local production grows by 5 percent annually during that period, equipment from abroad will still be needed.

Mexico imports over 80 percent of its plastics and packaging equipment, spending close to \$2 billion annually for this purpose. EDC has been exploring ways of expanding opportunities for Canadian exporters and investors in this sector.

For more information, contact:

- Carlos Rojas-Arbulú, Trade Com-

missioner, Mexico Division, DFAIT, tel.: (613) 995-8804, e-mail: carlos.rojas-arbulu@dfait-maeci.gc.ca

- Marie-Claude Erian, Business Development Advisor, EDC, tel.: (613) 598-2969, e-mail: merian@edc-see.ca
- Evelyne Alcalá, Commercial Officer, Canadian Embassy, Mexico City, tel.: (011-52-5) 724-7900, fax: (011-52-5) 724-7982, e-mail: evelyne.alcala@dfait-maeci.gc.ca
Web site: www.canada.org.mx ✦

Leipzig Construction Trade Fair

LEIPZIG, GERMANY — October 24-28, 2001 — Get ready for this fall's Leipzig Construction Fair ("BauFach"), one of Europe's leading building shows. Held every two years in the historic city of Leipzig at the crossroads of Europe, BauFach draws professionals from Germany and the neighbouring markets of Central and Eastern Europe.

BauFach covers the entire range of products, technologies and services involved in residential, commercial and industrial construction. Among those it attracts are building industry representatives, contractors, builders' merchants, developers, architects, engineers, public- and private-sector investors, and government planners. In addition to the exhibits, BauFach features special events and a conference program.

In 1999, Canada was the featured nation at BauFach; of the 1,512 exhibitors, 49 were Canadian. Attendance at the fair totalled 100,000. This year, interest should be at least as strong.

Europe's construction markets are emerging from a slow period and offer new opportunities. Germany alone accounts for over 25% of European construction volume, making it Europe's largest market for housing and building products. Add to that the growth potential of adjacent Central and East European markets, and you will discover that BauFach is an event to build on!

For more information, contact Leipzig Trade Fair Agency in Canada, tel.: (416) 960-0018, fax: (416) 927-0095, e-mail: DessauerCo@compuserve.com ✦

ITU Telecom Africa 2001

MIDRAND, SOUTH AFRICA — November 12-16, 2001 — Be a part of the Canadian pavilion at ITU Telecom Africa 2001, which will take place near Johannesburg. Last held in 1998, ITU Telecom Africa is the place to showcase your products and services targeting the ever-expanding African market.

ITU Telecom Africa 1998 featured more than 400 exhibitors from 38 countries and was attended by almost 20,000 visitors. Visit www.itu.int/AFRICA2001 for more details. The deadline for registration for ITU Telecom Africa 2001 is June 1.

To register or for more information, contact Danielle Pomay,

Continued on page 16 — ITU

ICT trade missions to Southeast Asia

Singapore's CommunicAsia and BroadcastAsia are among the top information and communications technology (ICT) trade shows in the Asia-Pacific region (see the March 15, 2001, issue of *CanadExport*). Canada's missions in Indonesia, Brunei, Malaysia, Vietnam, the Philippines, and Thailand are planning

ICT trade missions to be held in conjunction with these shows.

Companies interested in participating, should contact Aaron Coe, Southeast Asia Division, DFAIT, tel.: (613) 995-1189, e-mail: aaron.coe@dfait-maeci.gc.ca or visit www.dfait-maeci.gc.ca/asia/trade/south_asia_ict-e.asp ✦

"Wireless Vision Congress" — celebrating the past, shaping the future

ST. JOHN'S, NEWFOUNDLAND — September 26-28, 2001 — "It's not a trade show, it's a thinkers' congress," says John Kelly, who chairs the steering committee for the **Wireless Vision Congress** scheduled for this fall. He explains, "It's an opportunity for industry visionaries and those at the leading edge in distance education, telemedicine and other activities to explore how wireless technology can shape the global future — and to start us on the road to creating it."

Kelly and other Canadian wireless industry leaders have joined with the government of Newfoundland and Labrador to organize the three-day conference, which also has support from the federal government. The objective is to plot the future course of the industry by drawing on the insights of those who shape the technology and those who will make use of it.

St. John's is the ideal site for such a gathering because it can claim the title of the place where the global wireless revolution began. A hundred years ago, on December 12, 1901, Guglielmo Marconi of Italy and his assistants stood on Signal Hill in downtown St. John's, where they picked up a wireless signal transmitted from Cornwall, England. This was the first successful reception of a transatlantic wireless signal, and

the beginning of a new era of communications.

The **Wireless Vision Congress** is a fitting way to mark the centenary of that historic event. It will be officially opened by the inventor's grandson, Prince Guglielmo Marconi Giovanelli, at a ceremony on Signal Hill, and sessions will examine the inventor's work, especially in Canada.



Starting off the discussions will be renowned author and futurist Sir Arthur C. Clarke, who will deliver his live, wireless keynote address from his home in Sri Lanka. He will be followed by a roster of distinguished speakers from the communications and high-tech sectors in Canada and abroad. Interactive panel sessions will focus on such topics as health care and wireless communication, the digital divide, protection of cultural identity and diversity, overcoming distance in rural and remote areas, and sea-to-sky possibilities. At all sessions, delegate participation will be enhanced by the Congress's format and structure, and by wireless communication tools.

Bren Fahey is executive director of the Congress. Amidst today's non-stop technological developments, he sees the event as "a three-day pause to take stock of the future, and an opportunity to wisely inform our choices. The **Wireless Vision Congress** is bringing together the right people to assess and explore wireless technology. And it's happening in the city where an amazing step in wireless potential was realized a century ago."

The Congress is one of a year-long series of events and activities planned by the Government of Newfoundland and Labrador as part of its "Receiving the World" (www.gov.nf.ca/marconi) celebrations, commemorating Marconi's reception of the first transatlantic wireless signal in 1901.

For more information, contact **Wireless Vision Congress**, tel.: 1-866-729-4038 (toll-free in North America), fax: (709) 579-2067, e-mail: info@wirelessvision.nf.ca Web site: www.wirelessvision.nf.ca *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Conferences/Meetings/Seminars".)

ITU Telecom Africa

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DP Expos Services Inc., tel.: (514) 871-3838, e-mail: info@dpexpos.com or Karra-Lee Gerrits, Trade Commissioner, Sub-Saharan Africa Trade, DFAIT, tel.: (613) 944-6575, fax: (613) 944-7437, e-mail: karra-lee.gerrits@dfait-maeci.gc.ca *

Enquiries Service

DFAIT's Enquiries Service provides counselling, publications, and referral services to Canadian exporters. Trade-related information can be obtained by calling 1-800-267-8376 (Ottawa region: 944-4000) or by fax at (613) 996-9709; by calling the Enquiries Service FaxLink (from a fax machine) at (613) 944-4500; or by accessing the DFAIT Internet site at www.dfait-maeci.gc.ca

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Ministerial outreach tour

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International Trade Minister Pierre Pettigrew completed another round of his cross-Canada outreach tour with visits to London (Ontario), Drummondville and Montreal East (Quebec) on March 6, 8, and April 2.



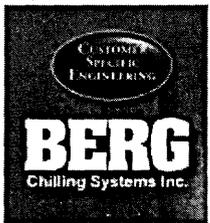
Minister Pettigrew addressing a group of exporters in Drummondville.

Beginning last year, Minister Pettigrew has led a cross-Canada tour to raise awareness, particularly in the SME community, of opportunities in inter-

national trade and to encourage more Canadian companies to export. In each city visited, the Minister has
Continued on page 13 - Ministerial

Refrigeration company's business strategies chilled to perfection

Berg Chilling Systems Inc.'s refrigeration systems are found in a vast array of industrial sectors, in all corners of the globe. In spite of such high demand, the family-run company knows that the key to success lies in enhancing its public profile. To that end, it considers the programs of the Canadian government and its private-sector partners a valuable resource. A recent exclusive distribution agreement in South Africa is, for example, the result of match-making provided by the Canadian Alliance for Business in South Africa (CABSA).



world's most technologically advanced designers, manufacturers and installers of industrial refrigeration systems. "Essentially we provide equipment to any industry that needs temperature control," explains Al Hinton, Sales Manager for the Ice, Marine, and Food-processing Technologies Division. "Refrigeration is significant to a wide array of industrial manufacturing companies and the agri-food industry."

The 100-employee company exports 65-70% of its equipment, which is installed in over 75 countries.

Participation enhances profile
Until about eight years ago, Berg Chilling was a much smaller organization than
Continued on page 2 - Berg Chilling

Created in 1972 and based in Toronto, Berg Chilling Systems is one of the



Department of Foreign Affairs and International Trade

Ministère des Affaires étrangères et du Commerce international

Canada

International Business Opportunities Centre

The International Business Opportunities Centre (IBOC) provides a matching service — connecting foreign buyers with Canadian companies. The Centre provides timely, relevant and targeted business leads from the desks of foreign buyers to the doorsteps of Canadian companies.

The following lists some of the Centre's current trade opportunities — for a wider selection, visit the Web site at www.iboc.gc.ca/webleads/webleads.asp

Canadian exporters needing assistance in preparing international bid documents may want to use the international contracts expertise and services offered by the Canadian Commercial Corporation. This Crown Corporation is located at 50 O'Connor Street, Suite 1100, Ottawa, ON K1A 0S6, tel.: (613) 996-0034, fax: (613) 995-2121.

INDIA — Power Sector Reform Project — The Uttar Pradesh Power Corporation Ltd. (UPPCL) invites sealed bids from eligible bidders for the supply of materials and equip-

ment for transmission lines and substations. This tender is divided into four separate packages as follows: 1) Build and commission of 400-kV Muzaffarnagar Substation(S/S) with

two 220-kV extension bays at the existing 220-kV Muzaffarnagar and Modipuram S/S. Closing date: July 9, 2001. Case no. 010411-01332. 2) Two 315-MVA transformers and two 630-KVA transformers; two 31.5-MVAR reactors and one 63-MVAR reactor; and 630 kL of transformer oil. Closing date: August 6, 2001. Case no. 010409-01285. 3) Circuit breakers, current transformers, potential transformers (PT), isolators, bus post insulators, surge capacitors. Closing date: August 8, 2001. Case no. 010411-01331. 4) 400-kV, 220-kV and 33-kV control and relay panels. Cost of bid documents: US\$100. Closing date: August 10, 2001. Case no. 010411-01333. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case nos. (Notice received from the Canadian High Commission in New Delhi.) *

IBOC trade opportunities — find out more at www.iboc.gc.ca

Berg Chilling Systems Inc. — Continued from page 1

it is currently. It was at that time that the company began to tap into the programs and services of what is now Team Canada Inc.

In addition to being registered in WIN Exports, Berg Chilling has participated in three Team Canada missions (to Asia-Pacific in 1997, Latin America in 1998, and China in 2001), has used the services of the Export Development Corporation (EDC), and won a Canada Export Award in 1997. It is also active in Canadian Manufacturers & Exporters (CME), the industry organization that manages CABSAs with funding from the Canadian International Development Agency's Industrial Co-operation Program (CIDA-INC).

"There's no question our increased involvement has elevated the public profile of the company," says company President Don Berggren. "It's difficult to measure the value of enhanced visibility, but our sales have definitely increased in the last five or six years. We have the network now, and we're getting it to work for us."

Match-maker, match-maker...

The company's contract in South Africa is a telling example of the value of such networking. First meeting CABSAs representatives at a Toronto luncheon for Nelson Mandela, Hinton kept in contact and was later asked if Berg Chilling was interested in pursuing the South African market.

Receiving yes for an answer, the representatives of CABSAs, whose mandate is to identify opportunities in South Africa for Canadian companies and match these companies with South African partners, set about searching for a South African company whose services and objectives complemented those of Berg Chilling.

"We were looking for a distributor and a dealer, as well as a company with manufacturing capabilities for our Ice/Berg LS Ice Maker, a system designed to have its refrigeration systems contractor-built," explains Hinton.

...find me a match

Finding such a company took several
Continued on page 7 — Berg Chilling

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CanadExport

When it comes to doing business in China, Newfield Seeds Company has done its planting in fertile soil. For 15 years, the Saskatchewan-based company has been providing the winter-hardy foraging seeds and legumes sought after in the country's northeastern provinces. Its roots already deep in Chinese soil, Newfield saw the invitation to join the recent Team Canada mission to Beijing, Shanghai and Hong Kong as a valuable opportunity to increase its profile. The mission has well nourished the company to further expand its business presence in China.

Incorporated in 1948, the 90-employee Newfield Seeds Company is the largest dry-land forage grass seed company in Canada and a leader in wholesale seed sales in the forage, legume and turf seed markets. Outside Canada, the company's largest market is the United States, followed by South America, Europe and Asia.

A wholly owned subsidiary company since 1991 of Svalof-Weibull AB of Sweden, one of the world's premier plant-breeding companies, Newfield's exporting history to China goes back to 1984 when it began exploring marketing opportunities — with the assistance of the Saskatchewan Trade and Export Partnership (STEP) — in Saskatchewan's twin province of Jilin. Annual company sales were steady but by no means spectacular — until 1998.

Canadian advantage

"In 1998, a number of market thrusts came together, and our sales took off," explains Newfield's Managing Director John Doege. The thrusts included recent droughts, leading to increased replanting and land reclamation; an expansion of dairy farming; and a trend towards the "greening" of cities. "Newfield provides for all of these needs — forage seed for land reclamation, alfalfa seed for cow feed, and turf seed for parks and lawns."

Being Canadian has given the company a competitive edge. Explains Doege: "The winter hardness of Canadian-produced seed gives us a

definite advantage, especially in the northeastern provinces, where climatic conditions are very similar to Canada's."

The invitation to join Team Canada dovetailed perfectly with the company's current plans to expand its network and presence in China. "Travelling with the Prime Minister and First

Sometimes your investment doesn't come through. You have to be patient and hang in there if you truly are focused on what you want to do."

Doege also stresses the importance of making regular visits to China to strengthen business relations. "Once you get your office set up, you have to

A nourishing Team Canada mission

Newfield Seeds

Ministers gives a higher profile to your company name, especially in a country like China," says Doege. "It was definitely an opportunity for us."

Nourishing results

It was an opportunity that has brought nourishing results. In addition to following up on numerous leads received, Newfield gained new customers. One

support your operation; you have to go to meet with your rep and your customers. I've been to China four times already this year."

Mission strengthens relations

One of those times was, of course, as a participant on the Team Canada mission. "We were able to invite some higher officials in companies we do

business with to attend special events on the mission," says Doege. "It goes a long way with a Chinese business person to be invited to attend a banquet with Canada's Prime Minister at the Great Hall of The People. You can't put a dollar figure on that, but it will certainly bring benefits in the long term."

And the "long term" is exactly what Newfield is in for. With the company's sound strategies and long-term view, the harvest is des-

tinued to be bountiful.

For more information, contact John Doege, Managing Director, Newfield Seeds, tel.: (306) 862-4678, fax: (306) 862-9505, e-mail: john.doege@swseed.se ✪

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Team Canada Success Story")



Prime Minister Jean Chrétien (left), former Saskatchewan Premier Roy Romanow and International Trade Minister Pierre Pettigrew look on at contract signing between Newfield Seeds and Inner Mongolia MengFeng Seed Company Ltd. Front row, left to right: Yang Ying-Bo, Manager, and Wang Buzai, President, MengFeng; John Doege, Managing Director, and Janet Stoner, Forage Seed Trader, Newfield Seeds.

such company approached Newfield at the end of a session on agricultural opportunities. "We've now made direct sales to that company, and future sales are in the works."

But Doege knows that those future sales may take time. As he says, the key to success in China is patience. "It takes time, resources, and some investment.

The Canadian Trade Commissioner Service (TCS) continues to listen to its clients. Here are some highlights from our second client survey. For more information on our services or for more detailed results about this survey, visit us at www.infoexport.gc.ca.

Summary of findings for services delivered during the 1999 calendar year

- almost 2,000 telephone interviews completed
- very high response rate: 80%
- overall, 78% were satisfied (either completely or somewhat), statistically the same result as in the previous survey.
- 69% are small and medium-sized enterprises (SMEs)
- all organizations, regardless of size, expressed similar experiences
- 2/3 of business clients and 3/4 of partner-clients used more than one trade office in 1999
- clients have used us for 3 years on average
- our relatively high satisfaction levels are encouraging but there is room to improve. In the next 2 years, our focus will be to increase the value that clients derive from our services.

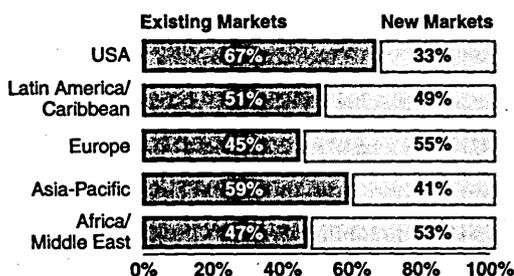
Who are our business clients?

Most business clients are from small firms.



How do clients use us?

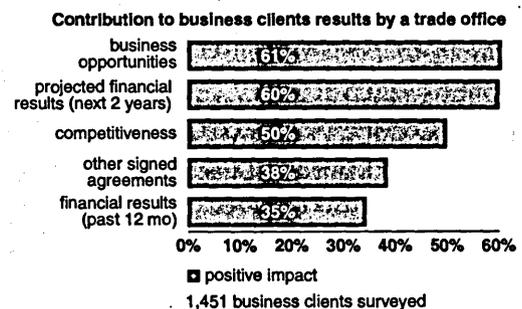
Business clients use us in existing and new markets. Of the six core services, the majority of clients used Market Prospect and Key Contacts Search.



What clients said about our services.

- 80% of business clients were satisfied with the service they received when they considered all occasions that they transacted with the TCS
- 35% felt their experience with the TCS had improved from the experience they had the previous year while 56% felt it had not changed
- 88% said their service experience was as good as or better than they expected
- 86% would recommend the service they received to associates in their organization

How do we contribute to clients' needs abroad?



What counts for you.

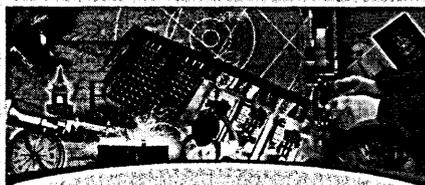
We are continuing to improve by

- concentrating on delivering core services
- improving our communications about when and how to access our services
- honouring our commitment to reply within five working days
- providing additional training for officers to learn about your business sector
- intensified training of officers on market intelligence gathering and networking skills
- bringing officers back to Canada to meet with you and learn about your business

We always welcome comments and suggestions and invite you to speak to one of our officers by calling our feedback line at 1-888-306-9991.

Trade Events in Canada 2001-2002: Talk Business with Trade Commissioners from Abroad and Explore Hundreds of Business Opportunities

With a team of 500 business professionals in more than 130 cities around the world, the Canadian Trade Commissioner Service has the market knowledge you need to succeed in foreign markets. In 2001-2002, hundreds of trade commissioners will be attending trade shows in Canada to meet Canadian companies like yours. Join them at the following trade events and explore the opportunities.



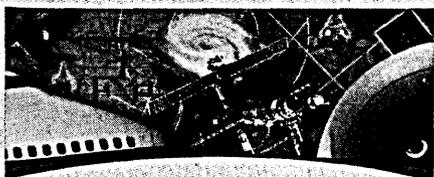
Canadian Machine Tool & Factory Automation Show

October 15-18, 2001, Toronto
Discuss the possibilities with trade commissioners operating in the Advanced Manufacturing Technologies industry.



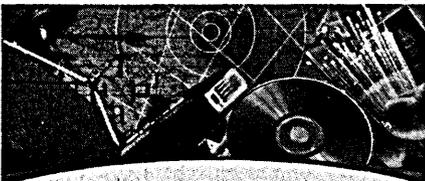
Construct Canada 2001

November 28-30, 2001, Toronto
Build business with trade commissioners and discover export opportunities in the Building Services industry at the Match-making Forum and the *Export Café*.



Aerospace Industries Association of Canada's 40th Annual Conference

Sep. 30 — Oct. 1, 2001, Toronto
Meet one-on-one with trade commissioners working in the Aerospace industry.



"Communications 2001" Trade Show and Canadian Wireless Telecommunications Association Conference

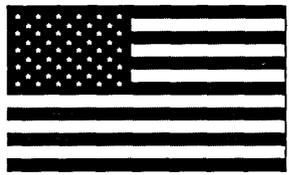
November 6-8, 2001, Toronto
Network with trade commissioners and learn about export opportunities in the Information and Communications industry at the *Export Café*.



Globe 2002

March 13-15, 2002, Vancouver
Connect with trade commissioners and find business opportunities in the Environmental Industries at the *Export Café* and through one-on-one meetings.

Keep an eye on our Web site for updates on the 2001-2002 trade show scene. Visit www.infoexport.gc.ca for more information or e-mail us at infoexport@dfait-maeci.gc.ca



The U.S. Connection

The U.S. Connection is produced in co-operation with DFAIT's U.S. Business Development Division (URT). For information about articles on this page, contact URT by fax at (613) 944-9119 or e-mail at commerce@dfait-maeci.gc.ca. For all other export enquiries, call the Team Canada Inc Export Info Service toll-free at 1-888-811-1119.

Women's Apparel Rep Locator in Chicago

A mission that makes its target

"A few years back," says Ann Rosen of the Canadian Consulate General in Chicago (www.canadachicago.net), "I'd approach people in the fashion business here and they didn't know where Canada was. Now the sales reps are chasing me, they're calling me: 'I want a Canadian line, can you help me?'" Canada has made a dramatic breakthrough in this lucrative, highly competitive sector, and much of the credit must go to the annual Apparel Rep Locator Trade Mission organized by the Consulate General.

This past March, eight Canadian women's apparel manufacturers participated in the third Rep Locator. All of them are now poised to sell to the U.S. Midwest market and beyond.

The program

The mission took place during StyleMax, the women's wear trade show, where representatives of the major clothing lines exhibit their wares. This was a perfect opportunity for mission participants to get to know the reps and their lines.

The Locator had three components:

- A half-day educational session provided an introduction for Canadian
- new-to-market apparel manufacturers. Industry experts and successful reps spoke on topics such as the reps' perspective on the fashion market, what retailers need to know
- Second, each participant in the mission had the opportunity to exhibit

at StyleMax. Traffic was brisk at the Canadian Pavilion at the show. Mission participants could also roam the over 900 booths to get to know reps.

- Last was the Canadian Showcase, co-hosted by the Consulate General and the Quebec Trade Delegation. This reception promoted Canadian fashion and enabled Canadian manufacturers to meet the more than 200 local reps and buyers invited to attend the event.

The participants' view

Pat Robinson is president of Toronto-based Henry John Sleepwear. "Going



From left to right: Eric Gonen, ArtexFashions Inc.; Sonia Chnorjoukian, Les Modes Tone-O-Tone, Inc.; Way Zen, JSong Apparel, Inc.; Louise Gogarty, I.N.C. Design Studio; Celia Marcus, Les Modes Tone-O-Tone, Inc.; Pat Robinson, Henry John Sleepwear; Astrid Gjerlaug, Scandi Fashions; Ann F. Rosen, Canadian Consulate General, Chicago; Marc Beaulieu, Holiday Maillots.

south to sell makes sense," she says, "because of the proximity and the dollar advantage. Chicago seemed a good starting point. I had heard about StyleMax and was thinking of renting a booth, so I called up the Consulate for information and they told me about the mission. It fit right

Continued on page 7

Check the Business Section of the Canada-U.S. Relations Web site at www.can-am.gc.ca ... for valuable information on doing business in and with the United States.

in with my plans." Says Astrid Gjerlaug of Alberta-based Scandi Fashions, producer of outerwear, "I wanted to export to the States — I think I'm ready for it, especially since we're only about 45 minutes from the border — so it seemed like the right thing to do."

Participants had one top priority: to find suitable representation for their products in the Midwest. They achieved that aim one hundred percent, says Ann Rosen: "Everyone who came left with either a rep or firm rep contacts." Scandi, for example, lined up two reps. "We've sent them samples and they are getting ready to do shows," says Astrid Gjerlaug. "We've been in contact almost every day. If things materialize as they say, we'll be very busy." Henry John also chose a rep but, equally important, says Pat Robinson, "I wanted to see the reaction to my product. I found that buyers responded very positively to what I had to show them" — so positively, in fact, that she sold close to US\$5,000 worth of merchandise to three U.S. retailers at StyleMax.

Based in Richmond Hill, Ontario, JSong Apparel has already taken major steps along the export route: it's about to open an office in New York. Even so, director Way Zen found the Apparel Rep Locator very helpful. This was her first government-organized trade mission, she says: "I wrote some orders at the show and have been approached by several reps. They

really like Canadian products. I also learned a great deal from the seminar. The Consulate gave us a lot of assistance that we hadn't looked for."

Pat Robinson agrees: "It was quite amazing to have that level of support. Plus there were benefits I hadn't counted on: I learned from the other participants. I found out about the market in Chicago and the States in general. All of this was more than I'd expected."

In every case, participants were delighted with local reps' interest in their product lines. This year they estimate that their sales to the Midwest could be worth US\$500,000. And as a bonus, they sold \$10,000 worth of merchandise to retailers and buyers at StyleMax itself.

More broadly, the mission raised the profile of Canadian apparel manufacturers. Reps at the Canadian Showcase were impressed with the quality, colours and uniqueness of exhibiting lines. Women's Wear Daily — the most widely circulated and most read fashion publication in North America — has offered to write an article on the mission and Canadian fashion in general.

Recipe for success

"If I'd done it on my own," says Pat Robinson, "it wouldn't have worked

out nearly as well." Astrid Gjerlaug echoes her words: "Instead of working one on one, we got to see everybody at once. And as a group we looked good. We showed up well and attracted more attention. On my own it would have been much harder."

Participants are unanimous in praising the organizers of the mission. But Ann Rosen emphasizes another factor in its success: "These businesses had unique, well-priced, good-quality products, and they had done their homework."

She's already planning a repeat of the event next year, and competition could be keen to take part. Way Zen says, "There's a lot of potential for Canadian producers. It's a matter of reaching the buyers." That's where the Apparel Rep Locator steps in — a mission that is right on target.

For more information, contact Ann F. Rosen, Business Development Officer, Canadian Consulate General, Chicago, tel.: (312) 616-1870, ext. 3357, fax: (312) 616-1878, e-mail: ann.rosen@dfait-maeci.gc.ca Web site: www.canadachicago.net or Holly Inoshita, tel.: (312) 327-3629, fax: (312) 616-1878, e-mail: holly.inoshita@dfait-maeci.gc.ca ✦

DOING BUSINESS WITH THE U.S. FEDERAL GOVERNMENT?

Find out more from the Canadian Embassy in Washington, D.C. (www.canadianembassy.org) under "Business Opportunities: U.S. Government Procurement."

Log onto opportunities via the General Services Administration (www.gsa.gov), which facilitates purchases by the U.S. government — the world's largest consumer — and the Electronic Posting System site (www.eps.gov).

When you're ready to pursue these opportunities, the Canadian Commercial Corporation (www.ccc.ca) can assist you with the interpretation of the U.S. procurement system or ensure that as a Canadian company, you are eligible to participate.

Berg Chilling Systems Inc. — Continued from page 2

match-making attempts, but six months ago CABSAs brought Berg Chilling together with Cape Cooling SA, a refrigeration company based in Cape Town. An agreement, for the exclusive marketing and distribution of Berg products in South Africa, as well as an option to build components for the LS system, was signed in late 2000. "The company has already hired people to promote Berg products."

Ice-solid advice

Hinton strongly recommends that other exporters take advantage of CABSAs and other programs. "The resources are there and they will help," says Hinton. "And in many cases they don't cost you anything."

Berg Chilling, which has an over-

seas office in Beijing, China, and several sales offices in the U.S., also makes use of the services of Canada's trade officers abroad. "They can help you sort through cultural issues, language issues and other barriers to exporting."

With sales between Berg and sister company Mould-Tek Industries Inc. approaching \$40 million annually, it's clear that Berggren has his company's strategies chilled to perfection.

For more information, contact Al Hinton, Sales Manager, tel.: (416) 755-2221, fax: (416) 755-3874, e-mail: sales@berg-group.com Web site: www.berg-group.com ✦

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Sharing Trade Secrets.")

Optech Inc.'s customers are accustomed to the unknown. The largely commercial companies, located around the world, map land and underwater terrain. But when it comes to equipment and contracts, Optech's customers want certainty, and

describing CCC and its service of contract performance guarantee," says Doug Houston, Vice-President Operations, at Optech. "We find it usually generates the appropriate benefit — the customer gets the security, and we get the contract."

For Optech, CCC helps take the unknown out

Mapping Business

they're getting it. Using the Canadian Commercial Corporation's (CCC) prime contracting services, the developer of laser-based ranging and detection systems is giving its customers a guarantee of contract performance — not to mention superior equipment — that is taking one unknown, anyway, out of the mapping business. That assurance has meant recent repeat business in Japan.

Established in 1974, Optech specializes in the development of equipment for terrestrial, marine and, most recently, atmospheric survey using laser radar (lidar). Lidar, which stands for Light Detection and Ranging, works much like ordinary radar except that the signals sent out are narrow beams of light, rather than radio waves. The digital elevation data acquired are as accurate as those obtained by global positioning systems (GPS) but thousands of times faster.

Exports make up 80–90% of Optech's sales. Its airborne laser terrain mappers (ALTM) are used just about everywhere in the world, including North, South and Central America, Europe and Australia. Its Scanning Hydrographic Operational Airborne Laser Survey (SHOALS) system, used to profile underwater terrain and coastline topography, was developed in the early 1990s for the U.S. Army Corps of Engineers. That contract, and many others, have used CCC as prime contractor.

CCC provides security

"In our early discussions with potential clients, we make a point of

In April of this year, Optech signed a contract with Itochu Aviation, Inc., a large trading house in Japan's aviation field, to develop a new SHOALS system whose ultimate end-user will be the Japanese Coast Guard. At \$10 million, the contract is among Optech's largest ever and its largest with Itochu, with whom it has been doing business — through CCC — for the past four years.



The aircraft in which the SHOALS system is installed.

Customer peace of mind

"All of the transactions with Itochu have been buyer-driven," explains CCC Account Executive Michel Fairfield. "Initially, the customer was looking for the security we could provide. By now they know the company very well, know that Optech will come through, but they still want to go through CCC. We have a proven track record, and our guarantee of performance gives them peace of mind."

Houston agrees, adding: "We've followed the same process on all of our orders. If once something works, you don't change it."

Myriad other benefits

Optech has also benefited from CCC's prior experience in contract

SHAPING TRADE SOLUTIONS FOR OUR EXPORTERS



Canadian Commercial Corporation

The Canadian Commercial Corporation (CCC) is an export sales agency of the Government of Canada providing special access to the U.S. defence and aerospace markets and specializing in sales to foreign governments.

Canadian exporters can gain greater access to government and other markets, as well as a competitive advantage, through CCC's contracting expertise and unique government-backed guarantee of contract performance.

CCC can facilitate export sales that often result in the waiving of performance bonds, advanced payment arrangements and generally better project terms.

When requested, CCC acts as prime contractor for government-to-government transactions and provides access to pre-shipment export financing from commercial sources.

For more information, contact CCC, tel.: (613) 996-0034, toll-free in Canada: (800) 748-8191, fax: (613) 947-3903, e-mail: info@ccc.ca Web site: www.ccc.ca

negotiations. "They've helped make sure we put in the appropriate clauses to protect ourselves as much as possible," explains Houston.

In addition, the company is discovering that CCC can help it penetrate new markets. Optech has also begun discussions with prospective clients in other Asian countries beside Japan. "I suspect it may be advantageous to have CCC involved," says Houston, in astute understatement.

For its part, CCC is very happy to keep working with the company. "Given their strong financial and technical background, it's never a problem for us to get involved," says Fairfield. "And they keep coming back to us for repeat business."

That, as he notes, says it all.

For more information, contact Doug Houston, Vice-President Operations, tel.: (416) 661-5904, fax: (416) 661-4168, e-mail: doug@optech.on.ca Web site: www.optech.on.ca *

Canadian companies in the environmental sector will have ten days to promote and market their technologies, products and services as part of the Canadian Environmental Mission to Seoul, Beijing, Guangzhou and Hong Kong from June 9 to 19, 2001.

amount slated to build 600 environmental facilities. Korea currently has less than half of the sewage treatment plants it needs and only 10% of the required waste incineration plants.

The Ministry of Environment (MOE) ranks water quality — 50% of the MOE

high on the Chinese list of environmental concerns. While China does have some strong companies, most of these are small and lack current technology.

China is often regarded as a set of regional markets, with certain regions

Going to Seoul, Beijing, Guangzhou and Hong Kong

Canadian environmental mission

Building on the recent, highly successful Team Canada Trade Mission to China and Hong Kong, the Canadian government is continuing to target this vast Asian market. Asia presently holds an estimated 20% of the world's \$800 billion environmental market — and this huge demand is expected to grow by 17% each year until 2010.

This year's mission, a joint effort by Environment Canada and DFAIT, will be led by Don Fast, Regional Director General for the Pacific and Yukon Region of Environment Canada. Over the ten days, participants will be offered a unique opportunity to showcase and market their innovative environmental technologies and services. The comprehensive program will include market briefings, high-level networking sessions with officials from all levels of government, as well as site visits. Expert staff from the local Canadian embassies and missions will be available to help delegates arrange the all-important bilateral meetings with buyers, business leaders, design and research institutes, senior government officials and representatives of funding institutions. Delegates will also be invited to showcase their wares as part of the Canadian exhibits at the two largest environmental exhibitions in Asia, ENVEX 2001 (www.epa.or.kr/htm/eng/envexmain.htm) in Seoul (June 11–14) and CIEPEC 2001 (www.zhb.gov.cn/english/CIEPEC2001/index.htm) in Beijing (June 12–15).

Korea's environmental market

By 2005, the Korean government plans to spend \$98 billion on the environment, with almost half of that

budget — as the highest priority, followed by solid waste management and air quality. The water quality issue has become especially critical with the deterioration of drinking water sources for some major cities, including Seoul. The problem of solid waste management is growing more pressing as well, with existing land-fill sites filling up. Volatile organic compounds (VOCs) and urban ozone are the main air-quality concerns.

The Korean market therefore offers good opportunities for Canadian suppliers of advanced water treatment technologies, with water recycling expected to be in high demand in the future. Canadian suppliers of high-tech components can best penetrate this market through alliances with local manufacturers for final assembly.

For more information, visit www.dfait-maeci.gc.ca/asia/country/south_korea-e.asp

China's environmental market

China has paid a heavy environmental price for two decades of rapid economic growth, urbanization and industrialization. The Chinese environmental market, predicted to reach approximately \$10 billion this year, holds significant potential for Canadian environmental companies.

Only 20% of China's medium-to-large cities have municipal wastewater plants, making sewage treatment a top priority. Solid waste treatment, carbon dioxide and nitrogen oxide emissions, automotive exhaust, and environmental monitoring are also



offering more opportunities for Canadian firms. The Chinese government is focusing its environmental efforts on Beijing, the national capital and a candidate host city for the 2008 Olympics. Meanwhile, Southern China and Shanghai, China's most

rapidly developing areas, are also confronting serious environmental challenges.

Their relative wealth, however, enables these regions to direct more resources towards solving the problems. In 1997,

Guangdong province in Southern China led the way in environmental protection with the Clean Water Program and Shanghai has recently announced plans to spend 3% of its GDP to fight pollution.

For more information, visit www.dfait-maeci.gc.ca/china/menu-e.asp

Environmental mission details

Cost to participate per person: \$1700. Companies may be eligible for financial assistance through the Program for Export Market Development (PEMD). For application forms and eligibility information, visit the PEMD Web site at www.infoexport.gc.ca/pemd/menu-e.asp

For more information, or to receive a recruitment package, contact Larry Funnell, Manager, Intergovernmental and International Affairs, Environment Canada, tel.: (604) 664-4008, e-mail: larry.funnell@ec.gc.ca or Marcel Belec, Trade Commissioner, China and Mongolia Division, DFAIT, tel.: (613) 995-6962, e-mail: marcel.belec@dfait-maeci.gc.ca *

In 1999, France imported 860,976 tonnes of seafood products, valued at 3 billion euros (\$4.23 billion). Today, because of the depletion of fish stocks in coastal waters, the French catch has fallen below the 820,000 tonnes estimated for 1998, the last year for which statistics are available, which is insufficient

Distribution networks

Fresh fish and seafood products — Supermarket sales of fresh seafood products account for some 65% of the market.

1. Fresh fish

The main species purchased are salmon, Atlantic cod, whiting, sole, pollock, trout, monk fish and ling, sold

Quick Frozen (IQF) filets, breaded fish and cooked fish in sauce. The market for frozen lobster and crawfish is stable but seasonal, while the market for shrimp is more sustained.

Tinned products — The French market for tinned products is made up primarily of tuna, sardines and

The French seafood market

to meet the demand for quantity, or quality. France's population of 60 million consume an average of 25.4 kg of seafood products each year, making France one of the European Union's most attractive markets.

Market data

Seafood production — France produces some 820,000 tonnes of products extracted or derived from the sea, lakes and rivers, including 380,000 tonnes of fresh fish, 270,000 tonnes of aquaculture products (mussels, oysters, sea-cage-farming and inland fish-culture products) and 170,000 tonnes of frozen fish.

Imports of seafood products — Shrimp is the leading seafood import, with a value of 472 million euros, 77% of which is warm-water shrimp and 23% cold-water shrimp. Among fish imports, salmon leads the way with a value of 450 million euros, including 335 million for fresh whole salmon, followed by tuna (9%), Atlantic cod (7%), scallop (4%), lobster and crawfish (3%) and Alaska pollock (3%). France imports many other species of marine fish because of insufficient local production, including saithe, hake, sole, sea bass, monk fish and freshwater fish.

Exports of seafood products — France exports mainly frozen and tinned tuna, as well as processed products (smoked salmon).

either whole or as steaks and filets. Sales were relatively stable in the past, but since the fall of 2000 when France was hit by several health crises involving beef, they have picked up and prices have been steady.



2. Fresh crustaceans

The French market features fresh-cooked cultivated shrimp, prawn, crab and lobster/crawfish. These species are sensitive to selling prices, with price increases leading to decreases in volume.

3. Fresh cephalopods and shellfish

The main species consumed are mussels, oysters and scallops, with half of the oyster consumption taking place during the year-end holiday season.

Processed seafood products — These include catering and smoked/cured products (smoked, salt-cured and dried).

Supermarkets account for more than 90% of these products' sales, which continue to show promising growth. The largest markets are for smoked salmon and fresh surimi. The market for salt cod is subject to seasonal variations, while the market for smoked herring in brine is more stable.

Frozen products — There has been an increase in world prices for Atlantic cod. The main products are Individually

mackerel, with supermarkets accounting for over 90% of sales.

Relative size of distribution networks — Supermarkets account for some 60% of all sales of aquatic products (seafood and freshwater fish products), followed by the *restauration hors foyer* (RHF) [eating out] sector with 26%, and traditional networks (fish markets) with 14%.

According to a survey conducted by GIRA SIC of 9,000 independent, chain and institutional (e.g. school cafeteria) restaurants, consumption of aquatic products by the RHF sector totalled nearly 200,000 tonnes in 1998 for a value of 1.1 billion euros, with fresh fish leading the way (33%), followed by frozen fish (25%) and shellfish (18%).

Per-meal consumption of aquatic products is higher for people who eat out than for those who eat in. Indeed, meals eaten in restaurants account for only 16% of all meals consumed by the French but account for 26% of the sales volume of aquatic products. However, these purchases are mainly of fresh and frozen seafood products, while tinned, cured/smoked and catering products are less popular. Sales of aquatic products account for some 10% of the value of RHF food product sales. Fresh products account for 61% of this, the same as for all RHF food products. However, the share constituted by frozen aquatic products

Continued on page 11

is much higher, in relation to the other product groupings, while the tinned products share is very low.

Canadian opportunities in France

In 1999, France imported 44.2 million euros (\$62 million) worth of seafood products, or about 1.5% of French seafood imports, from Canada (source: Eurostat).

Lobster (live or frozen) is by far the leading seafood product imported from Canada, which supplies about a third of the French live lobster market and almost all of the French frozen lobster market. Live lobster is eaten mainly during the year-end holiday season, although a second high season is developing in the April-May period. The Canadian Embassy in Paris is trying to promote springtime lobster consumption in order to de-seasonalize sales. Frozen lobster sales feature lobster frozen in brine and in dry ice, as well as lobster meat and by-products, such as tomalley or lobster coral.

In terms of shellfish, the other main products are frozen crab meat and frozen scallops. Snow crab meat is very popular in France, but other species of crab are also marketed. Deep-sea scallops are popular for their large size. There is a market for roe-on deep-sea scallops, provided that they are whole and the scallops are well-scrubbed. Thanks to a tariff quota, frozen cold-water shrimp enjoy reduced customs duties. Live mussels can be exported from Canada during the off-peak production season in Europe (April-June).

Popular species of frozen fish include burbot tails, skate wings and saumonette (filets of certain species of shark), as well as salmon filets. Because the North Sea herring catch has dwindled, herring filets are highly prized. The salmon market has been dominated for several years by Norwegian products, and Canadian exports of frozen salmon are minimal.

Canadian freshwater fish, including pike and pike-perch (frozen whole, filets or meat), have long been very popular on the French market.

The market for salt cod and dried cod is very seasonal (Lent). There is a very large market for frozen fish blocks (Atlantic cod and Alaska pollock), but because of a lack of resources, Canada does not export these products to France.

Efforts have been made to expand shipments of fresh fish (burbot tails, skate wings, saumonette, Atlantic halibut), with mixed results.

In terms of processed products, there may be some opportunity for cold-smoked salmon in France. There is also a large market for lumpfish roe, but most of this product is canned in Europe.

Regulatory requirements

Canadian establishments wishing to export frozen products or fresh fish and crustaceans to the European Union must appear on the list of approved establishments pursuant to Decision 93/495. This list can be found on the Canadian Food Inspection Agency (CFIA) (www.cfia-acia.agr.ca/) Web site. For live molluscs, an agreement with France according to the terms of Directive 91/492 provides for another list, also posted on the CFIA site. Products must be accompanied by an EU certificate.

The requirements concerning labelling of crates and products for sale to consumers can be complex. We recommend that exporters seek advice from trade commissioners or their importers prior to any shipment.

Customs duties

While enjoying reduced customs duties under the World Trade Organization, Canadian seafood products entering the European Union can be subject to customs duties as high as 22% of the value of the product, this at a time when many competitor nations are benefiting from preferential agreements. There are tariff quotas for several products, including cold-water shrimp and herring filets.

Importers

Depending on the product, the leading French importer can be a fresh seafood product wholesaler, a frozen

product broker, a retail distribution chain or a distributor specializing in the RHF sector (restaurants, cafeterias). The Canadian Embassy maintains contact lists of importers.

Information sources

For several years, the European Seafood Exposition, the main trade show in this sector, has been held each April at the Brussels Exhibition Centre (Heysel) in Belgium. Web site: www.euroseafood.com

The exposition is organized by Diversified Business Communications, the organizers of the Boston Seafood Show. Tel.: (1-207) 842-5599, fax: (1-207) 842-5505, e-mail: food@divcom.com

To help Canadian companies export to France, the Canadian government has posted useful information on its Web site: www.infoexport.gc.ca

For more information, contact Yannick Dheilly, Commercial Officer, Canadian Embassy, Paris, tel.: (011-33-1) 4443 2361, fax: (011-33-1) 4443 2998, e-mail: yannick.dheilly@dfait-maeci.gc.ca Web site: www.amb-canada.fr *



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WIN EXPORTS

In March 2001, the Trade Team for Electric Power Equipment and Services — including Industry Canada, the Department of Foreign Affairs and International Trade (DFAIT), and the Canadian Embassy in Tokyo — organized an incoming Japanese electricity delegation to Montreal, Toronto, and Vancouver. The program presented to Canadian participants included presentations by 45 Canadian firms, networking sessions, procurement seminars and site visits to each city.

Successful stops in Montreal, Toronto, Vancouver

Japanese Electricity Mission 2001

The large mission, which brought 20 senior procurement managers from seven of Japan's major electric utilities and one engineering firm to Canada, was designed to link Japanese companies with Canada's electric power capabilities; to promote Canada as a provider of non-fuel power, especially in the high-technology areas; and to exchange information and views on the procurement process, including supply chain management and the use of e-commerce.

Company presentations

Most of the Canadian participants were small-to-medium-enterprises (SMEs) providing high-technology products and services in the areas of power generation, transmission and distribution. The Canadian firms were each allotted up to 20 minutes to deliver promotional presentations showcasing their capabilities to the Japanese.

Procurement seminars

Following the company presentations and networking luncheons in each city, Hydro Quebec, Ontario Power Generation (OPG), Tokyo Electric Power Company and the Electrical Power Development Company (EPDC) of Japan led seminars focusing on procurement issues. These organizations offered valuable insight into their procurement practices, especially in relation to the changing market

structures in their respective countries. Emphasis was placed on reducing costs, improving efficiency, and, in OPG's case, using e-commerce to achieve these objectives.



Site visits

Site visits to Hydro Quebec and GE Hydro (Montreal), Babcock and Wilcox (Cambridge), OPG's Sir Adam Beck Power Stations (Niagara), and Powertech Labs (Surrey) demonstrated Canadian technology in a number of areas, including state-of-the-art control centres, hydraulic turbine manufacturing facilities, nuclear steam generators, innovative Grain Boundary Engineering capabilities, nanocrystalline materials development, spent-fuel dry storage containers, new electrosleeving technologies, high-voltage technologies, fuel cells and portable polychlorinated biphenyl (PCB) destruction equipment.

Mission accomplished

Given Japan's partial market liberalization, the timing of the mission could not have been better. The high-level participation from both Japanese

utilities and Canadian industry was a reflection of the changing market structures in Japan. Indeed, the event was more successful than participants from either country expected and this suggests that Canadian firms will have many opportunities to help Japanese power generators become more competitive in an open market.

A senior manager from EPDC put it this way: "To be honest, we weren't too keen on the visit at first because we were reasonably certain that efforts at international procurement in the past had already singled out the foreign suppliers that were relevant to our immediate procurement activities. So we were pleasantly surprised to discover that many Canadian companies offer solutions and services that are unique."

Business programs such as this provide an excellent opportunity for Canadian companies to explore business opportunities and market their capabilities. In particular, this mission also allowed government officers to meet with a number of innovative and highly qualified Canadian exporters, many of them SMEs.

To learn about future activities in the power sector, visit Trade Team Canada's Web site for Electric Power Equipment and Services <http://napoleon.ic.gc.ca/ttcelectrical>

For more information, contact Stuart Fee, Manufacturing and Processing Technologies Branch, Industry Canada, tel.: (613) 954-5446, e-mail: fee.stuart@ic.gc.ca or Eric Laverdure, Japan Division, DFAIT, tel.: (613) 995-1678, e-mail: eric.laverdure@dfait-maeci.gc.ca *

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spoken to business audiences about the benefits of trade for their region and how the federal government, and, more specifically, the Trade Commissioner Service, can help exporters.

In addition to speaking to local media and industry groups in each of the cities, the Minister has partici-

the Minister for International Trade, Mr. Pettigrew met with MBA students at the University of Western Ontario (Richard Ivey School of Business), where students had the opportunity to ask questions on the proposed Free Trade Area of the Americas (FTAA), Canada's role in the WTO, and market access priorities.

conversion of top-quality coated abrasives. From a small concern started in a garage, the company has expanded and now exports about 20% of its products, employs 22 people and has its own research and development department.

To date, the Minister has visited Montreal (April 14, 2000); Winnipeg

Ministerial outreach tour

pated in export seminars bringing together local exporters with trade commissioners drawn from the 135 Canadian trade offices abroad.

In Drummondville, the events were organized by the Corporation de développement international Centre-du-Québec and Fondel

(April 17, 2000); Calgary (April 18, 2000); Vancouver (April 19, 2000); Sherbrooke (April 26, 2000); Mississauga and Toronto (April 27, 2000); St. John's (May 23, 2000); Quebec City (May 24, 2000); London (March 6, 2001); Drummondville (March 8, 2001) and Montreal East (April 2, 2001).

Officials from the Department of Foreign Affairs and International Trade are planning a number of visits to regions across Canada to meet with local partner-clients (which include other federal, provincial and local governments, and bilateral business and industry associations such as local Chambers of Commerce and educational and research institutions) to brief them on the range of services offered to business clients by Canadian trade offices abroad.

Interested partner-clients may contact Trudy Adams, Ministerial Outreach Co-ordinator, Trade Commissioner Service, DFAIT, tel.: (613) 996-2274, fax: (613) 996-1225, e-mail: trudy.adams@dfait-maeci.gc.ca *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Trade News".)



Minister Pettigrew with trade commissioners from Canada's trade offices abroad (from the left): Ralph Reich, Consulate General of Canada in Detroit; Fabian Stewart, the Canadian High Commission in Jamaica; Kathryn Burkell, Consulate General of Canada in Seattle; Pat O'Brien, Member of Parliament (London-Fanshawe) and Parliamentary Secretary to the Minister for International Trade; International Trade Minister Pierre Pettigrew; Roger Ferland, Director General, Overseas Programs and Services; Kevin Sinnott, Consulate of Canada in Monterrey, Mexico.

In March and April, Minister Pettigrew was accompanied by Roger Ferland, Director General, Overseas Programs and Services, and by trade commissioners from Canadian Embassies and Consulates in the Caribbean, Latin America and the United States. The export seminars focused on opportunities in the Americas.

The London seminar and luncheon were hosted by the London Economic Development Corporation. Accompanied by Pat O'Brien (MP London-Fanshawe), Parliamentary Secretary to

Drummond, in collaboration with Canada Economic Development, while the Montreal East activities were organized by the Chambre de commerce et d'industrie de l'Est de l'île de Montréal.

On March 8, International Women's Day, Suzanne Goupil, President of Abrafab Inc., a Canadian leader in the abrasive specialties field, led the Minister on a tour of the Drummondville manufacturing facility. In 1985, Suzanne Goupil and her family founded Abrafab Inc., a company specializing in the

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Asia Pacific Business Network

In early April, the Asia Pacific Foundation of Canada (APF Canada) launched a powerful new business intelligence vehicle: the Asia Pacific Business Network (APBN). This will give a competitive edge to Canadian companies doing business in the Pacific.

The umbrella network combines the research and analysis capabilities of the Foundation with direct access to three existing business networks: the Pacific Basin Economic Council, the Pacific Economic Co-operation Council and the APEC Business Advisory Council.

APBN provides insight into trade and investment issues, plus unique

access to the Asia Pacific economic policy process in Canada and at the international level. It also expands networking among senior Canadian executives and their Asia Pacific counterparts.

An independent, not-for-profit organization, APF Canada is Canada's only national think tank on Asia and Canada-Asia relations.

For more information, contact Yuen Pau Woo, Asia Pacific Foundation of Canada, tel.: (604) 684-5986, ext. 1240, fax: (604) 681-1370, e-mail: yuenpau.woo@apfc.apfnet.org Web site: www.asiapacific.ca *

2001 Canadian Awards for International Co-operation

Canadian Manufacturers & Exporters (CME) is proud to announce the call for applications for the 10th Annual Canadian Awards for International Co-operation. Supported by CIDA, the Awards program recognizes private-sector organizations or NGOs with outstanding achievements in promoting sustainable economic growth and social progress in countries of the Third World or of Central and Eastern Europe.

This year, award applications are invited in eight categories:

- improvement of physical or social infrastructure;
- advancement of technical capabilities or co-operation in research and development;
- sustainable development of natural resources or protection of the environment;
- provision of transportation equipment, transportation services or other capital equipment to promote the development of a sustainable industrial base;
- gender equality achievement;
- successful international youth internship programs;

- effectiveness in communicating development issues; and
- demonstration of corporate social, ethical and environmental performance.

Apply to join the ranks of world-class Canadian organizations honoured for their work in developing nations and countries in transition! The application deadline is **September 10, 2001**.

The prestigious awards will be presented by the Minister for International Co-operation at a gala dinner in Winnipeg, Manitoba, on **November 15, 2001**, during the regional International Development Days event hosted jointly by CIDA and CME.

For an application form or more information, contact Treena Adhikari, Business Development Co-ordinator, Canadian Manufacturers & Exporters, tel.: (905) 568-8300, ext. 249, fax: (905) 568-8330, e-mail: treena.adhikari@cme-mec.ca Web site: www.cme-mec.ca

Canada's leading business network, CME seeks to continuously improve the competitiveness of Canadian industry and expand export business. *

NOMINATE A DESERVING WOMAN ENTREPRENEUR!

For ten years, the Canadian Woman Entrepreneur of the Year Awards (CWEYA) — an initiative of the Rotman School of Management (University of Toronto) — have been celebrating the achievements of women entrepreneurs.

The 2001 CWEYA are presented by the Bank of Montreal in partnership with the National Post, Women's Television Network (WTN), Ford Motor Company of Canada, Export Development Corporation, Chatelaine and Châtelaine Magazines and supported by Deloitte and Touche, Cassels Brock & Blackwell LLP, James Ireland Design Inc., Industry Canada and Tiffany & Co.

Help spread the word about deserving women entrepreneurs by thinking about your business networks — your partners, suppliers, clients, customers and friends — and taking a moment to fill out a nomination form at www.cweya.com The 2001 CWEYA call for nominations ends **June 15, 2001**, and applications from nominees will be accepted until **July 9, 2001**.

A team of national judges, themselves successful businesswomen, will select entrepreneurs to receive the following awards: Impact on Local Economy Award, Export Award, Innovation Award, Start-Up Award and Lifetime Achievement Award.

Award recipients will be confirmed by **September 7, 2001**, and invited to attend an awards dinner in Toronto on **November 22, 2001**. Tiffany & Co. has designed and created the 18-karat gold brooch to be presented to each award recipient.

This is a great opportunity for Canada to recognize women entrepreneurs who, through their vision, achievements and courage, have contributed to the growth and strengthening of our economy.

For more information, contact 2001 Rotman Canadian Woman Entrepreneur of the Year Awards, tel: (416) 923-1688, toll free: 1-800-354-3303, fax: (416) 923-2862, e-mail: awards@cweya.com *

DAKAR, SENEGAL — December 4-8, 2001 — Senegal will host the first Salon International de l'Eau (International Water Exhibition) late this year. This high-profile event is an ideal venue for trade promotion, interaction and technology exchange between businesses, professionals and decision makers in the various branches of the water sector.

Africa is in the grip of a severe water crisis — especially the countries of the Sahel, which face major shortages because of steadily decreasing rainfall, declining water resource levels and under-utilization of water retention methods.

The Salon seeks to provide a modern forum specifically for:

- promoting new technologies in the water sector, and in water use in general;

International Water Exhibition in Senegal

- expanding exchanges and relationships between African businesses and their foreign counterparts;
- promoting investment in the various water sectors; and
- co-operating and sharing experiences in water-related fields.

On the program:

- an exhibition of capital goods, materials, products and services from all water sectors;
- an international symposium with a focus on the major concerns of African countries with regard to water control and use; and
- establishment of an organized

framework for business contacts to promote business, technical and financial partnerships among the participants.

For more information, contact Modou MBaye, General Manager, Hydro-techniques, tel./fax: (011-221) 821-6609 or (011-221) 821-9022, e-mail: duboisjeanclaude@aol.com

Please copy your message to Natou Thiam, Senior Commercial Officer, Canadian Embassy, Dakar, tel.: (011-221) 823-9290, fax: (011-221) 823-8961, e-mail: natou.thiam@dfait-maeci.gc.ca Web site: www.infoexport.gc.ca/sn *

Grenier, Advisor, World Trade Centre Montréal, tel.: (514) 849-8199 or 1-877-590-4040 (toll-free in Canada) Web site: www.wtcmontreal.com/team

For more information on opportunities in Central Europe, contact:

- Barbara Giacomini, Counsellor (Commercial), Canadian Embassy, Warsaw, tel.: (011-48-22) 584-3360, fax: (011-48-22) 584-3195, e-mail: wsaw-td@dfait-maeci.gc.ca Web site: www.infoexport.gc.ca/pl
- Claude Charland, Counsellor, Canadian Embassy, Bucharest, tel.: (011-40-1) 307-5021, fax: (011-40-1) 307-5015, e-mail: bucst-td@dfait-maeci.gc.ca Web site: www.infoexport.gc.ca/ro
- Larry Duffield, Commercial Counsellor, Canadian Embassy, Budapest, tel.: (011-36-1) 392-3360, fax: (011-36-1) 392-3395, e-mail: bpest-td@dfait-maeci.gc.ca Web site: www.infoexport.gc.ca/hu *

Team Montréal trade mission to Central Europe

POLAND/ROMANIA/HUNGARY — June 25 to July 4, 2001 — Swing into summer by joining the Team Montréal trade mission to Central Europe, with a focus on urban development. The aim is to create business opportunities for dynamic Canadian companies working in the urban development sector, particularly in the areas of construction, engineering and infrastructure, environment, water and waste management, transportation, telecommunications, and geomatics.

After the fall of the Berlin Wall, the countries of Central Europe underwent rapid economic expansion and are now ready to tackle urban development needs. The Team Montréal mission comes at the right time to promote and encourage trade relations between Canada and its European partners.

During the mission, participants will meet private-sector stakeholders and representatives of the cities of Warsaw (Poland), Bucharest (Romania) and Budapest (Hungary). They will also meet with representatives of the

World Bank and the European Bank for Reconstruction and Development, plus Canadian Embassy staff working in the three countries on the itinerary.

Team Montréal explores opportunities for Montreal-area businesses with expertise in urban development. Now almost one year old, it is a partnership between the World Trade Centre Montréal (originator of the project) and the City of Montreal, and receives support from the federal government.

Established in 1984, the World Trade Centre (WTC) Montréal is a non-profit organization that helps local businesses penetrate international markets. WTC Montréal offers training workshops, counselling on export strategies, and sector-specific trade missions abroad. As a member of the World Trade Centres Association, it connects to one of the most extensive private business networks in the world, with 500,000 members in over 100 countries.

For more information on the mission or to register, contact Sophie



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Food 2001 in Japan

FUKUOKA, JAPAN — September 13-14, 2001 — The Fukuoka Chamber of Commerce and Industry, in cooperation with the Fukuoka Foreign Trade Association and the Japan External Trade Organization (JETRO) Fukuoka, is organizing an international food event, **Food 2001**. Activities will include a series of business meetings between foreign and local food-related companies (typically prearranged), focusing on new food and food materials. Emphasis will be on organic foods, as well as on innovative, value-added products that have led to cost reductions or that have been developed to meet Japanese needs.

The second day of the seminar will feature a presentation and Q&A session by local food retailers and hotel, restaurant and institution representatives, with simultaneous interpretation. Tentative topics for the presentation include:

- Which products are restaurant buyers searching for, both in domestic and overseas markets?
- What standard of product are co-ops looking for?
- What products do school lunch service companies want to procure from overseas?

There is no registration fee. Organizers will provide interpreters for the business meetings. Participants will be responsible for all other costs, including travel.

Food 2001 may be of interest to companies that are planning to visit

Japan this fall, or that already have a presence elsewhere in Japan. More background details on the Kyushu market can be found at www.dfait-maeci.gc.ca/ni-ka/business/kyushu_main-e.asp which, although dated October 1999, is still relatively current.

This event will take place during the Fukuoka International Trade Fair, a gift-oriented trade fair open to business visitors September 13-14, and then to the general public September 15-16.

For more information, contact Josiane Simon, Canadian Consulate, Fukuoka, tel.: (011-81-92) 752-6055, fax: (011-81-92) 752-6077, e-mail: fkoka@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/ni-ka or Jo-Anne Roy-Foster, Trade Commissioner, Japan Division, DFAIT, tel.: (613) 992-6185, fax: (613) 563-3571, e-mail: jo-anne.roy-foster@dfait-maeci.gc.ca *



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Enquiries Service

DFAIT's Enquiries Service provides counselling, publications, and referral services to Canadian exporters. Trade-related information can be obtained by calling 1-800-267-8376 (Ottawa region: 944-4000) or by fax at (613) 996-9709; by calling the Enquiries Service FaxLink (from a fax machine) at (613) 944-4500; or by accessing the DFAIT Internet site at www.dfait-maeci.gc.ca

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Government procurement through CCC's services

US\$5.3-trillion market

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Canadian Commercial Corporation (CCC) President Douglas Patriquin is on a mission.

He is travelling across Canada, personally delivering several important messages to Canadian companies.

1: Every year, governments around the world purchase over US\$5.3 trillion worth of goods and services.

2: Only 17% of Canadian companies export to foreign governments.

3: CCC's services can help Canadian companies win a larger share of the extremely lucrative and accessible government procurement market.

On March 29, 2001, Patriquin told members of the Toronto Board of Trade, "The fact is there are tremendous opportunities in government procurement, and too many of our companies — with the best people, the best ideas and the best products — are letting them pass by."

"Many of our companies feel they don't have anything foreign governments would want. But, it's surprising what governments and international organizations like the United Nations and the World Bank buy," noted Patriquin.

CCC has helped companies sell a great variety of products to the public sector around the

Continued on page 7 - Tapping



CCC President Douglas Patriquin (left) and International Trade Minister Pierre Pettigrew speak to exporters in Montreal on May 4 about the US\$5.3-trillion worldwide government procurement market.

Wild blueberry juice producer gets first taste of success in U.S.

At first blush, it would seem an outright contradiction for government to be involved in anything to do with wild berries. But a partnership between Agriculture and Agri-food Canada (AAFC) and Nova Scotia-based Van Dyk's Health Juice Products Ltd. is squeezing the juice out of wild blue-

berries to produce a brand-new beverage consumers are likening to liquid blueberry pie. Blend in assistance from the Canadian Embassy in Washington and subsequent sale to a Pennsylvania customer, and you have a unique — and healthful — Canadian product

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 June 15, 2001



Department of Foreign Affairs
 and International Trade

Ministère des Affaires étrangères
 et du Commerce international

Canada

International Business Opportunities Centre

The International Business Opportunities Centre (IBOC) provides a matching service — connecting foreign buyers with Canadian companies. The Centre provides timely, relevant and targeted business leads from the desks of foreign buyers to the doorsteps of Canadian companies.

The following lists some of the Centre's current trade opportunities — for a wider selection, visit the Web site at www.iboc.gc.ca/webleads/webleads.asp

Canadian exporters needing assistance in preparing international bid documents may want to use the international contracts expertise and services offered by the Canadian Commercial Corporation. This Crown Corporation is located at 50 O'Connor Street, Suite 1100, Ottawa, ON K1A 0S6, tel.: (613) 996-0034, fax: (613) 995-2121.

INDIA — Steel Cap Pistons with Retaining Rings — Indian Railways is inviting bids (tender no.0801150050) for 2,870 steel cap pistons with two retaining rings pt. no. 15345129 (each piston) drg no.SKE-0592 Alt"d" specn no.D89195 and D40175 (PL.no.142605). Cost of bid documents: US\$50.00. Bid guarantee: US\$10,000. Closing date:



International Business Opportunities Centre

As Team Canada Inc's Sourcing Centre, the International Business Opportunities Centre (IBOC) matches business opportunities from around the world with the business interests of Canadian exporters, particularly small and medium-sized enterprises. IBOC offers a value-added service to trade commissioners by directly contacting Canadian companies about foreign trade leads.

To pursue our international trade leads, check out our Web site at www.iboc.gc.ca (particularly our E-Leads® and Web-Leads®).

July 20, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010502-02270. (Notice received from the Canadian High Commission in New Delhi.)

INDIA — Power Transformers SPN — The Gujarat Electricity Board invites sealed bids for the supply of the following equipment: Lot 1 — Two 400/220 kV, 315 MVA power transformers; Lot 2 — Three 220/132 kV, 100 MVA power transformers and 20 220/66 kV, 100 MVA power transformers; Lot 3 — 98 66/11 kV, 15 MVA power transformers and 194 66/11 kV, 10 MVA power transformers. Bid security: Lot 1 US\$32,000; Lot 2 US\$160,000; Lot 3 US\$485,000. Cost of bid documents: US\$200. Closing date: July 31, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010427-02231. (Notice received from the Canadian High Commission in New Delhi.)

YEMEN — Civil Service Modernization Project: Biometric Identification System — The ministry of Civil Service and Modernization invites sealed bids from eligible bidders for the supply, installation and support of a turn-key identification (ID) system to generate a unique identification number using fingerprints and a second biometric technology. The ID card and EDB will

be the basis for managing the Civil Service Human Resource Management System effectively. The ID system will provide eligibility verification on enrolment, to eliminate existing person duplicates or aliases (open search), and identity verification on request (closed search) for the approximately 420,000 civil service and agency employees in headquarters, 10 Governorates and approximately 1,110 remote pay sites. The system implementation is scheduled to begin January 22, 2002 and to be completed not later than January 20, 2003. Cost of bid documents: US\$100. Closing date: August 21, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010411-01335. (Notice received from the Canadian Embassy in Riyadh, Saudi Arabia.) *

IBOC trade opportunities — find out more at www.iboc.gc.ca

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CanadExport

—Continued from page 1
getting its first, delicious, taste of the US\$5-billion U.S. natural foods market.

Just incorporated in fall 2000, and barely out of the test-marketing phase, the small (five-person) Van Dyk's Health Juice Products operation isn't quite ready to support the full plunge into exports. But exploring the marketing prospects (they're proving excellent) for a product that hasn't existed before has been a strategic component of Van Dyk's juice development process.

That process began in 1998 when Casey and Reik Van Dyk — co-owners of Van Dyk Blueberry Enterprises Ltd. — discovered that market potential existed for the juice of the wild blueberries they have been producing since the 1960s on their 700 acres in Caledonia, Queens County.

Health benefits pave way

Several factors came together to create the opportunity: the growing body of research supporting the health benefits of wild blueberries (they're ranked number one among fruits and

vegetables in anti-oxidant activity); the growing health-consciousness of an ageing population; and the discovery that the juice of a U.K. cousin, the bilberry, has been successfully marketed for health benefits.

Casey Van Dyk participated in a NEBS Plus mission to the Natural Products Expo East in Baltimore, Maryland — a mission organized by the Canadian Embassy in Washington in co-operation with AAFC's Atlantic Canada regional

Van Dyk's Health Juice Products Ltd.

Partnership produces results

It was to develop the processing technology for a 100% pure juice, as well as to target the market, that the company went into partnership with AAFC. In June 1998, a research position was created at AAFC's Atlantic Food and Horticulture Research Centre in Kentville, Nova Scotia, and the Van Dyks hired Randy MacDonald as their project manager to fill the position.

Financial support for the position came initially from the National Research Council's Industrial Research Assistance Program (IRAP) and, later in 1998, also from AAFC's Matching Investment Initiative (MI).

"We were after a high-quality, high-anti-oxidant product," explains MacDonald, noting that it is the presence of anthocyanins (phytochemicals responsible for the deep blue and red pigments) that gives blueberries their high anti-oxidant activity. Anti-oxidants are known for their benefits in combatting disease and age-related health risks.

The research centre supplied Van Dyk with laboratory space, equipment and scientific and marketing expertise — "resources that a small business like ours couldn't viably support on our own," says an appreciative MacDonald.

Mission provides market intelligence

It was during the development stage that Van Dyk got its first taste of the export potential. In October 1999,

offices and the Atlantic provincial governments.

Van Dyk credits the information-gathering trip with contributing to the success of his project. "Attending this international trade show was tremendously helpful in identifying trends in the overall health food market," he explains. "It also allowed us to see what specific juice products are being developed and promoted."

Trade show leads to sale

Van Dyk was so impressed with the information and contacts available from the trade show that he sent MacDonald to the September 2000 show. And that was where the newly incorporated company got its first U.S. customer — a health food store in Mount Pleasant, Pennsylvania, which ordered six cases of the juice.

Having discovered the export potential of its juice, Van Dyk is moving confidently into the next phase — a literal move into a self-contained work space at the Kentville facility (what MacDonald calls an "incubating space") before going out on its own. If all goes well — and the future is looking rosy purple — North Americans will soon be drinking, most enjoyably, to their health.

For more information, contact Randy MacDonald, Project Manager, tel.: (902) 679-5346, fax: (902) 679-2311, e-mail: macdonaldrl@em.agr.ca ✱

(For the unabridged version, see www.infoexport.gc.ca/canadalexport and click on "Sharing Trade Secrets".)



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The Forest Services

Malaysia is the world's largest exporter of tropical wood, accounting for 70% of the global supply of raw logs. To maintain its competitive edge, Malaysia is putting its significant forestry resources on a more commercial, environmentally sound and sustainable footing. The move is driving demand for forest equipment and services and creating opportunities for Canadian exporters to supply it.

Industry Snapshot

Malaysia is strategically located in the heart of Southeast Asia, one of the world's fastest-growing trade and economic regions. Sarawak and Sabah, the two Malaysian states on the island of Borneo, dominate the Malaysian forestry sector, both as producers of tropical logs and home to the main timber companies.

The Malaysian forestry equipment and machinery industry is still underdeveloped. Local demand is therefore largely met

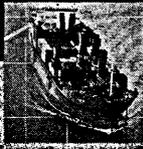
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See insert for your Forest Industries contacts in Asia-Pacific



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by imports. Since 1994, Malaysia has imported an average of \$110 million worth of machinery each year, mainly from Japan and Taiwan. In 1999, Canada exported more than \$200,000 worth of forestry equipment to Malaysia.

Forestry continues to be one of Malaysia's fastest growing economic sectors. Its growing potential has led the Malaysian government to identify the wood-based sector as one of the key industrial groups for further development under its industrial master plan. As the government repositions Malaysia's timber industry, there will be opportunities for Canadian exporters of timber processing technology, equipment, forestry expertise and consultancy services.

Best Export Prospects

The globalization of the Malaysian forest industry over the past decade, coupled with the growing awareness of the impact of deforestation, has created both domestic and external pressures to tighten environmental standards. Malaysian timber companies are also under increasing pressure to make their operations more profitable. This has heightened demand for more efficient forestry equipment and more modern techniques that are both profitable and ecologically sound.



The most promising sub-sectors include:

- wood-working equipment, feller bunchers and harvester machines;
- reduced-impact logging (RIL) systems and solutions that are more profitable and cost-efficient than conventional selective logging;

- sawing equipment, dryers for wood and pulp and paper;
- automated production management systems;
- pulp and paper equipment;
- advanced drying and curing equipment and improved finishing technologies for the furniture industry; and
- forest management services, particularly in the areas of silviculture, reforestation, reduced-impact harvesting solutions and process control.

The Malaysian Government encourages any form of partnership, joint venture and technology transfer in the timber industry that enhances domestic capabilities.

Market Entry Considerations

The most common and effective practice for Canadian firms operating in Malaysia is to establish a relationship with a local agent/distributor. Approximately 80% of sales of forestry equipment/machinery are made through a major local distributor. A good local representative will usually arrange meetings, ensure compliance with local business practices, and act as a facilitator.

Doing business in Malaysia requires

commitment to a long-term effort. Business is often conducted on the basis of strong personal relationships or rapport. Canadian companies are encouraged to establish a local presence through strategic partnerships, appoint a local distributor trained in supporting their products, and offer a high quality of service.

See Potential?

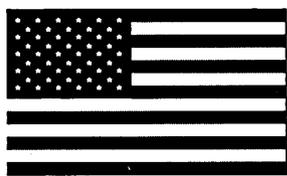
To learn more about these market opportunities, the competitive environment, and market entry strategies, please read *The Forest Equipment and Services Market in Malaysia*. This report and hundreds of others, prepared by the Market Research Centre of the Trade Commissioner Service, are available on-line at www.infoexport.gc.ca

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The Forest Equipment and Services Market

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The U.S. Connection

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Finding a niche market "Next Door"

Paso Wood & Veneer

Paso Wood & Veneer Inc. knows how to open doors. The small Edmonton manufacturer of custom quality wooden doors and panels is aggressively pursuing the niche historic building renovation market on the U.S. eastern seaboard. The company's recent success on the west coast has opened another kind of door. While working on a contract for the historic Los Angeles City Hall, Paso was introduced to the services of the Trade Commissioner Service (TCS) through the Canadian Consulate General in L.A. The company's aggressive networking and new awareness of TCS assistance is promising to keep the door to the United States wide open.

Incorporated 25 years ago, Paso, at first a manufacturer of custom cabinetry and then of high-end veneered millwork components, made the shift in 1998 to specialize in custom wood doors and panels. "We wanted to simplify our lives and target our market," explains Paso President Robert Pawluk.

From niches to networking

Coming on board at the same time, and acting as a catalyst for the decision, was marketing specialist and forestry graduate John Laing, now contracted to head up Paso's sales and marketing effort.

The company's marketing plan, developed by Laing, targets the higher-end historic renovation market on the U.S. eastern seaboard and avoids

competing with the big manufacturers. "We're able to custom-design doors to match existing decor or a particular historic era," says Pawluk. "That's something very few big manufacturers want to do."

From contacts to contracts

The company's strategy — to use Laing's contacts in the woodworking industry — has paid off.

Paso has provided doors for such buildings as the U.S. Food & Drug Administration headquarters in Maryland, the Pope John Paul II Cultural Center in Washington, D.C., and Harvard University's 140-year-old School of Divinity.

Networking also played a big part in winning the 1999 contract in Los Angeles, which, although on the opposite coast from its target market, offered the company a seemingly tailor-made opportunity.

Imagination opens doors

Built in 1928, the L.A. City Hall was in the midst of a seismic retrofit to make it earthquake-ready. Hearing about the renovation, Laing found out who all the players were and contacted each one — the architect, the construction contractor, and the subcontractor for the doors.

Obtaining the design specs from Dallas-based door and hardware distributor WBH Industries, Paso

put together a proposal to create the 500 doors, which needed to pass the seismic requirements, meet L.A.'s fire code standards, and replicate the look and design of the original art-deco doors. "The doors didn't exist, so we took it upon ourselves to create them," says Pawluk. "We have the imagination to create the product required; we develop it to make it available."

TCS complements effort

It was while the City Hall doors were in production, in fall 2000, that Pawluk attended a Canada Mortgage and Housing Corporation (CMHC) export seminar in Edmonton. There he was introduced to Trade Commissioner Ron Merrick of the Canadian Consulate General in Los Angeles and learned about the services available from TCS.

Subsequently receiving some potential leads and some unexpected but welcome media exposure through L.A. Consulate Business Development Officer Michael Pascal, Pawluk is now a big fan of TCS. He strongly recommends contacting the Canadian commercial officers abroad, who can provide access to databases, customer lists and marketing information. "These kinds of services complement our own aggressive marketing strategy," says Pawluk.

World is your workplace

Pawluk, currently providing doors and panels for Phillips Exeter Academy in New England, sees no limits on market potential, even for small companies such as his. "Just because you're small doesn't mean your market has to be in your own neighbourhood.

Continued on page 7 - Paso Wood



—Continued from page 1

world, and works with companies in all sectors, selling construction equipment and building systems, water purification and waste management technologies, multiple vitamins, picture frames and frozen chicken.

Tapping into the US\$5.3-trillion government procurement market

New trends in the global market

A number of trends suggest that Canada's share of the vast global procurement market can only grow.

First, new markets are opening up, and old markets are improving through the evolution of rules-based trading regimes such as the World Trade Organization.

In most countries of the Americas, public-sector modernization has become more prevalent during the last decade, leading to increased Canadian trade. For example, the entire emergency response system for a large city in Colombia — the equivalent of our 911 — is supplied by Positron, a Montreal company. (See *CanadExport*, February 15, 2001 issue)

Canada's free trade agreement with Chile provides an attractive base for business in the Southern Cone countries, as will the recently signed

agreement with Costa Rica. (See www.dfait-maeci.gc.ca)

A second trend is that governments worldwide are now privatizing many of their services. This means foreign private companies are becoming increasingly important as



Canadian Commercial Corporation

sources of procurement opportunities and as partners in public-private contracting arrangements.

At the same time, international customers are looking increasingly for one-stop-shopping, (it saves the time and costs associated with multiple tenders). Firms that offer complete system solutions and project management, in addition to their core technical competence, are best placed to grow.

"What all of this means is that the US\$5.3-trillion market is there right now, and Canadian companies need to be more aggressive in getting their share," said Patriquin.

Barriers to success

Cost and pricing are often issues for Canadian exporters, particularly for those facing competition closer to the market. But almost one quarter of the companies surveyed by CCC cited excessive red tape, paperwork, insufficient experience, limited contacts or marketing difficulties as barriers to success in government markets.

Canada, however, has a powerful team of trade agencies to support exporters, including its trade commissioners and Canada-based trade centres, provincial and federal government departments, Crown corporations and industry associations, as well as professional firms and financial institutions.

How CCC can help

First, CCC lends credibility to Canadian companies, particularly small and medium-sized firms, by assuring buyers of contract performance.

Second, CCC opens doors, giving companies preferred entry to government markets, through umbrella arrangements such as the Defence Production Sharing Agreement (DPSA) in the United States, or on a one-off, negotiated or sole-source contract basis.

Third, CCC's presence usually results in better contract terms. Knowing that CCC guarantees performance often means that buyers will waive requirements for bank guarantees or performance bonds. This means easier access to advance payments from buyers, and less cost and fewer headaches for the exporter.

CCC specializes in government sales and can eliminate and mitigate some of the barriers associated with government purchases.

Other CCC benefits

CCC's role is not restricted to the negotiating and signing stage of a project. It begins with identifying opportunities abroad in markets where CCC is particularly knowledgeable and then matching those needs with Canadian capabilities. (See www.usopportunities.com)

CCC also helps exporters develop customized, winning proposals. "With their knowledge of foreign markets, our officers provide top advice on how to interpret regulations and structure compliant bids," said Patriquin.

CCC can arrange project-related working capital financing, through the Progress Payment Program, providing exporters with the resources they need to execute contracts.

Finally, once a contract is signed, CCC monitors the transaction, mediating conflicts and intervening on behalf of suppliers in the event of payment disputes. If the contractor fails to fulfill the contract, CCC makes good on its obligation to the buyer.

CCC's new approach

In an effort to better serve Canadian companies and to increase its ability to help more clients access this huge market, CCC has made changes to its contracting operations and business development activities.

Continued on page 12 — CCC

Paso Wood & Veneer

—Continued from page 6

With travel and the Internet, you can work anywhere. You might enjoy living in your neighbourhood, but you don't have to work there."

For Pawluk, northern Alberta is the place to live, but the door to his workplace is definitely on the U.S. eastern seaboard.

For more information, contact Robert Pawluk, Paso President, tel.: (780) 477-7500, fax: (780) 477-1212, e-mail: rpawluk@pasowood.com *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "The U.S. Connection".)

One fall morning in 1996, half a dozen Canadian businesspeople living in Bucharest got together to discuss their common interests and objectives over breakfast. By the end of the meal they had become the first members of the Canadian

of visiting delegations. They assist us in welcoming those delegations and preparing activities. We're grateful for their assistance in our endeavours. They are our best partner and supporter."

With the Embassy's Commercial Counsellor a permanent member on

regular e-mail communications from Canadians who have visited and want to come back or who are contemplating a first visit."

Canadians welcome

Bergeron, who is CEO of Arctic S.A., a Romanian leading producer of refrigeration appliances, is highly optimistic about trade opportunities in his adopted country of residence. "I strongly believe Romania has the potential to really develop into a presence in the international arena. First, there's extraordinary potential in those businesses — construction, textiles, automotive, and so on — in which Canadians are already present in the market. Plus, there's enormous potential in engineering and information technology."

Romania, which has been slower than countries such as Hungary or the Czech Republic to complete its transition to a market economy but is now an associate member of the European Union, offers long-term potential for economic growth. The country saw positive growth in 2000, its first in several years, and recent projections show GDP growth reaching 3% in 2003 and thereafter. Canadian exports to Romania were \$59.2 million in 2000, up from \$34.8 million in 1999, while Canadian imports from that country reached \$102 million in 2000, up from \$99.2 million in 1999.

Bergeron stresses that the CBA is very ready to help Canadians new to the market to network with potential partners in Romania. "There's a lot of business to be done in this country, but you have to come and visit us and see for yourself," says Bergeron, who ends with an irresistible invitation: "The Embassy and the CBA — and indeed the Romanian people — will welcome you with open arms."

For more information, contact Georges Bergeron, CBA President, tel.: (011-40-45) 710-565, fax: (011-40-1) 312-2873, e-mail: gbergeron@arctic.ro Web site: www.cba.ro ✦

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Business Chambers/Associations")

Canadian Business Association in Romania

Home away from home in Bucharest

Business Association in Romania (CBA). The brainchild of then-Commercial Counsellor Mitch Vlad, and continuing its close alliance with the Canadian Embassy in Bucharest, the CBA offers a place for all Canadians doing business in this burgeoning market to network and promote trade with Romanian partners.

the CBA Board of Directors, a close association between the two organizations is assured. As Bergeron explains, that close relationship means that most new Canadians coming to Romania become CBA members. "The Embassy makes them aware

Currently 70 strong, the CBA membership consists of Canadians working for a wide variety of Romanian-based and Canada-related companies, as well as Romanians with links to Canadian companies. The CBA supports its members in their commercial endeavours by providing networking opportunities, regular get-togethers, guest speakers, and contacts with government organizations.

"Networking is the key word here," explains CBA President Georges Bergeron, a Canadian businessman who has been living in Bucharest for six years and is one of the association's founding members.

Embassy best partner

Without doubt the CBA's own most important partner is the Canadian Embassy. "Without the Embassy, we would not have reached the level of penetration that we have so far," says Bergeron, whose non-profit organization is financially independent.

"The Embassy officers make us aware

of our presence. They are invited to our events, and then they join as members. Let's face it, the Canadian community in Romania is small, so we have to hold hands and help each other to promote our presence and develop our mutual interests."

Web site provides portal

The CBA's recently revamped Web site, created in November 1999 at the encouragement of the Embassy, provides another focal point for the Canadian business community in Romania and also acts as a portal for Canadian companies looking to do business in the country.

"I can't recite precise numbers but our visitors are increasing exponentially," says Bergeron. "We're getting



If your giftware company is export-ready, then the Canadian Consulate in Munich and the Canadian High Commission in London are ready to invite you to join the New Exporters to Overseas (NEXOS) mission to Frankfurt and London from August 25 to September 3, 2001. The focus of this year's mission is on opportunities at two of Europe's largest giftware trade exhibitions: *Tendence* (www.tendence.de) in Frankfurt and the *Autumn Fair* (www.autumnfair.com) in Birmingham.

Why participate?

The answer is simple: one trip to Europe provides participants with a chance to evaluate two markets — the U.K. and Germany.

The giftware market in the U.K. is worth an estimated \$9.5 billion, and growing steadily. Opportunities for Canadian manufacturers exist in a variety of areas such as art and framing, wooden items, fashion accessories and leather goods, as well as articles created in porcelain, china and plastic.

While rooted in high-quality design and manufacturing, the industry in the U.K. is experiencing vigorous competition fueled by imports of innovative price-competitive items, and by consumer demand for more

Giftware mission to Germany, the U.K.

Tendence and Autumn Fair

casual items, specifically house- and table ware. To learn more about the U.K. giftware market read the market research report at www.infoexport.gc.ca/docs/38260-e.pdf



The giftware market in Germany is worth approximately \$8 billion and involves some 700,000 articles, from interior design accessories over tableware, to arts and crafts sold in approximately 60,000 outlets, including Convenience-Shops. Although their cost of living is on the rise, the German people still regard gifts as an important expression of friendship or appreciation and have therefore increased their spending in recent

years. With this increase in spending has come an increased interest in articles from abroad.

NEXOS program

In addition to the trade fair visits, the NEXOS program will include briefings, seminars, workshops, tours of retail outlets and visits to manufacturers in each city.

For more information, contact Michelle Gartland, Commercial Officer, Canadian High Commission, London, tel.: (011-44-20) 7258-6362, fax: (011-44-20) 7258-6384, e-mail: michelle.gartland@dfait-maeci.gc.ca or Frieda Saleh, Commercial Officer, Canadian Consulate, Munich, tel.: (011-49-89) 2199-5716, fax: (011-49-89) 2199-5757, e-mail: frieda.saleh@dfait-maeci.gc.ca ★

MEDICA — Exporting Canada's Health industry to the European market

Interested in developing new markets? Thinking of expanding your export markets to include Europe? Then consider joining a New Exporters to Overseas (NEXOS) mission to Dusseldorf to visit MEDICA 2001, November 21 to 24, 2001.

Based on market estimates for each of the member states, the collective market value of the European Union's health industries is estimated to be a healthy \$1.4 trillion. Health services, which includes everything from direct health-care delivery and management to hospital and clinic support services

and equipment rental, represent the bulk of this figure. According to IMS Health, the European market for pharmaceuticals in 2000 increased 8% (based on sales) over 1999 to reach \$112.2 billion — representing 23.7% of global sales.

The combined value of the medical devices markets among EU member states in 2000 was \$46.4 billion (calculated from Espicom Business Intelligence's mediSTAT country profiles), with the most lucrative markets being Germany (\$8.8 billion), France (\$4.8 billion), Italy (\$3.7 billion) and the United Kingdom (\$3.6 billion).

MEDICA (www.messe-duesseldorf.de/medica2001 or <http://strategis.gc.ca/medica>) has been internationally renowned in the world of medicine for many years as the leading trade fair for both in- and out-patient care. MEDICA 2000 boasted an impressive 3,500 exhibitors, more than half of whom were from abroad — a convincing testimony to the outstanding significance of this show. More than 125,000 visitors, one third from abroad, come to MEDICA to exchange information, compare products and decide what to purchase. At MEDICA, they're certain to spot state-of-the-art developments and trends, in surgical techniques and laboratory automation for example.

Continued on page 10 — MEDICA

Bulgaria may have a small telecommunications market, but the country has big plans for developing it, according to a major Bulgarian policy document. Bulgaria is currently in the process of liberalizing this market, a challenging one for foreign investors. Strategically located in

climb between 10 to 15%, reaching US\$677.5 million. For 2001, the growth is expected to be 15%.

State policy on telecommunications in Bulgaria is conforming to trends adopted by the European Union. As part of its accession strategy, Bulgaria is harmonizing its legislation with that

favoritism or "cosy" practices. Currently, all private or public entities must use the competitive bid procurement process which can generate a heavy load of paperwork.

Finding a local partner to help navigate the procedures, laws, market specifics and distribution channels is the best way to enter the Bulgarian telecom market.

For more information on opportunities in Bulgaria, contact Ivalio Savov, Commercial Officer, Canadian Honorary Consulate, Bulgaria, tel.: (011-359-2) 943-4024, fax: (011-359-2) 943-3707. ✪

(For the unabridged version which includes a list of key contacts in Bulgaria, see www.infoexport.gc.ca/docs/view-e.asp?did=5500&gid=68)

The telecommunications market in Bulgaria

the Balkans, Bulgaria is a hub for telecommunications traffic from Europe to the Middle East and to the southern part of the Commonwealth of Independent States (CIS) and Asia.

Background

The state-owned Bulgarian Telecommunications Company (BTC Ltd.) owns the telecommunications network in Bulgaria. As of January 1, 2000, BTC held a 92% share of the telephone services, comprising 2,394,118 residential subscriber lines and 860,624 business lines. Analogue transmission is clearly preferred, with 85% of residential lines and 70% of businesses lines subscribing to analogue service. Digital service accounts for the remainder.

The total value of the Bulgarian telecom market, including equipment, services, computer hardware and software, was estimated at US\$611.7 million in 1999. During 2000, this market was expected to

of the EU to ensure that the legal and regulatory aspects of telecommunications comply with EU principles.

Opportunities

Canadian telecom strengths can be tapped in the following areas:

- wireless equipment
- military air navigation and airport systems
- cable TV networks
- digital networks

Obstacles

Canadian companies can expect to face severe competition from European companies. All major European players are involved in the local market, with SIEMENS, Ericsson, Nokia and Alcatel in the lead.

The dense administrative system can present problems as well. Although registering a business name and articles of incorporation is not difficult, bidding for BTC or government tenders can be tedious, due to

MEDICA 2001

— Continued from page 9

And the number of visitors just keeps on growing, further proof that MEDICA is the pacemaker in the health services field, for everyone from practical users in day-to-day medicine to those who make the investment decisions.

In addition to visiting the show, members of the NEXOS mission will have an opportunity to participate in briefings on the European Health Industry markets and will also be offered one-on-one business partnering opportunities with companies that have been carefully matched to their interests. To make the most of this opportunity, candidates should supply information about their companies to the organizers as soon as possible.

So why not take advantage of the NEXOS mission to forge new contacts, gain new information, and put your business case before potential new clients.

For more information, or to register, contact Yvonne Gruenthaler, Austria and Germany Trade Desk, DFAIT, tel.: (613) 943-0893, fax: (613) 995-6319, e-mail: yvonne.gruenthaler@dfait-maeci.gc.ca ✪

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The Chinese metals, minerals and mining equipment markets are some of the largest in the world in terms of production, consumption and potential for growth. These markets are currently characterized by rapid change, both in commercial terms and, significantly, with respect to their regulatory and administrative environments.

Market overview

New legislation which improves investment conditions, coupled with an ongoing initiative to de-link Chinese mining enterprises from direct government control, should breath new life into an industry which remains characterized as inefficient, non-transparent and prohibitive for foreign investors.

The ongoing government reform process has resulted in growing efforts to tackle

systemic problems of inefficient resource development, environmental degradation, questionable business practices, and untapped economic potential.

The positive contribution that foreign expertise and capital can make in rapidly addressing these challenges has been identified as part of this relatively new government initiative. Nevertheless, foreign mining companies still face a series of hurdles in trying to operate in China, including ambiguous and unpredictable regulations and procedures.

Specific opportunities for Canadian companies exist in the following areas:

- the provision of mining equipment, in particular, advanced high-quality equipment and vehicles for underground and open-pit mines;
- the provision of equipment, procedures and management training for mine safety;
- mining prospecting joint venture or wholly-owned foreign enterprise (WOFE) opportunities — especially as exploration intensifies in the

more remote and under-explored areas of China's western and central regions; and

- mining investment, in order to take advantage of the greater opening

Opportunities down deep

Chinese mining

up of the market and more favourable policies announced by Chinese authorities.

For a more complete picture of

this sector — including opportunities, promotional events, do's and don'ts, key contacts and support services — see *The Mining Industry in China*, a market report published by DFAIT's

Market Research Centre. The report is available at www.infoexport.gc.ca or at FaxLink (613) 944-4500 (under FaxLink no. 43115). *



China Coal & Mining Expo 2001

BEIJING — October 9-12, 2001 — Be part of the Canada Pavilion at the China Coal and Mining Show (www.together-expo-com/Coal_2001) which offers Canadian companies an opportunity to introduce their products to a major market. China is the world's largest producer of coal, zinc, rare-earth metals and steel, one of the largest producers of gold, and is the second-largest producer of 10 of the most important non-ferrous metals.

Current priorities include increasing mineral exploration and research, improving the efficiency of mining extraction and processing, enhancing health and safety and improving the environmental sector.

Demand for leading-edge mining equipment is strong in China. With China's accession to the WTO imminent, the general import duty rate averaging 16% should gradually be lowered to 10% over a five-year period. To be even more competitive in the market, some foreign companies have opened joint ventures or wholly-owned foreign enterprises (WOFE) and are producing equipment in China.

By participating in China Coal & Mining Expo 2001, mining equipment manufacturers can position them-

selves to find business opportunities through sales and partnerships.

This event is also of great interest for mining exploration companies, specifically in the coal, ferrous and non-ferrous metals, precious metals and industrial mineral industries.

CAMESE (The Canadian Association of Mining Equipment and Services for Export) is a sponsor of the event along with DFAIT and the Canadian Embassy in Beijing. Do not miss this excellent opportunity to explore, develop and strengthen your share of the very large Chinese mining market.

To reserve a booth or poster in the Canada Pavilion, contact Francis Bourqui, CAMESE, tel.: (905) 513-0046, fax: (905) 513-1834, e-mail: bourqui@camese.org Web site: www.camese.org

For information on the mining sector in China, contact Su Yun Myong, China and Mongolia Division, DFAIT, tel.: (613) 996-3607, fax: (613) 943-1068, e-mail: suyun.myong@dfait-maeci.gc.ca Web site: www.infoexport.gc.ca/cn or Kevin Thompson, Canadian Embassy, Beijing, tel.: (011-86-10) 6532-3536, ext. 3370, fax: (011-86-10) 6532-4072, e-mail: kevin.thompson@dfait-maeci.gc.ca Web site: www.canada.org.cn *

There's nothing like constructive feedback to make a good show even better. Exhibitors at this year's **FOODEX 2001** exhibition, held in Chiba, Japan in March, took the time to respond to an extensive survey about their experience at the show. While the results were mostly positive, there is

Canadian Food Exporters Association and The National Farm Products Council. Canadian food products on the table included everything from seaweed (Acadian Seaplants Ltd.), flax (Northern Lights Flax) to soybean snacks (Croc'Dor Foods Inc.) and hydroponic lettuce (Hydronov Inc.).

Chiba, Japan

FOODEX 2001



always room for improvement and organizers of **FOODEX** will no doubt be using some of the suggestions to make next year's show — to be held in March 2002 — an even greater success.

The 26th annual International **FOODEX** was held March 13 to 16 at the Nippon Convention Centre near Tokyo, Japan. The Department of Agriculture, Agri-Food Canada and the Department of Foreign Affairs and International Trade (DFAIT) organized the Canadian



Canadian stand at **FOODEX 2001** exhibition, held in Chiba, Japan.

stand at this year's **FOODEX**, which is Japan's premier food promotional event and the largest food fair in Asia.

A record 2,379 exhibitors turned up for **FOODEX 2000** to exhibit their products and services before 94,054 industry professionals from across Japan and Asia. While this year's total attendance was down slightly from last year, there was an increase in the total number of exhibitors, with the Canadian stand featuring 33 exhibitors (two-thirds in processing/manufacturing), representing 55 companies, in addition to organizations such as the Canada Beef Export Federation, the

Highlights

Almost all of the participants agreed that Canada needs a strong national presence at major international food shows like **FOODEX**, and, that Canadian exhibitors can really benefit from coming together under a national stand. On an individual level, almost two thirds of survey respondents came away from the show with a total of 217 solid new leads, 75% of which were in Japan. For the most part, exhibitors were successful at introducing a product or their company to the market, while over half said they used the show to maintain a strong market presence and high visibility...

Exhibitors, on the whole, managed to accomplish a number of goals, including meeting with current customers, viewing industry trends and learning about the Japanese market.

Highlights included on-site sales of over \$500,000 reported by one company, while two others reported sales between \$100,000 to \$500,000. When asked about the impact of **FOODEX 2001** on future sales, two companies predicted sales of over \$500,000 in the near term.

Helpful hints for next year's show

Overall, the exhibitors were very satisfied with the services offered by Embassy staff and with the Canadian stand in general, stating that it was attractive and visible. In describing the overall organization and administration of the Canadian stand, 48% thought it was excellent.

However, exhibitors did offer **FOODEX** organizers a few tips for next year's show which organizers will be happy to address.

This year was the first at **FOODEX** for over one third of the survey respondents; with organizers taking their suggestions for improvements, they'll have more good reasons to return to Japan next year for **FOODEX 2002**, to be held March 12-15, 2002.

For more information, contact Matthew Fraser, Trade Commissioner, Japan Division, DFAIT, tel.: (613) 996-2974, fax: (613) 944-2397, e-mail: matt.fraser@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/ni-ka

CCC — Continued from page 7

In international markets, CCC's new approach has business teams dedicated to key industry sectors, including Aerospace and Defence, Transportation and Machinery, Technology, Environment and Consumer Products. In addition, CCC has established a Market Opportunities Development unit to identify market opportunities in key sectors and geographic markets. Initial focus is on the Americas and on the aerospace, environment, and information and communications technologies industries.

CCC's unique ability to assist exporters in its largest market, selling to the U.S. Department of Defense and the National Aeronautics and Space Administration under the DPSA, remains unchanged.

Three Cs to success

In closing, Patriquin encouraged members of the audience: "Put us to work for you. Draw on our expertise and contacts. Let us open up a world of possibilities you might not have considered. And let us bring Credibility, Contracts and Closure to your business abroad."

C-C-C: three letters that could open up 5 trillion opportunities for your business. (See www.ccc.ca)

As a leader of the transparency movement, Canada seeks to let the public know what's on the table in international negotiations. But to do that, we must obtain the agreement of those we are negotiating with.

In the lead-up to the April summit in Quebec City, we convinced our partners to release documents related to the proposed Free Trade Area of the Americas (FTAA). As International Trade Minister Pierre Pettigrew explains, "By making the [FTAA] negotiating texts public, we will be demystifying them. By allowing the public to consult the texts, we eliminate one of the loudest claims of the anti-globalization movement: the accusation that trade deals are shrouded in secrecy, concluded behind closed doors with only the interests of transnational corporations taken into account."

Now Canada is working for the same transparency at the World Trade Organization (WTO) meeting in Qatar in November 2001.

Of course, we do not need the approval of others to let Canadians know what our own trade policy experts are studying and thinking. Accordingly, on May 29 the Depart-

ment of Foreign Affairs and International Trade released *Trade Policy Research 2001*, an unprecedented publication that sheds light on the technical deliberations being held in

A look behind the scenes

Trade policy making

the still-long shadow of the abortive 1999 Seattle WTO Ministerial.

John M. Curtis is the Department of Foreign Affairs and International Trade's (DFAIT) Senior Policy Advisor and Co-ordinator for Trade and Economic Policy. He says, "This is a look into the debate about the analysis and evidence that informs policy, and at the issues policy makers are increasingly having to address."

Curtis chairs the World Trade Issues Working Group operating under the government's Policy Research Initiative — a concerted effort to enhance policy research capacity at the federal level.

Trade Policy Research 2001 presents the findings of the Working Group, organized into three sections.

Part I is titled "Reflections on Trade Policy Post-Seattle". It examines the WTO Seattle talks and considers what needs to be done to regroup and move ahead.

Part II is titled "The 'Trade and ...' Agenda." In it, Government of Canada experts tackle the complex new trade issues raised by globalization and ever-deeper economic integration across borders.

Part III is titled "Implications for Trade Policy". In it, Dan Ciuriak, Deputy Director of DFAIT's Trade and Economic Analysis Division, and John Curtis attempt to synthesize the issues and information. Curtis concludes, "Trade has become too important to be left to the elites."

Trade Policy Research 2001 is available on-line at www.dfait-maeci.gc.ca/eet/menu-e.asp *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Trade News".)

NOVA Chemicals strengthens technology position in Indian marketplace

NOVA Chemicals of Calgary, Alberta, has been an active participant in the Indian polyethylene (PE) market for over a decade. NOVA Chemicals entered the Indian market through licensing its SCLAIRTECHTM PE technology to Reliance Industries Limited (RIL), and has since grown to become the leading PE technology supplier in India. NOVA Chemicals' PE technology is currently utilized in two world-scale plants of RIL, the leading private-sector enterprise of India, with collective capacity of 400 kta. Gas Authority of India

Limited (GAIL), a Government of India undertaking, has also successfully licensed the company's technology for a 160 kta PE plant. Both the producers have enjoyed tremendous success in the marketplace and their resins are considered the benchmark in the Indian PE industry.

Building on this foundation of success, NOVA Chemicals recently entered into new agreements with both these licensees to apply new capacity-enhancing technologies to their plants. Under the new agreements, RIL and GAIL plants would

be expanded by 80 kta and 50 kta respectively.

In addition to the expansions, NOVA Chemicals is undertaking a joint development program with RIL to apply new leading-edge technologies for developing high performance products that will enhance their current product portfolio and meet the evolving needs of the Indian marketplace.

The collective value of the recent expansion and development projects with RIL and GAIL is upward of US\$50 million.

"We are proud of our achievements in India," says Dave Purvis, General Manager of Licensing for NOVA Chemicals. "We have established strong relationships in India and we

Continued on page 14 - NOVA

Don't let the kangaroos and koalas fool you — it's what you don't see in Australia that's really worth exploring. As you stride the country's dusty plains, beneath your feet is literally wealth beyond imagining:

The past decade saw discovery of over a dozen world-class mineral deposits. But even in areas where mines exist, new discoveries continue to be made. The continent remains under explored at depths greater than

Discover Australia's mining supply market

massive deposits of minerals and fossil fuels as yet barely tapped. Now moving to exploit these resources is a booming mining industry — and that's where Canadian mining supply businesses can hit paydirt.

100 metres, and little has been done to exploit its huge potential reserves of offshore oil and natural gas.

Historically, the Australian mining industry imported over 50% of the equipment it used. In more recent



Mt. Newman in Western Australia is the site of the largest continuous iron deposit in Australia. With reserves approaching 1000 million tonnes, annual production exceeds 30 million tonnes.

Australia holds the world's largest known economic resources of bauxite, iron ore, lead, zinc, silver, uranium, industrial diamonds and mineral sands. It also has huge reserves of black coal and gold. Advances in prospecting and extraction technology are bringing more and more of this wealth within reach.

years, it has developed its capacity to supply products and services for exploration, mining and processing, and for environmental management. Still, imports fill a major share of the industry's requirements, especially for heavy equipment and high-tech products.

AUSTRALIA'S MINING INDUSTRY

- Reserves (tonnes)
 - black coal 69 billion
 - iron ore 18 billion
 - bauxite 2.5 billion
 - gold 3400+ tonnes
- Direct employees: 85,000
- Value of projects underway: A\$15 billion
- Value of possible further projects: A\$50 billion
- Spending on exploration: A\$1 billion per year

For companies in Canada's highly developed mining equipment and services supply industry, that spells business opportunities. One option is to line up agents or distributors in the Australian market; another is to set up joint ventures with local companies to manufacture under licence and/or assemble imported components. The market includes a wide range of sectors and geographic areas. Often these are best covered by separate representatives with in-depth knowledge of particular segments.

The Canadian Consulate General in Sydney has details on the market and who to approach, plus guidance on where to learn more about the mining and equipment/services supply industry. It is also helping to co-ordinate Canadian participation in the GME 2001 Goldfields Mining Expo, to be held in Western Australia in October (see Trade Fairs and Missions on page 15).

For more information, contact Robert Gow, Business Development Manager, Canadian Consulate General, Sydney, tel.: (011-61-2) 9364-3045, fax: (011-61-2) 9364-3097, e-mail: robert.gow@dfait-maeci.gc.ca Web site: www.canada.org.au *

NOVA Chemicals — Continued from page 13

are committed to helping our licensees maintain their leadership in the Indian PE marketplace."

For more information, contact Amitabh Arora, Commercial Officer Canadian Consulate, Mumbai, tel.: (011-91-22) 287-6027, fax: (011-91-22) 287-5514, e-mail: amitabh.arora@dfait-maeci.gc.ca Web site: www.infoexport.gc.ca/in *



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KALGOORLIE, WESTERN AUSTRALIA — October 16-18, 2001 — Stake your claim to supply Australia's booming mining industry at the **GME 2001 Goldfields Mining Expo**. The event takes place in a region where metal production equals 15% of Canada's output. Attending the show are miners and tradespeople working in the local mines, plus mining supervisors, superintendents and managers.

Canadian participation is being co-ordinated by the Canadian Association of Mining Equipment and Services for Export (CAMESE) — the national voice for Canada's mining equipment and service exporters — together with the Canadian Consulate General in Sydney.

For businesses in the Canadian mining supply industry, this is an

GME 2001 Goldfields Mining Expo

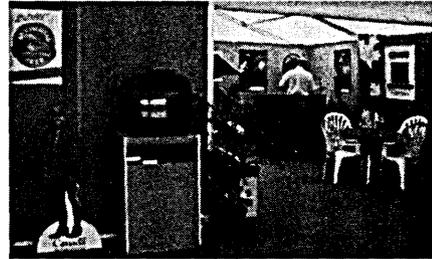
opportunity to support current sales efforts into the Australian market, and to open new relationships with local sales representatives and distributors looking for new lines.

For details on the mining industry in Australia, see "Discover Australia's mining supply market" on page 14.

To register for GME 2001, contact CAMESE, tel.: (905) 513-0046, fax: (905) 513-1834, e-mail: minesupply@camese.org Web site: www.camese.org

For more information, contact Robert Gow, Business Development Manager, Canadian Consulate General, Sydney, tel.: (011-61-2) 9364-3045, fax: (011-61-2) 9364-3097, e-mail:

robert.gow@dfait-maeci.gc.ca
Web site: www.canada.org.au



The Canadian national stand at a previous Goldfields show — spacious enough to accommodate a dozen company booths, as well as representatives from CAMESE and the Consulate General.

Salon de l'Éducation

PARIS, FRANCE — November 22-26, 2001 — For the third year in a row, Canada will take part in France's annual Salon de l'Éducation, which includes Educatec, the world's largest professional exhibition of educational and training equipment, systems and services.

Last year's event drew 500,000 visitors, both professionals and members of the public. Participants included Industry Canada's SchoolNet and Netd@ys, the Canadian Technology Human Resources Board, Quebec's Télé-Université, and New Brunswick's TeleEducation NB.

Electronic education (e-education or e-learning) applications are used by 90% of U.S. firms but only 11% of firms in Europe. French legislation requires businesses to spend the equivalent of 1.5% of the company payroll on employee training. With over 45,000 providers active in the private sector alone, the training market in France is expected to be worth \$30 billion this year. In 2002, e-learning could account for 12% of training expenditures.

The Canadian Embassy in Paris can help Canadian e-learning providers enter this competitive market:

- At the World Education Market exhibition and conference in Vancouver, May 21 to 24, 2001, the Embassy's Trade Officer was on hand to facilitate networking and to provide information on the French market to Canadian exporters.
- At the Salon de l'Éducation/ Educatec in Paris this November, companies can participate in a Canadian booth managed by DP Expos Inc. The Embassy will also co-ordinate exhibitions, tours, conferences and more.

For more information, contact François Gauthé, Commercial Officer, Technology, Media and Telecoms,
Continued on page 16 - Salon

Alger Telecom 2001

ALGIERS, ALGERIA — September 16-19, 2001 — Canadian firms are invited to participate in **Alger Telecom 2001**, Algeria's first specialized international trade fair in the areas of telecommunications, information technology, broadcasting and networking.

This event is recommended for professionals seeking to penetrate the Algerian telecommunications market, which has been expanding rapidly. In fact, Algeria is one of the most promising telecommunications and IT markets in the Maghreb.

Over the medium term, the Algerian government expects to triple the number of fixed-line subscribers to
Continued on page 16 - Alger

Mexitronica 2001

GUADALAJARA, MEXICO — October 10-12, 2001 — Canadian firms are invited to participate in **Mexitronica**, the annual **National Electronics Manufacturing Conference and Exposition of Mexico**. Firms participating in the Canada stand will enjoy the support of trade staff in matchmaking and translation, and will receive assistance for site visits to manufacturing operations.

Mexitronica is an excellent showcase for Mexico's large electronics manufacturing industry. As the "Silicon Valley" of Mexico, Guadalajara has become an important centre for original equipment manufacturer (OEM) and electronic manufacturing services (EMS) manufacturing operations, with some 120 companies in the electronics cluster employing 80,000 people in
Continued on page 16 - Mexitronica

CMHC International Housing Market Seminars

Following the success of the "Go Europe" and the "Go America" housing market seminars, the Canada Mortgage and Housing Corporation (CMHC) is offering a new series of seminars on the Asian market. "Go Asia" is designed to update Canadian exporters — both new and experienced — on market developments in Japan, China and Korea, as well as to disseminate information based on CMHC market research projects.

Seminars will take place on the following dates:

VANCOUVER — September 10
 EDMONTON — September 12
 TORONTO — September 14
 MONTREAL — September 17
 CHARLOTTETOWN — September 19

For a \$150 registration fee (taxes included), the series features sessions on changes in product rules and standards, market opportunities, matchmaking meetings with buyers, a networking luncheon and interpretation services.

For more information, contact Nellie Cheng, CMHC Vancouver Regional Business Centre, tel.:

(604) 666-8064, e-mail: ncheng@cmhc-schl.gc.ca

The "Go Europe" series of seminars will be offered once again across the country from September 20-28, 2001.

For more information, contact your local CMHC office or e-mail international@cmhc-schl.gc.ca ✪

Alger Telecom 2001

— Continued from page 15

6 million, and to extend the fibre-optic network from 80,000 kilometres to 150,000 kilometres. Opportunities also exist in the mobile telephone market, as well as in wireless telephony. Algeria is seeking to develop both satellite and radio communications, to adapt to new information technologies and to respond as quickly as possible to the significant unmet demand.

Canadian firms interested in breaking into this promising sector are encouraged to contact the Canadian Embassy in Algeria for information. The minimum cost of participation in this event is estimated at \$2,000 — a \$500 registration fee and \$350 per square metre of exhibition space.

For more information on participating in Alger Telecom 2001, contact the Canadian Embassy, Algiers, before June 28, 2001: Gilles Poirier, Trade Commissioner, tel.: (011-213) 21 91 49 51, fax: (011-213) 21 91 47 20, e-mail: gilles.f.poirier@dfait-maeci.gc.ca or Rachid Benhacine, Trade Officer (Telecom and IT), tel. and fax: (same as above), e-mail: rachid.benhacine@dfait-maeci.gc.ca

Further information is available on the Web site of Fairtrade, the German organizer of Alger Telecom 2001: www.fairtrade-messe.de ✪

Salon de l'Éducation

— Continued from page 15

Canadian Embassy, Paris, tel.: (011-33-1) 4443-2358, fax: (011-33-1) 4443-2998, e-mail: francois.gauthier@dfait-maeci.gc.ca Web site: www.amb-canada.fr ✪

Mexitronica 2001

— Continued from page 15

Guadalajara alone. The show draws companies from all parts of Mexico, and is the key event for suppliers of components, equipment and other goods and services for the electronic products manufacturing sector.

For more details on Mexitronica, visit www.mexitronica.com

For more information on the Canada stand, contact Fernando Baños, Senior Commercial Officer, Canadian Consulate, Guadalajara, tel.: (011-52) 3615-6215, fax: (011-52) 3615-8665, e-mail: fernando.banos@dfait-maeci.gc.ca Web site: www.infoexport.gc.ca/mx/gdl or Sandeep Mathur, Industry Canada, tel.: (613) 957-8072, fax: (613) 952-8419, e-mail: mathur.sandeep@ic.gc.ca ✪



Enquiries Service

DFAIT's Enquiries Service provides counselling, publications, and referral services to Canadian exporters. Trade-related information can be obtained by calling 1-800-267-8376 (Ottawa region: 944-4000) or by fax at (613) 996-9709; by calling the Enquiries Service FaxLink (from a fax machine) at (613) 944-4500; or by accessing the DFAIT Internet site at www.dfait-maeci.gc.ca

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Canadian trade mission huge success in Atlanta

Team Canada Atlantic

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ATLANTA, GEORGIA — May 13–16, 2001 — In its largest-ever trade mission to the southeastern United States and first-ever to Atlanta, Team Canada Atlantic (www.teamcanadaatlantic.com) exceeded its objective.

The mission was led by Prime Minister Jean Chrétien and included 37 businesses and 30 investment companies from Atlantic Canada. Accompanying the mission were International Trade

Minister Pierre Pettigrew, Industry Minister Brian Tobin, Minister of State for the Atlantic Canada Opportunities Agency (ACOA) Robert Thibault, and the Premiers and trade ministers of the Atlantic provinces.

The visit was organized by DFAIT, Industry Canada, Canadian Manufacturers and Exporters (CME), ACOA and the four Atlantic provinces, together with the Canadian Consulate General in Atlanta (www.can-am.gc.ca/atlanta). Also contributing to the success of

the event were the Georgia Department of Industry, Trade and Tourism, and the Metro Atlanta Chamber of Commerce.

Introducing Atlantic Canada

"The purpose was to introduce Atlantic Canada to Georgians," said Astrid Pregel, Canada's Consul

Continued on page 6 – Team Canada



Team Canada Atlantic/Brian Simpson

From left to right: Sanjay V. Saggere, Business Development Manager, Blueshift; Valmiki P. Raghunathan, President, Blueshift; Alain Bélanger, President, RégeNord; and André Leblanc, Vice-President, Innovanet (a subsidiary of RégeNord.)

IFI Opportunity Alert Program

Canadians are falling behind in the race to win contracts funded by international financial institutions (IFIs) in South Asia.

While this region (which encompasses India, Pakistan, Bangladesh, Sri Lanka and Nepal) is the second-largest

regional recipient of lending, Canadian companies traditionally win a mere 5% to 10% of IFI contracts, and of those, most are in services rather than in goods.

DFAIT's South Asia Division is constantly searching for business opportunities for Canadian companies. In

Continued on page 16 – IFI

CANADIAN TRADE REVIEW
FIRST QUARTER 2001
(See insert.)



International Business Opportunities Centre

The International Business Opportunities Centre (IBOC) provides a matching service — connecting foreign buyers with Canadian companies. The Centre provides timely, relevant and targeted business leads from the desks of foreign buyers to the doorsteps of Canadian companies.

The following lists some of the Centre's current trade opportunities — for a wider selection, visit the Web site at www.iboc.gc.ca/webleads/webleads.asp

Canadian exporters needing assistance in preparing international bid documents may want to use the international contracts expertise and services offered by the Canadian Commercial Corporation. This Crown Corporation is located at 50 O'Connor Street, Suite 1100, Ottawa, ON K1A 0S6, tel.: (613) 996-0034, fax: (613) 995-2121.

GUYANA — Solid Waste Public Awareness Program — The Government of Guyana invites bids for a Public Awareness and Education program to improve sanitary conditions in Georgetown and its environs through safer disposal of solid waste at the Mandela Avenue landfill site. Closing

date: July 31, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010522-02525.

CHINA — National Railway Project — The Ministry of Railways invites sealed bids for the supply, installation and servicing (training, inspection, installation, pre-commissioning, commissioning, guarantee testing, operational acceptance) of the following equipment, divided into 11 packages:

1. On-track full-section undercutting ballast cleaning machines (2 sets);
2. Rail grinding machine (1 set);
3. Continuous-action track lifting, lining, leveling and tamping machines (3 sets);
4. Track lifting, lining, leveling and tamping machines (2 sets);
5. Heavy-duty switch lifting, lining, leveling and tamping machines (2 sets);
6. Dynamic track stabilizers (2 sets);
7. Ballast regulating machines (2 sets);
8. Track inspection car, maximum measuring speed 160 km/h, (1 set);
9. Rail welding machine (1 set);
10. Rail flaw detection vehicle (1 set);
11. Equipment for the hard facing crossing (10 sets). Cost of bid documents for each set (non-refundable): Y2,000. Bid security: minimum 2% of total bid price. Closing date: August 16, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca

quoting case no. 010516-02468. **ALGERIA — Field Development Projects (Oil and Gas)** — The Ministry of Energy & Mines and Sonatrach invite bids for the following projects: Zarzaitine oil development projects; El-Adeb-Larache oil development project; Rhourde Nouss "Hamra Quartzite" hydrocarbons development project; Tinrhert gas development project; South East Illizi Basin oil and gas development and exploration project. Bidding will be separated into two phases: technical proposal, followed by economic proposal. Closing date: October 8, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010411-01330. For details: www.mem-algeria.org or www.sonatrach-dz.com *

IBOC trade opportunities — find out more at www.iboc.gc.ca



International Business Opportunities Centre

As Team Canada Inc's Sourcing Centre, the International Business Opportunities Centre (IBOC) matches business opportunities from around the world with the business interests of Canadian exporters, particularly small and medium-sized enterprises. IBOC offers a value-added service to trade commissioners by directly contacting Canadian companies about foreign trade leads.

To pursue our international trade leads, check out our Web site at www.iboc.gc.ca (particularly our E-Leads® and Web-Leads®).

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CanadExport

It's not every day that a Canadian exporter receives a visit from the Prime Minister and seven provincial premiers at its overseas facilities. But that was precisely the honour Montreal-based HydroNov Inc. enjoyed during the Team Canada mission to Beijing, Shanghai and Hong Kong this February. Gaining exposure from this high-profile tour of its Beijing greenhouse operations; the fast-growing company of fast-growing hydroponics technology also used the prestigious mission forum to finalize two more contracts, worth US\$3.5 million each. That makes for a total of four HydroNov joint-venture operations in this lucrative market... with more to come.

HydroNov Inc., incorporated in 1995, is a subsidiary of Montreal-based HydroSerre Mirabel Inc., a world leader in greenhouse lettuce production using its unique Floating Rafts Growing Technology. This hydroponics system (hydroponics means growing without soil) is among the most water-conserving of such systems and produces lettuce and other leafy vegetables at four times the capacity of traditional soil-based technologies.

"We realized the technology itself held excellent market potential," explains company president Luc Desrochers, "so we created HydroNov to supply and manage it in countries around the world."

HydroSerre itself was formed in 1987 by Desrochers, who adapted for commercial production the Floating Rafts hydroponics system, the concept for which was developed at the University of Arizona in the late 1970s.

HydroNov, with \$7 million in annual sales, currently exports to the United States (Florida) and China and is actively working on potential projects in Japan, the Philippines, Mexico, France and the Middle East.

A growing business

It's no surprise that China, with its more than 1.3 billion people and shortage of arable land, would be attracted to a system with such a high output. Introduced to the market by Canadian high-technology company, Delta Management Inc., in 1997, HydroNov

formed two joint ventures — the Shenzhen Evergreen Vegetable Co. Ltd., (1998) and the China-Beijing Evergreen Vegetable Co. Ltd. (1999).

During the Team Canada mission, two new joint ventures — with

Team Canada fertile ground

Fast-growing HydroNov Inc.

Canadian partner Asia Greenhouses Ltd. — were signed: the Shanghai Evergreen Vegetable Co. Ltd. and the Dalian Hualu Vegetable Co. Ltd. Both projects involve the delivery and construction of a modern green-



Luc Desrochers presents Prime Minister Jean Chrétien with a head of hydroponic lettuce during his tour of the China-Beijing Evergreen Vegetable Co. greenhouse, while Canadian Ambassador Howard Balloch (centre) looks on.

house production complex for the production of Butterhead lettuce and a selection of Asian vegetables.

"We had been in negotiations with these two clients for several years. The Chinese place a very high value on the backing of government, and so the mission provided the perfect forum for formalizing and signing the contracts," explains Desrochers, whose Dalian client joined him at the Prime Minister's Banquet at the Great Hall of the People in Beijing.

Exposure beneficial

The Prime Ministerial tour of the China-Beijing Evergreen Vegetable Co. Ltd., with officials from the Shunyi District

Government, brought the company extra-special exposure. "Our Chinese partners appreciated the opportunity to talk with Canadian officials, and to have Chinese officials witness such a high-profile visit," says Desrochers.

HydroNov also gained exposure from other mission events, including two networking sessions organized by the Quebec government under the Team Canada umbrella. "These events have given us increased credibility with our existing Chinese customers and partners and aroused interest from new potential customers," explains Desrochers, now in negotiations with two of the more than 20 prospective partners who contacted him during the mission.

The successful Montreal businessman has three important pieces of advice for companies contemplating the Chinese market: "Make sure you have an affinity for the culture — otherwise the very different business and cultural practices will seem complicated and negative; find competent local people to bridge the cultural gap; and be ready to adapt your ways to the local reality."

It is advice well worth taking, from a man whose hydroponics technology company is giving the Chinese vegetable harvests like they've never seen before.

For more information, contact Luc Desrochers, President, HydroNov Inc., tel.: (450) 475-7924, fax: (450) 475-6173, e-mail: hydronov@hydronov.com Web site: www.hydronov.com *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Team Canada Success Story")

ITALY

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This is an overview of the market. For a more in-depth study of this market and for other studies, visit our Web site. When you are prepared to do business abroad, you can use our Web site to get in touch with our offices around the world and request personalized services electronically.

www.infoexport.gc.ca



The Nutra

Growing demand for vitamins and herbal extracts is keeping Italy's nutraceuticals market healthy, wealthy and wise. Worth an estimated \$359 million in 1999, this market is expected to top \$630 million by 2007.

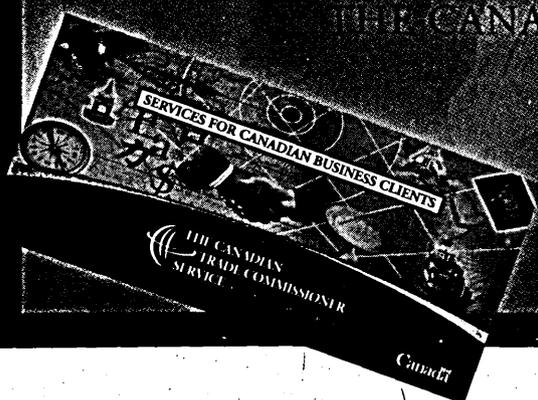
Key Factors Shaping Growth

A shifting demographic profile and greater health consciousness among Italians are contributing to the increased demand for natural over-the-counter preparations. Italy's aging population is fuelling demand for products — such as arthritis treatments and mental enhancers — that cater to the specific needs of elderly residents. At the same time, a need to reduce costs in the public sector is expanding the market for products that contribute to an overall reduction in healthcare costs. Among these products are herbal and natural preparations that have proven preventive health properties.

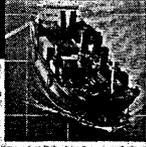
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Nutraceuticals Market

Best Product Potentials

Besides herbal extracts, products with the greatest commercial potential in Italy include vitamin E and C, the B-group vitamins, antioxidants, probiotics, and calcium. Preparations aimed at alleviating high cholesterol, stress, memory loss and obesity are also expected to increase in demand.

Herbal Extracts

Demand for herbal extracts in Italy reached an estimated \$151.5 million in 1999, and is expected to grow to \$196.8 million by 2002. Ginkgo biloba, alone, accounts for approximately 14% of this segment. Other leading products in this category are caloric agents, garlic, functional food additives, St. John's Wort and ginseng.

Vitamins

The Italian vitamin market was worth an estimated \$76.8 million in 1999, and will likely grow to approximately \$120.9 million by 2007. Demand is greatest for Vitamin E, followed by vitamin C, the B-group vitamins, and vitamin A. These vitamins represent more than 60% of the total vitamin market in Italy.



Minerals and Nutrients

Demand for products in this segment was valued at an estimated \$131.2 million in 1999, and is projected to reach

\$153.6 million by 2002. Leading products are essential minerals and proteins.

Opportunities

Growing popularity for "lifestyle" products, including vitamins and mineral supplements, is creating opportunities for suppliers with novel manufacturing and packaging concepts. Remedies that have undergone sufficient investigation, such as ginkgo, kava and St. John's Wort are well received. Italian consumers are also receptive to products that include aloe and valerian, and products that promote pain management, disease prevention and skin care.

Fortified drinks, candies, gum and snack bars are increasingly being used to deliver medicinal ingredients such as chitosan (a cholesterol reducer), echinacea (an immune system booster), and ginkgo biloba (a memory aid). Opportunities exist for Canadian companies that can develop innovative ways of making herbal remedies, vitamins and nutrients more accessible to consumers.

Competitive Environment

Canada does not currently hold a significant share of the Italian nutraceuticals market. Firms interested in exporting to Italy are urged to take an aggressive approach to marketing their products in the region — including committing resources to product promotion to familiarize Italians with Canada's capabilities.

See Potential?

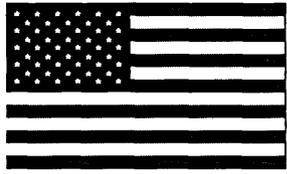
To learn more about these market opportunities, the competitive environment, and market entry strategies, please read *The Nutraceuticals Market in Italy*. This report and hundreds of others, prepared by the Market Research Centre of the Trade Commissioner Service, are available on-line at www.infoexport.gc.ca

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The Nutraceuticals Market

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The U.S. Connection

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Team Canada Atlantic

— Continued from page 1

General in Atlanta. "Mission accomplished!" She felt that an important step had been taken towards facilitating new business partnerships, increasing trade and investment, and building strategic alliances between businesses in Atlantic Canada and the southeastern United States.

Atlanta was the chosen destination because it is a dynamic marketplace situated in the southeastern U.S.A., the region that has led economic growth in the United States for the past six years.

Mission participants were particularly interested in opportunities in information technology, value-added food products, light manufacturing, value-added wood products and life sciences.

Results beyond expectations

Because of the relatively short duration of the visit, there was no expectation that participants would do more than get to know the market and make themselves known. Instead, at least six agreements were concluded:

Telelink, The Call Centre Inc. of St. John's, Newfoundland, signed a customer service support contract for the Web site of Atlanta-based ProAct Technologies Corp. Established in 1965, Telelink has evolved into a fully automated, multimedia contact

centre providing customer service solutions to over 400 domestic and international clients.

Rodrigues Wines of Eastport, Newfoundland, signed an agreement giving Empire Distributors Inc. of Atlanta exclusive rights to introduce to Georgia Rodrigues' exotic wines created from hand-picked, freshly harvested wild berries and farm-grown fruit. Founded in 1993, Rodrigues now ships to four Canadian provinces, Japan and the United States.

Software manufacturer Diaphonics Inc. of Halifax, Nova Scotia, signed an agreement authorizing Telecom and Computer Marketing (TCM) of Atlanta to distribute Diaphonics' voice recognition software in the United States. Founded in 2000, Diaphonics develops software and systems that help companies improve the way they interact with customers over the telephone. Its products feature natural-language speech recognition, plus unique security features that enable organizations to conduct valid and secure automated voice transactions. The company targets the financial services and telecom sectors.

Atlantic Learning Innovations Network (ALIN) of Halifax, Nova

Scotia, signed a strategic alliance agreement with IBM North America K12 Ltd. to develop, implement and support technology-enhanced educational programs for IBM's Business Innovation Services in Atlanta. Founded in December 2000, ALIN offers products and services in the areas of e-learning, e-business, e-content and e-networking.

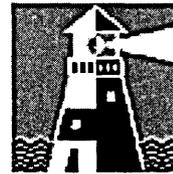
Plastics manufacturer Thermopak Ltd. of Shippagan, New Brunswick, signed a three-year agreement authorizing H&H Sales and Marketing Inc. of Atlanta to act as its exclusive sales representa-

tive in eight states in the U.S. Southeast and six states in New England. The deal is valued at an estimated \$3.35 million. Established in 1987, Thermopak manufactures custom-made thermo-

formed trays for the food and greenhouse industries. Under an agreement with **RégeNord** of Kedgwick, New Brunswick, **Blueshift Inc.** of Norcross, Georgia, will design forestry engineering software. This will help evaluate the best moment to proceed to a cut, thereby streamlining the harvesting process in forestry management.

Future Learning Inc. of Charlotte-town, Prince Edward Island, developed an alliance with **Axcess Knowledge** of Atlanta. Future Learning is an e-learning company that specializes in helping organizations use educational technologies effectively.

Continued on page 15 - Team Canada



Soheil Mosun Limited (SML) knows about the cutting edge. The custom fabricator's products are literally cut and shaped using advanced technologies such as abrasive water-jet

With CCC help

Custom fabricator brings cutting edge to U.S.

cutting and chemical photo-etching. The evolving Toronto-based manufacturer also knows that the key to being "cutting edge" in the 21st century lies in knowledge, expertise and partnerships. A new partnership with the Canadian Commercial Corporation (CCC), in fact, has helped land the company two contracts totalling US\$8 million in the United States — presaging exploding growth for the export-oriented business.

Founded in 1973 by its current president, Iranian-born Soheil Mosun and his German wife Brigitta, with operations run by sons Darius (Vice-President, Business Development) and Cyrus (Vice-President, Sales), SML has evolved into a world-renowned company whose stunning products — made from metals, glass, and other materials — adorn some of the world's most prestigious commercial addresses.

DOING BUSINESS WITH THE U.S. FEDERAL GOVERNMENT?

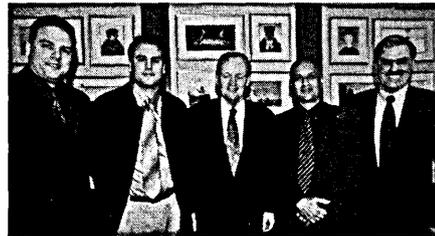
Find out more from the Canadian Embassy in Washington, D.C. (www.canadianembassy.org) under "Business Opportunities: U.S. Government Procurement."

Log onto opportunities via the General Services Administration (www.gsa.gov), which facilitates purchases by the U.S. government — the world's largest consumer — and the Electronic Posting System site (www.eps.gov).

When you're ready to pursue these opportunities, the Canadian Commercial Corporation (www.ccc.ca) can assist you with the interpretation of the U.S. procurement system or ensure that as a Canadian company, you are eligible to participate.

Included in its impressive project portfolio are the ironwork fence surrounding the Shrine of Muhammad in Medina, Saudi Arabia; windows for the Grand Mosque in Mecca and for

Ottawa's renovated Peace Tower; and elegant elevator interiors for London's Canary Wharf, Toronto's First Canadian Place, and the Baha'i World Administrative Offices in Haifa, Israel.



From left to right: Darius Mosun, Cyrus Mosun, Prime Minister Jean Chrétien, Soheil Mosun, Roy Cullen, MP (Etobicoke North), Parliamentary Secretary to the Minister of Finance.

Company shows stripes

The lucrative U.S. contract — part of a US\$500-million renovation of Detroit, Michigan's Renaissance Center into General Motors' new world headquarters — began with a larger-than-life 1950's automotive radiator grille. "We showed our stripes by designing, manufacturing and installing the grille in about three and a half weeks," explains Darius Mosun.

Impressed, the customer, U.S. construction giant Turner Bailey Brinker, wanted SML for other aspects of the renovation — namely US\$5.7 million worth of custom architectural products: glass door and wall panels and stainless steel column covers. But Turner also wanted SML to post a performance bond that the company couldn't afford.

CCC affords access

Having no success with banks or bonding companies, SML eventually

SHAPING TRADE SOLUTIONS FOR OUR EXPORTERS



Canadian Commercial Corporation

The Canadian Commercial Corporation (CCC) is an export sales agency of the Government of Canada providing special access to the U.S. defence and aerospace markets and specializing in sales to foreign governments.

Canadian exporters can gain greater access to government and other markets, as well as a competitive advantage, through CCC's contracting expertise and unique government-backed guarantee of contract performance.

CCC can facilitate export sales that often result in the waiving of performance bonds, advanced payment arrangements and generally better project terms.

When requested, CCC acts as prime contractor for government-to-government transactions and provides access to pre-shipment export financing from commercial sources.

For more information, contact CCC, tel.: (613) 996-0034, toll-free in Canada: (800) 748-8191, fax: (613) 947-3903, e-mail: info@ccc.ca Web site: www.ccc.ca

found its way to CCC through a referral from local MP for Etobicoke North, Roy Cullen. "Without Mr. Cullen, we wouldn't have known CCC even existed, and we probably wouldn't have been able to take on the contract," says Mosun. "We feel strongly about the support we've received from CCC — they afford companies such as ours access to otherwise impenetrable markets and contracts."

Acting as prime contractor, CCC provided the necessary guarantees for the contract, signed in September 1999. "We were very impressed with SML's quality of workmanship, attention to detail, personal integrity and commercial practices," explains CCC Account Executive Tim O'Farrell, noting that CCC and SML are now pursuing several other leads in the U.S.

Gears running smoothly

CCC also took part in negotiating with Turner. "CCC does an excellent job in presenting themselves to the foreign buyer and in defining their plan," says Mosun. "And for us, Tim O'Farrell has been the oil in the gears."

Continued on page 8 — Soheil Mosun

Slower world economic growth has already hit many Canadian exporting companies. The outlook is for modest growth of 2-3% in export sales in 2001, a sharp deceleration from 2000. That growth forecast assumes a U-shaped trajectory for the U.S. economy in the second half of the year, and a solid growth year for the world in 2002.

The conditions are ripe

Environmental exports

by Stephen S. Poloz, Vice-President and Chief Economist, Export Development Corporation

One part of the Canadian economy that seems well positioned to weather the slowdown is the environmental goods and services sector. Canada has emerged as a world leader in the environmental business, with more than 6,000 companies participating in one way or another. Although the data are a little sketchy given the relatively small size of the industry, exports of environmental goods and services exceeded \$1 billion in 1998, and by all accounts growth has been solid since then. The key areas are in air pollution control equipment, water

treatment equipment, and waste/slag refinement technologies.

Structural changes in the world point to even stronger growth for this sector on the horizon. Environmental awareness is rising very rapidly, in developed and developing countries alike. Historically driven by regulation, today the demand for environmental goods and services is motivated more

by the acknowledgement that being environmentally responsible is good for business and likely to be lauded by shareholders. Even if no environmental equipment is purchased in the end, many companies are making use of environmental consultant services to assess the environmental risks they face.

Environmental standards are even making it onto the trade liberalization bargaining table, as indicated by the outcome of the recent Summit of the Americas in Quebec City. Government

leaders have discovered that many so-called anti-globalizationists are ready to accept the argument that free trade conveys economic benefits. Rather, their primary concern often is that free trade will not necessarily be fair, in the sense of not guaranteeing due regard for democratic principles, labour practices and environmental standards. The leaders of the Americas in Quebec City basically embraced these views. What this means is that future trade negotiations are very likely to adopt a broader negotiation agenda, including the environment, labour practices and democratic principles, rather than focusing exclusively on the nuts and bolts of free trade.

As a result of these trends, foreign direct investment proposals increasingly are including environmental impact assessments. And, the mitigants and solutions that are proposed are frequently Canadian in origin, as Canadian companies have emerged as market leaders in this sector. Virtually every form of human economic activity produces side-effects on the environment, from the production of waste water, to the slag heaps beside mines, to air pollution. As efficient technologies are developed to deal with these side effects, the global market for them will expand enormously.

On top of this, the countries with the most catching up to do on the environmental front are also those which historically have been least able to afford it. Environmental technologies, such as waste water treatment, are often regarded as a luxury that is the first to be cut when times are difficult. However, the global energy market has strengthened considerably in the past two years, and many developing countries are flush with cash as a consequence, and ready to buy.

The bottom line? The global environmental goods and services sector is entering a sweet spot of historic proportions. Canadian companies appear to be well placed to take advantage of this positive combination of forces. ♣



Stephen S. Poloz

Soheil Mosun Limited — Continued from page 7

If the recently signed US\$2.3-million follow-on contract with Turner is any indication, the gears have been running smoothly indeed.

For the follow-on contract, SML is subcontracting some of the work. That new role dovetails neatly with the company's planned evolution from traditional fabricator to a company sharing its manufacturing expertise through strategic alliances and project management. "It's information that will become increasingly valuable, not necessarily having the manufacturing equipment and facilities all in-house," explains Mosun.

To that end, SML has invested in software for managing its business

and developing databases of its vast technical information, enabling it to share its expertise with subcontractors and track jobs for customers, among other things. "Our ingenuity and experience, coupled with CCC's backing, are putting us in a position to secure lucrative new export projects."

It's a cutting-edge combination that's beginning to cause many heads to turn south of the border.

For more information, contact Darius Mosun, Vice-President, SML, tel.: (416) 243-1600, ext. 225, toll-free: (888) 446-6786, fax: (416) 243-7132, e-mail: dmosun@soheilmosun.com Web site: www.soheilmosun.com ♣

Canadian Trade Review

A Quarterly Review of Canada's Trade Performance
First Quarter 2001

This trade and investment quarterly reports on Canada's economic growth in the first quarter of 2001, and highlights our trade and investment performance in key sectors and markets.



Canada's Foreign Trade Led the Surprisingly Strong First Quarter 2001 Growth of the Economy

Canada's surplus in trade in goods and services increased strongly in the first quarter of this year, accounting for more than three quarters of the surprisingly strong growth of 2.5 percent in Canada's real GDP in the same quarter. This development provides further evidence of the substantial contribution of international trade and investment to growth in output and employment in Canada. Job market indicators remain positive, with more than 34,000 new jobs created in the first quarter, and with the unemployment rate averaging at 6.9 percent, little changed from last year's 26-year low of 6.8 percent. Meanwhile, inflation in the first quarter was within the official inflation-control target band of 1 to 3 percent, which has been extended by five years to the end of 2006. The average value of the Canadian dollar in the first quarter was little changed from the previous quarter against the U.S. dollar, but was up against the Japanese yen and down against the Euro. Overall, Canada's current account established

Table 1: Canada's Economic and Trade Indicators

Percent Change at Annual Rates First Quarter 2001 over Fourth Quarter 2000	
Real GDP	2.5
Employment (<i>quarterly increase, level</i>)	34,300
Rate of Unemployment (<i>first quarter average in percent</i>)	6.9
Consumer Price Index (<i>1Q2001 over 1Q2000 percent change</i>)	
All Items	2.3
Core (<i>excludes food and energy</i>)	1.1
Canadian \$ in U.S. Funds (<i>first quarter average</i>)	0.6545
Exports of Goods and Services (<i>based on current dollars</i>)	3.8
Imports of Goods and Services (<i>based on current dollars</i>)	-9.9

a record surplus of \$50.9 billion, seasonally at an annual rate (s.a.a.r.), in the first quarter of 2001, the 7th quarterly surplus in a row.¹

The continued growth in the U.S. economy (1.3 percent in the first quarter of 2001), now in its 11th year, coupled with improvements in the economic climates in each of Europe, Asia and Latin America, all contributed to increased demand for Canadian goods and services. Reflecting continued strong domestic activity, the level of imports in the first quarter remained higher than that in the corresponding period a year earlier.

¹ To make quarterly data comparable to annual data, the quarterly figures for trade in goods and services are adjusted for seasonality and are expressed at annual rates by raising them four times. These data are denoted by the abbreviation (s.a.a.r.)



Trade and Investment Highlights

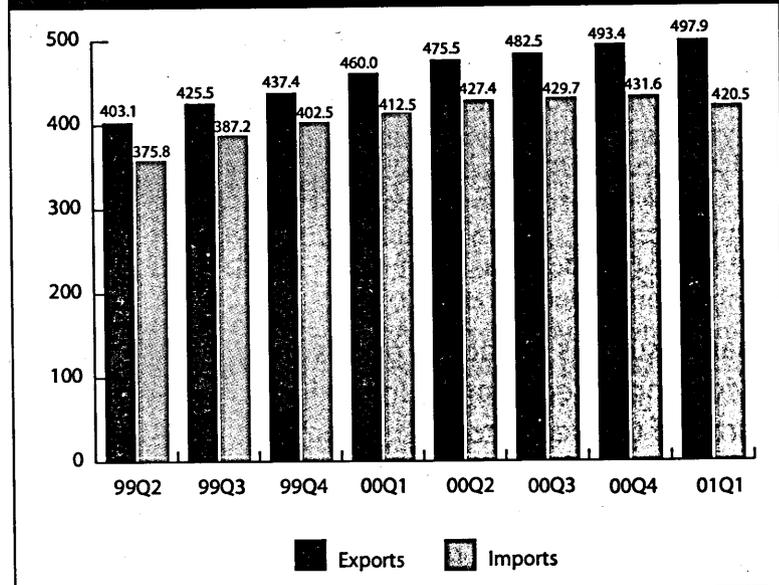
The jump in the current account surplus in the first quarter was associated with an improvement in trade in both goods and services. Exports of services rose more rapidly than services imports, resulting in a further decline in the persistent deficit in the services component of the account in the first quarter.

Both inward and outward investment increased in the first quarter, albeit at a slower pace than the record rates witnessed in the fourth quarter of last year. In the first quarter, Canada's flows of both direct and portfolio investment abroad were greater than inflows of foreign investment. Canadian direct investment abroad (CDIA) was robust in the first quarter, as Canadian enterprises continued to expand their operations in global markets. At the same time, foreign investors added substantially less to their new foreign direct investment (FDI) in Canada. On the portfolio side, Canadian investors continued to purchase foreign equities at a rapid pace, in reaction to the legislated increase in the foreign content limits of pension plan investment. Foreign investors resumed purchases of Canadian bonds and stocks in the first quarter.

Canada's Exports Increased Despite a Slowdown in Economic Growth South of the Border

Exports of goods and services reached \$497.9 billion dollars (s.a.a.r.), in the first quarter, surpassing the record high of \$477.9 billion in 2000. Merchandise exports totalled \$440.9 billion in the first quarter, compared to \$422.6 billion in 2000. As well, relative to the fourth quarter of 2000, exports were up in the first quarter, despite substantial declines in exports of automotive products, machinery and equipment, and forestry products. Energy contributed significantly to the gain in exports, led by higher natural gas and electricity sales to U.S.

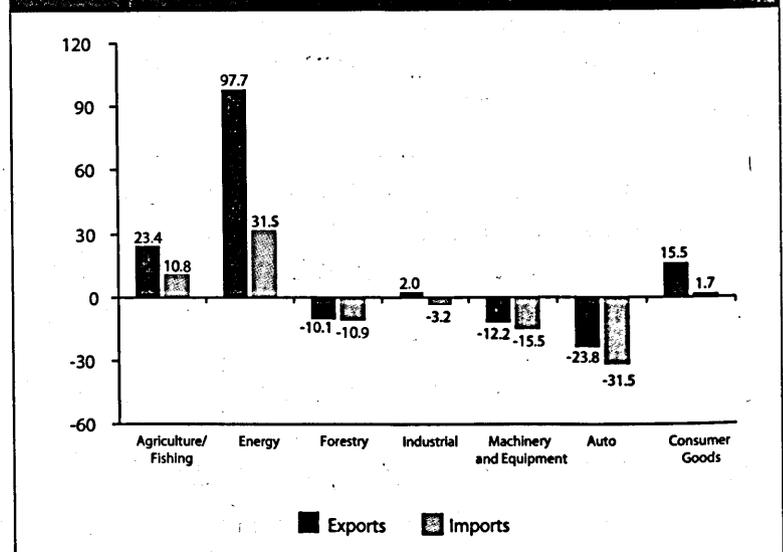
Figure 1: Canada's Trade in Goods and Services
(Billions of Dollars, Annualized)



Source: Statistics Canada

Figure 2: Canada's Trade by Commodity

First Quarter 2001 over Fourth Quarter 2000
(Annualized, Percent Change)



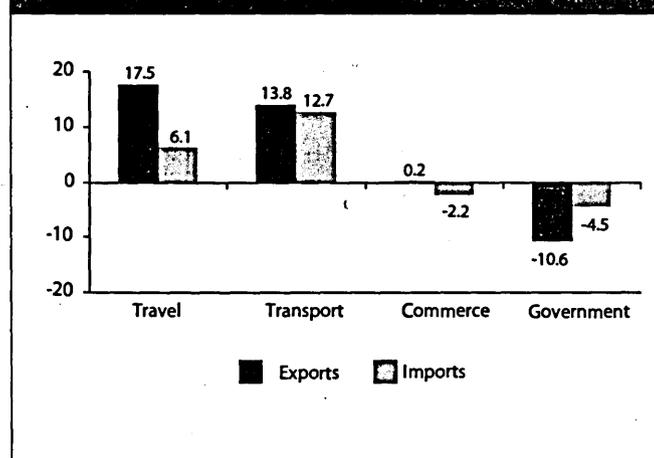
Source: Statistics Canada

markets that were hard hit by the ongoing energy shortage. Sales of agricultural products, consumer goods, and industrial goods and materials, also increased in the first quarter.

Imports of goods and services fell sharply in the first quarter to \$420.5 billion (s.a.a.r.), a level that is somewhat lower than the 2000 total of \$425.3 billion. From a high level in the fourth quarter of 2000, merchandise imports declined in the first quarter of this year, as a result of reduced purchases of automotive products, machinery and equipment, and industrial goods. The declines in imports of automotive products, and machinery and equipment, such as telecommunications equipment, were larger than the drops in exports of corresponding products. The decrease in imports of machinery and equipment reflected the weakness in business investment in plant and equipment, and in inventories.

Figure 3: Canada's Trade in Services by Type

1Q2001 over 4Q2000, Annualized Percent Change



Source: Statistics Canada

In an environment of high energy prices, one bright spot was Canada's trade in energy commodities. Indeed, the surplus in Canada's trade in energy commodities increased sharply in the first quarter, accounting for 60 percent of the increase in the overall surplus on merchandise trade:

By destination, the improvement in Canada's merchandise trade surplus was dominated by the balance with the United States. However, the merchandise trade balance with all of Canada's other major trading partners also improved, and in the case of Japan, it moved into a surplus position after eight quarterly deficits.

While exports to the European Union and the United Kingdom rose strongly in the first quarter, sales to the

United States also increased, despite large declines in U.S. demand for electronic products and motor vehicles. In contrast, imports from most of Canada's trading partners fell, with the exception of those sourced from the European Union.

Services Trade Balance Improved Further

In the first quarter of 2001, Canada's services exports and imports rose to \$57.0 billion (s.a.a.r.) and \$63.1 billion (s.a.a.r.) respectively, exceeding their 2000 levels of \$55.3 billion for exports and \$62.0 billion for imports. Relative to the fourth quarter of 2000, both services exports and imports rose, led by the strength in trade in commercial services and transportation spending.

A narrowing in the deficits on the travel and commercial services accounts led to a continuing improvement in Canada's deficit on services trade in the first quarter of 2001. Canada's international travel account deficit declined substantially in the first quarter, reflecting a robust increase in spending by U.S. travellers in Canada. This improvement occurred even though Canada's travel deficit with overseas countries increased to its highest level in 11 years; spending by Canadians travelling in countries other than the United States increased sharply in the first quarter of this year. In the case of commercial services, exports were up in the first quarter, while imports were essentially unchanged. The gains in commercial services exports occurred in activities such as research and development, management, and financial and communications services.

Canadian Direct Investment Abroad Remained High

Canadian direct investment abroad (CDIA) totalled \$9.1 billion in the first quarter of 2001, of which \$3.3 billion was directed to the United States. These flows were high by historical standards, albeit below the exceptionally robust levels witnessed over the last three years. In the first quarter, acquisitions, mostly in the electrical and electronic industry, accounted for about half of this investment outflow. Meanwhile, foreign direct investment (FDI) in Canada fell to a modest level of \$5.2 billion in the first quarter, after six quarters of massive inflows.

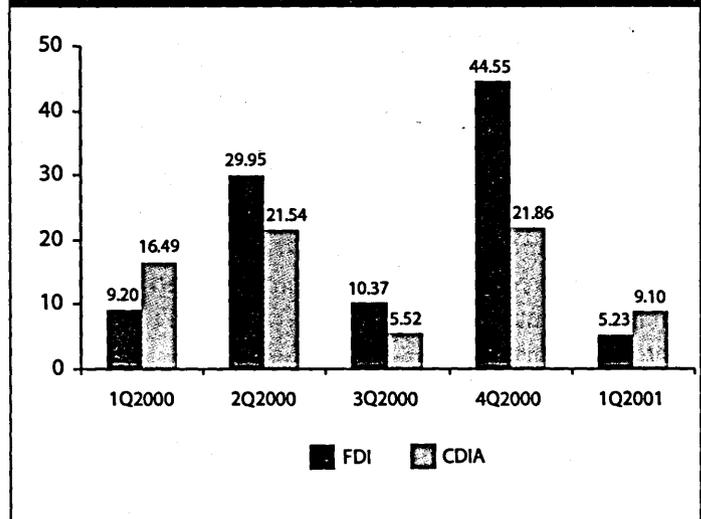
Portfolio investment continued to increase sharply in the first quarter of this year, as Canadians purchased \$12.4 billion worth of foreign stocks and \$1.1 billion worth of foreign bonds to diversify their investment. The high volume of purchases of portfolio investment represented a continuation of the massive outflow that occurred in 2000 in the wake of a 5-percent increase in foreign content limits for tax-sheltered Canadian investment funds. Foreign investors also increased their holdings of Canadian stocks, by \$6.2 billion in the first quarter. These huge purchases of Canadian and U.S. stocks occurred when both Canadian and U.S. stock prices collapsed in February and in March of this year. Foreign investors purchased \$8.9 billion worth of Canadian bonds in the first quarter of this year. In March alone, purchases of Canadian bonds rose to \$6.2 billion, the largest investment in seven years.

Canada's Official International Reserves Increased

Canada added \$2.5 billion to its official reserve assets, the eighth quarterly addition over the last nine quarters. This addition was in holdings of U.S. dollars and other foreign currencies. As the average value of Canada's

Figure 4: Foreign Direct Investment in Canada (FDI) and Canadian Direct Investment Abroad (CDIA)

(First Quarter 2001, Billions of Dollars)



Source: Statistics Canada

trade-weighted exchange rate was little changed in the first quarter, this gain in official reserves did not appear to have any appreciable upward impact on the external value of the Canadian dollar.

Features Section

Canada's Trade in a Global Context

Over the last decade, international trade was a major driving force behind the growth in Canada's gross domestic product (GDP). As a result, exports of goods and services have risen from a ratio of 25 percent of GDP in 1991 to 45.3 percent by 2000, by far the highest ratio among the G-7 countries. Over this period, the dependence on foreign trade has also risen steadily among all G-7 coun-

tries, as well as among Canada's other major competitors in the global market. Thus, for Canada's market penetration abroad to increase, it is necessary that Canada's exports grow at a faster rate than those of our major competitors in markets abroad. This note reviews Canada's performance in merchandise exports in Canada's top 10 foreign markets in light of developments abroad.² It suggests that Canada needs to redouble its trade and related investment-promotion efforts to

forestall an erosion in the share of Canada's exports in markets abroad, including that of the United States.

Canada's Global Performance Improved

Demand for Canada's exports is affected by a number of factors such as income growth and price responsiveness in key export markets, geographical proximity of foreign markets, complemen-

² This review is based on international data, expressed in U.S. dollars, as published by the International Monetary Fund's *Direction of Trade Statistics*. The data, reported from each country's own records on merchandise imports, are adjusted to a uniform basis, where necessary, to allow for the cost of freight and insurance.

tarity of products and services traded and price competitiveness associated with productivity improvements, exchange rate considerations and trade impediments. Since 1989, the U.S.-dollar value of merchandise imports for the world as a whole increased by 114.6 percent. In the case of imports from Canada, which can be viewed as Canada's exports to the world, the increase was somewhat higher, at 122.7 percent. From a Canadian perspective, market penetration, measured in terms of Canada's share in the world's all-country data on merchandise imports, rose from 4.0 percent in 1989 to 4.1 percent in 2000, as Canada became 6th in the world's top 10 exporters. Canada's market penetration fell from 4.0 percent in 1989 to 3.6 percent in 1992, hurt particularly by the recession in the global economy in 1991-1992. Since then, market penetration has expanded steadily, at the expense of Japan and the European Union. Over this period, Mexico, Korea and China recorded substantial gains in market penetration. In 2000, Canada's market penetration was 134 percent higher than that of Mexico, a country that registered one of the strongest export growths in the 1990s.

Canada Fared Poorly in a Number of Key Markets

It is instructive to examine the performance of Canada's exports vis-à-vis its major competitors in Canada's top 10 export markets such as the United States, Japan, the United Kingdom, China, Germany, South Korea, Belgium-

Luxembourg, Mexico, France and Italy. Canada's performance in trade with the European Union is also analysed.

United States

Since 1989, Canada has oriented an increasingly larger proportion of exports to markets in the United States, reflecting a combination of factors such as the more buoyant state of economic activity in the United States than in the rest of the world, the incentive provided by the reduction/removal of trade barriers through trade agreements, particularly the Canada-U.S. Free Trade Agreement, the long-standing economic relationship, mergers and acquisitions, geographical proximity, and product complementarity, as well as the competitive value of the Canadian dollar against its U.S. counterpart. In 2000, the United States accounted for 85.1 percent of Canada's exports of merchandise to the world, up from 73.5 percent in 1989. From the perspective of the United States, Canada is the most important source of U.S. merchandise imports. The greater orientation of Canada's exports to the United States occurred at a time when U.S. dependence on imports of goods and services rose from 11.2 percent of GDP in 1993 to 14.7 percent by 2000, reflecting both the impact of globalization activity and the tight supply situation in the U.S. economy associated with the boom conditions in that country. Thus, while U.S. imports from Canada shot up by 156 percent between 1989 and 2000, Canada's market share in the United States only edged up from 18.2 percent in 1989 to 18.5 percent in 2000. As well, this

fractional increase in dependence on trade with the United States is much less relative to the gains made by Mexico and China for which market penetration rose in 2000 to 10.9 percent and 8.6 percent, respectively, from the 1989 figures of 5.6 percent and 2.4 percent. Most of the gains made by Mexico and China were mirrored in a sharp reduction in Japan's market presence in the United States. In 1989, Japan accounted for 19.7 percent of all merchandise imports, as the most important source of U.S. imports, but this market-penetration measure declined steadily to 12.1 percent by 2000. There is little doubt that Canada needs to increase its focus in the U.S. market to avert a Japan-style loss of market dominance to Canada's major competitors such as the European Union, Japan, Mexico and China.

European Union

The European Union (EU) as a whole accounted for 5 percent of Canada's merchandise exports in 2000, twice that of Japan, Canada's second largest national export destination. While EU imports from Canada rose by 41 percent between 1989 and 1999 measured in U.S. dollars, Canada's share in EU imports from non-member countries fell drastically from 2.4 percent in 1989 to 1.7 percent by 2000, consistent with Canada's greater success in selling to the United States. Among Canada's major competitors, the market share taken up by Japan has fallen dramatically from 12.4 percent of EU imports from non-member countries in 1989 to 8.4 percent by 2000. Mexico's market presence also edged down

Table 2

Merchandise Imports by the World and by Canada's Top 10 Export Destinations (Millions of U.S. Dollars)

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Canada	123,172	129,605	129,441	138,169	146,688	169,980	197,190	208,016	220,758	223,896	243,490	274,258
World	3,110,750	3,517,260	3,635,510	3,893,470	3,794,910	4,319,080	5,137,930	5,381,230	5,583,840	5,519,310	5,810,330	6,675,050
EU	1,275,370	1,538,960	1,576,360	1,639,030	1,394,890	1,588,230	1,914,170	1,956,310	1,974,270	2,062,910	2,143,860	2,328,320
Intra-EU	796,403	972,452	988,920	1,045,760	830,407	954,678	1,168,530	1,181,310	1,163,850	1,225,370	1,279,870	1,350,540
Excl. Intra-EU	478,967	566,508	587,440	593,270	564,483	633,552	745,640	775,000	810,420	837,540	863,990	977,780
United States	493,324	517,020	509,300	552,593	602,975	689,338	770,972	817,818	898,661	944,644	1,048,430	1,238,200
Japan	209,635	235,307	236,633	232,852	241,630	274,181	336,027	349,597	338,646	281,243	310,733	375,005
United Kingdom	199,421	223,040	209,933	221,542	205,391	226,009	262,507	283,608	302,836	309,790	315,583	368,859
China	59,140	53,809	63,875	81,871	103,622	115,705	132,163	138,949	142,163	140,385	165,718	235,710
Germany	269,646	346,461	390,114	403,177	329,779	371,517	443,810	444,527	436,439	463,263	464,279	501,463
South Korea	60,210	74,405	81,771	82,951	86,630	102,531	135,352	150,662	144,923	93,370	119,740	152,052
Belgium - Luxembourg	465	491	570	630	127	323	343	315	336	264	266	187,401
Mexico	25,071	33,016	54,853	68,342	71,902	87,280	79,697	98,418	120,789	137,709	156,172	163,696
France	192,999	234,439	231,875	241,446	202,658	234,256	278,251	275,905	274,062	290,107	313,483	331,205
Italy	153,143	181,772	182,680	186,730	147,597	167,712	205,719	206,987	208,252	215,911	216,491	235,280

Canada's Percent Share of Import Markets

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
World	3.96	3.68	3.56	3.55	3.87	3.94	3.84	3.87	3.95	4.06	4.19	4.11
EU Excl. Intra-EU	2.44	2.32	2.14	2.05	1.78	1.87	2.06	1.87	1.81	1.78	1.78	1.68
United States	18.15	18.14	18.40	18.33	18.84	19.14	19.24	19.53	19.08	18.85	18.96	18.51
Japan	4.11	3.64	3.25	3.28	3.37	3.24	3.24	2.90	2.89	2.72	2.54	2.18
United Kingdom	1.88	1.79	1.61	1.51	1.36	1.27	1.43	1.37	1.38	1.39	1.61	1.23
China	1.82	2.76	2.58	2.35	1.32	1.58	2.03	1.84	1.41	1.60	1.41	1.34
Germany	0.86	0.81	0.75	0.68	0.73	0.73	0.84	0.74	0.68	0.68	0.59	0.62
South Korea	2.71	1.97	2.33	1.90	1.96	1.96	1.92	1.81	1.79	2.12	1.50	1.07
Belgium - Luxembourg	0.66	0.56	0.55	0.46	0.41	0.56	0.65	0.53	0.67	0.64	0.75	0.73
Mexico	1.57	1.30	1.40	1.69	1.78	2.02	1.90	1.95	1.79	1.83	2.08	2.45
France	0.71	0.67	0.73	0.64	0.59	0.68	0.75	0.61	0.62	0.55	0.57	0.58
Italy	0.75	0.80	0.77	0.79	0.82	0.87	0.88	0.90	0.83	0.75	0.69	-0.76

Source: IAME Direction of Trade Statistics

from 0.7 percent in 1989 to 0.6 percent in 2000. By contrast, the market share of the People's Republic of China more than doubled from 2.1 percent in 1989 to 5.9 percent in 2000. South Korea's share also went up from 1.8 percent to 2.2 percent over the same period. The market presence of Hong Kong in the EU was little changed at about 2 percent through the 1990s.

Japan

Canada has lost significant market share over the 1990s in Japan. In particular, the U.S.-dollar value of Japan's imports from Canada declined by 4.8 percent between 1989 and 2000, at a time when Japan's imports from the world increased by 80 percent. As a result, Canada's share of the import market in Japan fell from 4.1 percent in 1989 to 2.2 percent in 2000. Although all of Canada's top 10 trading partners, except the People's Republic of China, also experienced a decline in market penetration in Japan, Canada's loss in market share was the steepest. In contrast, China's exports to Japan recorded a fourfold increase in the 1990s, resulting in a dramatic increase in its market share from 5.3 percent in 1989 to 14.4 percent in 2000 to become the second most important source of Japan's imports, after the United States.

United Kingdom

In 2000, just more than 1.5 percent of Canada's merchandise exports were destined for the United Kingdom (U.K.), down from 2.5 percent in 1989. In this envi-

ronment, Canada's market presence in the United Kingdom declined from 1.9 percent of U.K. merchandise imports in 1989 to 1.2 percent in 2000. The pattern of U.K. imports has changed considerably toward greater market penetration by the United States, China, Hong Kong and South Korea, at the expense of Japan and EU countries such as Germany, Netherlands and Belgium-Luxembourg.

China

In the 1990s, about 1 percent of Canada's merchandise exports were shipped to the People's Republic of China. While this ratio was little changed in the course of the 1990s, China's trade with the rest of the world expanded rapidly with their U.S.-dollar value of imports up by 300 percent between 1989 and 2000, substantially exceeding the growth in Canada's exports. As a result, Canada's share of China's imports fell from 1.8 percent in 1989 to 1.3 percent in 2000. China's imports from the United States and Germany also declined in importance. By contrast, South Korea and Japan increased market penetration in China rapidly, along with the rapid growth in China's exports to these two countries in recent years.

Germany

As Canada's 5th most important export destination in 2000, Germany accounted for 0.8 percent of Canada's merchandise exports, while Canada's exports accounted for 0.6 percent of Germany's imports in 2000. This penetration

in the German market was down significantly from 0.9 percent in 1989 as the growth in imports from Canada over the 1990s was only 35 percent, substantially smaller than the 86 percent increase in Germany's overall imports. The portion of imports sourced from other members of the European Union has fallen substantially in the 1990s to the benefit of imports from the People's Republic of China, the United States and Turkey.

South Korea

While South Korea's global imports more than doubled in the 1990s, their imports from Canada were little changed over the corresponding period. As a result, Canada's share fell from 2.7 percent in 1989 to only 1.1 percent by 2000. While the United States, Japan and the European Union are traditionally the largest suppliers of imports by Korea, the market share of all these countries decreased in the 1990s. On the other hand, a number of countries such as the People's Republic of China, Australia, Saudi Arabia, Malaysia, Singapore and Taiwan have expanded their market presence in South Korea.

Belgium-Luxembourg

In 2000, about 0.5 percent of Canada's merchandise exports were destined for the Belgium-Luxembourg region. Canada's market presence in Belgium-Luxembourg is typically small, representing between 0.4 percent and 0.8 percent of their total im-

ports. While more than 70 percent of the region's imports in the 1990s originated in the European Union, imports from North America, the People's Republic of China and South Korea have gained importance over time. Imports from Canada doubled in the 1990s, resulting in an increase in Canada's market share from 0.66 percent in 1989 to 0.73 percent in 2000.

Mexico Mexico

In the 1990s, Mexico's imports from the United States and from Canada have expanded by 600 percent and 915 percent, respectively, much more rapidly than the growth in the country's global imports. This strength, which started even before the implementation of the North American Free Trade Agreement (NAFTA) in 1994, occurred simultaneously with the robust growth in Mexico's exports to North America. As a result, Canada's share of Mexico's market increased from 1.6 percent in 1989 to 2.45 percent by 2000, while the share of the United States rose from 68.2 percent in 1989 to a peak of 75.6 percent in 1996 before edging down to 73.1 percent by 2000, despite the sharp depreciation of the

Mexican currency in the aftermath of the 1994 peso crisis. South Korea and the People's Republic of China also increased their market share in the 1990s. By contrast, the market presence of the European Union and the United Kingdom declined steadily. In particular, Germany was replaced by Japan as Mexico's second largest supplier since 1992. While Japan's share remained unchanged in 2000 at 3.6 percent as in 1989, it shot up to a peak of 5.2 percent in 1993 before easing off.

France

About 0.5 percent of Canada's merchandise exports in 2000 were destined for France, the same order of magnitude as Canada's exports to Belgium and Mexico. France's merchandise imports originating in the European Union constituted a rising proportion of all merchandise imports, up from 62.3 percent in 1989 to 64.4 percent by 2000. Similarly, the People's Republic of China, Russia and the United Kingdom gained market share in the 1990s. In contrast, the market share of Canada, Japan, Mexico, Hong Kong, South Korea, Saudi Arabia and Taiwan declined over

the 1990s. Canada's market share fell from 0.7 percent in 1989 to 0.6 percent in 2000, as the U.S.-dollar value of imports from Canada rose by only 40 percent between 1989 and 2000, substantially smaller than the 72 percent growth in France's imports from the world over the same period.

Italy

Italy accounted for 0.4 percent of Canada's merchandise exports in 2000. Over the 1990s, Canada's share of Italy's merchandise imports was little changed at between 0.7 and 0.9 percent. Intra-EU trade, the most important source of Italy's imports, was essentially unchanged at 61 percent over much of the period between 1989 and 2000. A number of important trading partners such as the United States, Hong Kong, South Africa and Brazil have lost some market share in the 1990s. There was a small gain in Japan's market share in Italy, unlike the development in Japan's market penetration in most of Canada's other important export markets. Gains in share were also recorded for the United Kingdom, Korea and the People's Republic of China.

Freer Trade Will Help

This brief analysis suggests that, even after a period of stellar performance in Canada's exports, now is not the time for complacency. While Canada gained market share in the United States and in Mexico, under the auspices of free trade, Canada has fared poorly in markets elsewhere, particularly in Japan, South Korea, Germany and the other major EU countries. Enhanced intra-Asian trade, and the Asian financial and economic crisis of 1997, were factors adversely affecting Canada's market expansion in Asia. As well, the aggressive expansion in market presence of China, South Korea

and Mexico poses formidable competitive pressures on Canada's exports. However, there is still plenty of scope for Canada's exports to expand in most major markets abroad, as imports from Canada take up less than 2 percent of imports in the United Kingdom, China, Germany, South Korea, Belgium, France and Italy. Prospective growth in economic activity is expected to be stronger in most of these Asian and EU countries than in the United States, at least over the next year or so, and Canada can benefit from this upturn in economic activity by pursuing regimes of freer trade and investment with these regions through the World Trade Organization and other arrangements.

In Hong Kong, economic development and population growth have caused serious environmental degradation. In the past two years this has become a major issue as the government strives to make Hong Kong the "World City of Asia."

firms thus have an advantage in the Hong Kong market.

For more information, contact: Fatima Lai, Commercial Officer, Consulate General of Canada in Hong Kong, fax: (011-852) 2847-7441,

in buildings. Called "Developing Hong Kong: Better Planned City; Greener Buildings," the initiative encourages better building design, enhanced indoor environments and ventilation, the use of environmen-

Focus on Hong Kong

\$29 billion earmarked to restore the environment

In 1999, the Chief Executive's Policy Address announced an ambitious 10-year program to restore Hong Kong's environment, at a cost of \$29 billion. This includes \$9 billion for addressing air, water, sewage and solid waste problems, plus \$20 billion for improving the transportation system.

Major government initiatives and upcoming plans include:

- a 10-year Waste Reduction Framework Plan (1998-2007)
- a new action plan for cleaner air
- the \$5-billion Strategic Sewage Disposal Scheme
- establishment of a Sustainable Development Council
- the Greener Building Strategy

The greening of Hong Kong presents opportunities for Canadian companies in technology transfer, investment, consultancy services, engineering products, trade and joint venture operations.

In 1992, Canada and Hong Kong signed a Memorandum of Understanding for Environmental Collaboration. Hong Kong increasingly recognizes Canada's capabilities in the environmental sector, and its solid reputation as an environmentally healthy country and a supplier of high-quality products. Canadian



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Web site: www.hongkong.gc.ca

Biodiesel opportunities

Diesel vehicle emissions are the primary source of air pollution in Hong Kong. Now the government has made clean air a priority. The Hong Kong Environmental Protection Department will soon launch a six-month Biodiesel Trial Program involving 10 categories of motor vehicles, including franchise buses, light goods vehicles and heavy goods vehicles. The program will examine how biodiesel rates against ultra-low-sulphur diesel in lowering emissions. The Department is interested in testing additional biodiesel samples if they meet Hong Kong needs. This is an opportunity for companies that have commercialized biodiesel fuel or low-cost industrial-grade canola oil/additives.

For more information, contact: Fatima Lai, Commercial Officer, Consulate General of Canada, Hong Kong, fax: (011-852) 2847-7441, e-mail: fatima.lai@dfait-maeci.gc.ca Web site: www.hongkong.gc.ca

"Greening" the urban environment

In October 2000, the Hong Kong government announced an initiative for raising environmental standards

tally sound materials or facilities, and reduced construction waste.

Hong Kong is one of the world's most densely populated cities and has one of the most dynamic construction industries. It is particularly famous for its skyscrapers and rapid construction of high-rise concrete buildings. The industry completes one public-sector residential unit every 10 minutes, or about 50,000 units per year, each averaging 400 square feet. It generates 32,000 tonnes of waste every day.

Property prices here are among the highest in the world; open space, greenery and balconies are luxury items. In addition, there is increasing concern about air quality. As a global metropolis, Hong Kong needs to improve the standard of its residential environment. Under the initiative, the government will provide better urban planning for new towns, will restore older urban areas and will build greener buildings.

Hong Kong has much to learn about green buildings from foreign countries. Not only consumers but the construction and real estate industries are interested in learning more, and the government is promoting this interest. The result is a strong demand for environmentally sound building materials, equipment and services.

For more information, contact Eunice Wong, Commercial Officer, Consulate General of Canada, Hong Kong, tel.: (011-852) 2847-7414, fax: (011-852) 2847-7441, e-mail: eunice.wong@dfait-maeci.gc.ca Web site: www.hongkong.gc.ca *

Canadian firms specializing in leading-edge environmental technologies are invited to the environmental mission to the Copenhagen – Malmö/Lund – Göteborg regions, from September 3 to 7, 2001.

Environmental mission

On the road to Scandinavia

The Canadian Trade Commissioner Service (TCS) in Sweden and Denmark has timed the mission to coincide with EcoTech and Process Technology, two trade fairs that will be taking place in Göteborg that week.

Some of the services the TCS will be offering in connection with the mission include setting up individualized programs in the three locations, with a focus on private meetings to help participants explore partnerships and opportunities. As an added bonus, "networking" parties will be held on both the Danish and Swedish legs of the trip. The TCS is also encouraging prospective participants to contact them for an assessment of the potential market for their environmental solutions in Denmark and Sweden.

Öresund Region

The Öresund bridge links the Danish capital of Copenhagen (population approx. 2 million), to the Swedish Malmö/Lund region. The Öresund region, which includes Greater Copenhagen and the southern part of Sweden, comprises some 14,000 square kilometres and is home to 2.9 million inhabitants.

DENMARK

The Danish environmental sector, most of which is centred in or around Copenhagen, employs 15,000 people and generates revenues worth approximately \$5 billion. Denmark's importance as a net exporter of environmental technology and services is on the rise, due

mainly to an early push by the government to implement progressive and extensive environmental programs. This gave local industries a competitive edge, allowing them to develop expertise and technology

before other countries. As a result, those Danish companies opting to focus on environmental opportunities are already oriented towards international markets.

Opportunities for innovation

There are two excellent reasons for Canadian environmental companies to come to Denmark. First, the Danish emphasis on "cleaner technology" products and processes clearly suggests a strong market for innovative,



sophisticated, cutting-edge environmental solutions, as opposed to older, more traditional technologies.

Second, funding programs in Denmark have helped make Danish industry the gateway to a broad industrial contact base in Central and Eastern Europe. Danish industry, in particular manufacturing and consulting, is generally receptive to joint ventures, with an emphasis on providing such services as turn key solutions, project management and consulting engineering rather than simply hardware. Key areas include waste treatment, water treatment, air improvement, cleaner production technologies and recycling. Funding is available to implement and/or develop cleaner technology.

Activities in Eastern Europe

The Danish government channels considerable environmental funding, in the form of consultancy services and environmental equipment and

technology, into the Baltic Sea region — which includes the Baltics, Poland, the St. Petersburg region and the Kaliningrad region. As well, the Eastern Europe Investment Fund provides financial assistance for

joint-venture projects between Danish and Eastern European manufacturing and service firms, not necessarily related to the environment.

The top growth sectors are solid waste management and "clean technology," followed by air quality improvement and water treatment.

"Waste 21" — With solid waste policies now an EU priority, this Danish solid waste management program for the period 2000 – 2004 will create continued growth opportunities for waste handling, recycling technology and distribution systems. Waste 21 goals include the recycling of 65% of industrial waste and 30% of domestic waste by 2004.

"Cleaner Technology" — Within the next decade, Denmark will be stepping up the use of cleaner technology in as many industrial processes as possible, backed by ongoing government funding incentives to phase out "end of line" solutions. Denmark will continue to be receptive to environmental and resource friendly technologies and industrial processes.

Constraints

Canadian exporters of environmental technologies should be aware that Danes regard Denmark as a world-class supplier of environmental solutions, and hence perceive their own technologies as superior until convinced otherwise. But Danish decision-makers have a healthy respect for innovative and sophisticated solutions to environmental

Continued on page 11

problems. "Low tech" solutions may also find niche applications, but these are the exception.

SWEDEN

Sweden is a net importer of environmental technologies but a world leader in life cycle analysis. The Swedes have expertise in water treatment and flue gas cleaning, as well as bio-fuelled power heating plants used in district heating. Swedish environmental exports are slightly higher to the Nordic and East European countries than Swedish exports as a whole. Sweden also invests considerably in Baltic region projects.

First introduced in 1969, Swedish environmental legislation was further strengthened in 1999 with the Environmental Code that puts increased pressure on polluters. Canadian environmental technologies may find niche markets in:

- **Air:** advanced industrial emission reduction technologies; measuring instruments; traffic emission prevention; indoor air quality improvement.
- **Soil:** remediation.
- **Water:** upgraded waste water treatment facilities; leachate water treatment; groundwater protection; measuring instruments.
- **Energy:** renewable energy sources and energy efficiency.
- **Waste:** waste reduction/recycling; treatment of hazardous waste. A landfill tax was introduced in January 2000 and there is now a ban on the landfilling of combustible and compostable waste from 2002 and 2005, respectively.
- **Clean products and technologies:** substitution of environmentally damaging substances with safer alternatives.

Eco-Tech trade fair in Göteborg

Environmental issues were high on the agenda at the EU Summit in Göteborg as the Swedish Presidency of the EU came to a close in June. Göteborg, Sweden's second largest city and home to industry leaders such as Volvo, SKF and ESAB, is committed to the environment, and works

with industry to tackle such problems as air pollution. Last December, Dr. Geoffrey Ballard was awarded the newly instituted Göteborg Environmental Prize for his innovative fuel cell.

Since 1989, Göteborg has hosted EcoTech, a biennial trade fair, held in conjunction with the conference Ecology. This year's EcoTech will have a new addition: Process Technology, the first trade fair of its kind in Scandinavia to embrace all industries that use processes. Process technologies are closely connected to environmental solutions and the show should be a very popular event.

Market access issues

While English is widely spoken, having a Swedish partner makes it easier to understand bid documents, certifications, legislation and regulation issues. As well, since most environmental decisions are made at the local level, a partner can help navigate the complex system of 23 county councils and 288 municipalities.

Useful Web sites

Trade Commissioner Service (including market reports): www.infoexport.gc.ca

DENMARK

- Danish Environmental Protection Agency Homepage (in English, including reports): www.mst.dk/homepage/
- Green City Homepage (a showcase of Danish environmental technology and capabilities): www.greencity.dk/html/index.html
- The Danish Industrial Symbiosis Project (ways to reapply waste in a local community): www.symbiosis.dk/
- The Danish Ministry of Environment and Energy homepage (English versions of Danish Environmental Policies): www.mem.dk/ukindex.htm

SWEDEN

- EcoTech environmental trade fair, Sept 4-7, 2001: www.swefair.se/miljoteknik/
- Process Technology trade fair, Sept 4-7, 2001: www.swefair.se/processteknik/

- Environmental companies in Göteborg: www.miljo.gu.se/miljokompetens
- City of Göteborg (in English): www.goteborg.se
- Environmental network in Malmö and Öresund region: www.miljoteknikoresund.net
- City of Malmö (in English): www.malmo.se
- Swedish Environmental Protection Agency: www.environ.se/international/
- Swedish Enviro Net: <http://smn.environ.se/miljonat/english/index.htm>
- Swedish Trade Council – Swedish Environmental Exporters: www.swedentech.swedishtrade.se/
For more information, contact:
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OBSERVATION LEAVENS OPPORTUNITY

By Brenda Hawryluk, STEP

Sometimes an opportunity is made obvious by its very absence. Twenty or thirty years ago, when you sat down to dinner in Japan, chances are you never saw bread. Somebody noticed, and the bakery industry in Japan began. Today, if you sit down to dinner in Japan, you might see bread, but if you do it will almost certainly be white bread. Somebody noticed, and that is why we went to Japan to promote whole wheat baking products to the Japanese bakery industry.

In March, the Saskatchewan Trade and Export Partnership — STEP — organized a series of presentations in Japan on whole grain baked goods and found a Saskatchewan bakery chef to demonstrate the products. Bakery ingredients and products from InfraReady Products, Randolph and James Flax Mills Ltd., Farmgro Organics and CSP Foods were presented at five events — a week-long bakery fair in the Kansai area, demonstrations in Nagoya and Fukuoka and two demonstrations in Tokyo. The audience for these events included some 200 bake shop owners and chefs, millers, reporters and photographers from bakery industry magazines, as well as representatives from bakery associations from across the country.

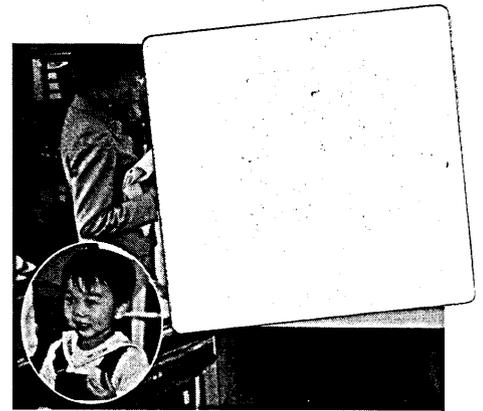
While the Japanese bakery industry has been quick to turn out exquisite confectionery products, buns, croissants, and other specialty high-end products, whole grain products are harder to find. The concept is relatively new to Japan but STEP's visit definitely raised their interest. The conversations continued weeks after

the visit had ended, suggesting very good potential for long-term business relationships.

How did we get there? With good timing and Saskatchewan expertise. STEP's visit to the Canadian Consulate General in Osaka last December led to



an invitation for Saskatchewan companies to participate in the Canadian Embassy's Think Canada program held throughout Japan. This got the ball rolling and resulted in co-operation between STEP, the Consulate



Chef Syed Shah of CSP Foods from Saskatchewan demonstrates the use of whole grain products in baked goods. Inset: an appreciative young customer.

General, the Canadian Consulates in Fukuoka and Nagoya, the Canadian Embassy in Tokyo and the Canadian Wheat Board.

The whole experience proved that when the right ingredients are combined for a common goal, the end product is more business.

For more information, contact Brenda Hawryluk, Trade Specialist, Asia Pacific, Saskatchewan Trade and Export Partnership, tel.: (306) 787-9335, fax: (306) 787-6666, e-mail: bhawryluk@sasktrade.sk.ca Web site: www.sasktrade.sk.ca ✪

3rd Japan International Seafood and Technology Expo

TOKYO, JAPAN — July 17–19, 2001— Tokyo Big Sight (www.bigsight.or.jp) The Department of Foreign Affairs and International Trade (DFAIT) has reserved space for a Canada Information Booth at this trade event, to be held at the Tokyo International Exhibition Centre.

Expected visitors include:

- Seafood buyers: large and small supermarkets, chain stores, fish dealers and other retailers, as well as mail-order businesses;
- Seafood users: hotels and restaurants, marine products processing businesses, meal service businesses, delicatessens and take-home meal businesses;

- Those in the domestic fishing business: municipal governments, fishing co-operative associations, fishers, fish farming business, fisheries and experimental stations.

Canadian companies are invited to contact DFAIT if they are interested in attending the Expo or having their product/company information available in the Canada Information Booth.

For further information, contact Matt Fraser, Trade Commissioner, Japan Division, DFAIT, tel.: (613) 996-2974, fax: (613) 944-2397, e-mail: matt.fraser@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/ni-ka ✪

In October 1999, the Japan Bank for International Co-operation (JBIC) (www.jbic.go.jp) was formed through the amalgamation of the Export-Import Bank of Japan (JEXIM) and the Overseas Economic Co-operation Fund (OECF). Although there is now only one official entity responsible for Japan's trade and development loans, JBIC still maintains separate accounts for its two distinct mandates. Japan's official development assistance (ODA) loans are being managed by the Overseas Economic Co-operation Operations side of the organization, while the International Financial Operations side manages the trade-related financing.

In the past, JBIC devoted most of its ODA loans to strengthening the economic infrastructure of the recipient countries. The new ODA policy of JBIC will now focus on three priority areas:

1. Support for poverty reduction and economic and social development

JBIC will provide ODA loans to actively support the development of both social and economic infrastructure and industries, emphasizing the co-ordination and division of roles and

responsibilities with JBIC's non-concessional lending (i.e. some form of mixed credit financing). In addition, JBIC will provide assistance directly to human resource development and poverty-reduction programs. Assistance to women will play an important factor in all the programs.

Japanese official development assistance

JBIC

2. Action on global issues

JBIC will devote more of its ODA resources to environmental problems such as global warming and other global issues including energy conservation, overpopulation, AIDS, food shortage and drug abuse. Focus will be also given to capacity building in recipient countries in these areas.

3. Support for structural reform

With the Asian economic crisis still fresh, JBIC's ODA loans will provide support to help recipient countries develop viable social safety nets, institutional reform in both legal and financial sectors, and the promotion

of a market economy including strengthening small and medium-sized enterprises and encouraging private sector investment from overseas.

In terms of future trends for JBIC vis à vis Japan's official development assistance, certain changes are expected:

- There will be a slight reduction in Japan's ODA loans from year to year. Approved ODA loans dropped by 5% from FY1998 (1,111 billion yens) to FY1999 (1,052 billion yens), and further reductions are envisaged.
- Due to domestic pressure, JBIC will allow a higher percentage of "tied" contracts to Japanese firms. It is expected that 50% of consultancy contracts financed by JBIC's ODA loans will now be open only to Japanese firms, up from 30%. JBIC will also collaborate more with the Japan International Co-operation Agency (JICA), which finances technical assistance contracts via grant aid and uses only Japanese consultants upfront (foreign consultants have to work through these Japanese counterparts).
- Due to Japan's own financial difficulties, JBIC will expect to be more active in pursuing co-financing or parallel financing options for developmental projects, not only with bilateral aid agencies, but also with international financial institutions such as the World Bank and the Asian Development Bank.

Continued on page 15 - JBIC

WOMEN BUSINESS OWNERS

DISCOVER A WORLD OF TRADE THROUGH WIN EXPORTS!

Women-owned businesses make up a significant proportion of Canadian exporters but they are under-represented on the WIN Exports database of DFAIT's Trade Commissioner Service. This is a confidential listing of Canadian exporters and their capabilities. Help us expand your export opportunities by registering now on-line at <http://win.infoexport.gc.ca>

Here is what one women business owner had to say about WIN:

"It is a wonderful way to get international exposure for any Canadian company. It is very simple to use and easy for people to find you. In the last year and a half, our company has had at least a hundred leads from trade

commissioners and private companies with over 50 business deals signed. I would encourage any business owner to join the WIN Exports database."

Robin Saunders, President, North American Specialty Paper Inc., Hemmingford, Quebec.

For more information, check out the Business Women in Trade Web site (www.infoexport.gc.ca/businesswomen) or contact Andrea Kucey, Trade Commissioner for Business Women in Trade, Export Services — Small and Medium-Sized Enterprises Division, DFAIT, tel.: (613) 996-4785, fax: (613) 996-9265, e-mail: andrea.kucey@dfait-maeci.gc.ca ✪



"Around the globe," says Keith Chang, "people who know technology realize that Canada is a country with a great deal of strength in its technology industry." Chang is one of the Canadians working

more specialized events such as the upcoming photonics conference.

Chang notes that Canada is doing very well in exporting telecommunications products and services, as well as wireless technologies and mobile

Backing up the players in Canada's high-tech sector

hard to foster that reputation. At Industry Canada, he is director of the International Business Development Division within the Information and Communications Technologies Branch. He and his team promote Canadian high-tech to foreign countries, and provide assistance to firms looking to expand into the global marketplace. Among their partners are DFAIT, CIDA, other federal/provincial agencies and industry associations.

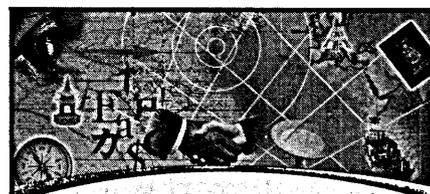
One key task of Chang's team is to organize Canadian participation in trade shows abroad. For example, every four years the International Telecommunications Union (a UN agency) holds the world's most important telecommunications show. All the big names in telecommunications attend, and every country has a national presence. The International Business Development Division represents Canada at the show and gives extensive support to businesses wanting to participate. If companies express interest, it does the same at

communications. It's also actively promoting Internet-based sectors, such as e-commerce, security and on-line government. Where Canada could do more internationally is in new media and software. Other areas with great potential are telemedicine and on-line education. Says Chang, "We could be building on our strength in those areas by looking for markets overseas."

Right now, 85% of information and communications technology exports go to the United States. Other leading export destinations are Europe, Asia Pacific and Latin America. Chang's team is focusing on those regions because they offer plenty of scope for expansion. Another market not to be ignored is China, though Chang cautions that it is very competitive and hard to break into. Despite that, Nortel Networks and other firms achieved major successes on the 2001 Team Canada trade mission to China.

Trade barriers are not the only difficulties to be overcome by exporters. "You also have to adopt different approaches and practices for different cultures," says Chang. Canadians find it easy to do business in the United States because the language and culture are so much like Canada's. In Europe the differences are greater, and in the Asia-Pacific region they are vast.

Chang views the slowdown in the U.S. economy as a short-term problem



PROGRAM FOR EXPORT MARKET DEVELOPMENT

Since 1971, the Program for Export Market Development (PEMD)* has helped over 30,000 Canadian businesses to market their products and services abroad. PEMD assists small Canadian firms to export and diversify into new markets by sharing the costs of various market development activities that they would hesitate to undertake alone, thereby reducing the financial risks. To date, sales stemming from PEMD-supported activities have exceeded \$14 billion.

For more information, contact the ITC in your area or visit our Web site: www.infoexport.gc.ca/programs-e.asp

*PEMD is jointly administered by DFAIT and Industry Canada.

and a welcome correction: "The bubble had to burst. It may be a good lesson for people that you shouldn't get caught up in unrealistic expectations."

For the longer term he remains hopeful. When it comes to high-tech, he says, "In the last 10 years or so, Canada has developed a lot of leading players." Chang and his team will keep working to give them the backup support they need to win.

For more information, visit the Trade Team Canada — Information and Communications Technologies Web site: www.ttcinfotech.ic.gc.ca

This article is based on an interview that appeared in the May-June 2001 issue of *htc — Canada's HiTech Career Journal* (www.brassring.ca). *



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Construction boom in the Gulf

DUBAI, UNITED ARAB EMIRATES—October 27-31, 2001 — Dubai has just announced the development of a palm tree shaped island that will meet the needs of its booming tourist industry. The resort will include 2,000 theme villas, 40 luxury hotels, shopping complexes, cinemas, a marine park and 120 km of sandy beaches. The largest development in the world of this kind, the project will be completed in five years.

This and many other projects like the Dubai Marina, Dubai Festival City, and the Dubai International Airport expansion, which will be completed in various phases, have created huge opportunities for exporters of products and services in the following sectors: building and construction, water technology and environment, air conditioning and refrigeration, cleaning and maintenance, bathrooms and ceramics.

Team Canada Atlantic

—Continued from page 6

Only the start

Consul General Pregel was delighted by these early indications of success. "There are many similarities between Atlantic Canada and Georgia that should yield new opportunities for trade in virtually every sector..." she remarked. "We have more than succeeded and we now expect Canadian companies to build on the relationships begun here."

For more information, visit the Team Canada Atlantic Web site www.teamcanadaatlantic.com or contact Denis Langlois, Consul, or Mary Jane King, Communications Officer, Canadian Consulate General, Atlanta, tel.: (404) 532-2000, fax: (404) 532-2050, Web site: www.can-am.gc.ca/atlanta *

All of the above sectors will be featured at the Big 5 Show, which last year attracted over 20,000 professional visitors and 1,500 companies from 50 countries. There will be a Canadian pavilion on site to facilitate Canadian company participation in this event.

Information on the Big 5 Show is available at www.dmgindex.com/big5_home.html

Salon Maison Bois

ANGERS, FRANCE—September 28 - October 1, 2001 — The Groupe Target International invites Canadian businesses to participate in the third annual Salon Maison Bois.

Dedicated exclusively to wooden house construction and wood interiors, the Salon Maison Bois is aimed at both professionals in the wood industry and the general public. Since 1999, this event has attracted thousands of visitors from all over France as well as neighbouring European countries.

The majority of the exhibitors at last year's show said that they were particularly satisfied with the contacts they made, and many expect to increase their current production by 10 to 30%.

For more information, contact Sanam Shahani, Commercial Officer, Canadian Consulate, Dubai, United Arab Emirates, tel.: (011-971) 4-352-1717, fax: (011-971) 4-351-7722, e-mail: dubai-td@dfait-maeci.gc.ca Web site: www.infoexport.gc.ca or Cosmos Pacific Investment & Consulting Inc., Vancouver, B.C., tel.: (604) 731-9663, fax: (604) 263-1652, e-mail: cpic@cpiconsult.com Web site: www.cpiconsult.com *

The French home building market is estimated to be \$17 billion and is on the rise as the growing interest in wood housing in France has resulted in a steady increase in this type of construction.

For further information about the Salon, visit www.salon-maison-bois.com

For information and reservations, contact Nadine Gaillardet, tel.: (514) 683-8108, e-mail: targetinternational@sympatico.ca

For more information on France's construction materials industry, contact Cécile Bourdages, Commercial Officer, Canadian Embassy, Paris, tel.: (011-33-1) 44 43 23 74, fax: (011-33-1) 44 43 29 98, e-mail: cecile.bourdages@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/paris/ *

JBIC —Continued from page 13

- While Asia will remain the largest recipient of ODA loans (91% in 1998 and 89% in 1999), JBIC is expected to take into account more Japan's strategic interest in future loan approvals. This could mean fewer loans to recipient countries like China and more to countries in Latin America.

Canadian companies have not had a great deal of success in the past with JBIC-financed projects. This is partially due to cultural and language barriers, but, more importantly, to the perception that Japanese firms are much bigger, more com-

petitive and better connected in projects financed by JBIC. Despite this, there are still many good opportunities for Canadian firms willing to persevere in developing a good relationship with JBIC and in establishing partnerships with their Japanese counterparts, in particular for engineering and consulting contracts in Asia, Latin America and Africa, financed by official Japanese development assistance through JBIC and JICA.

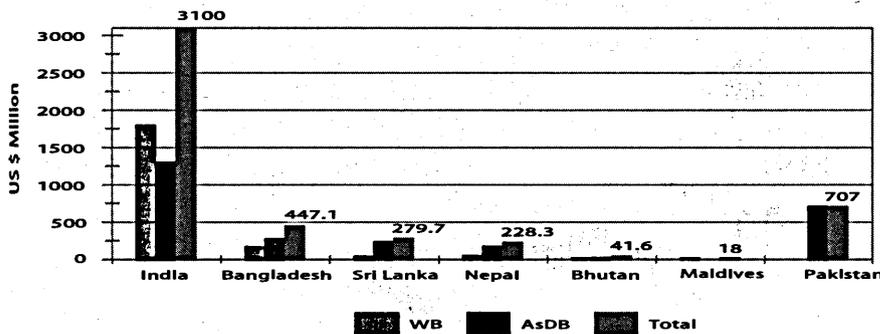
For more information, contact Edward Wang, Trade Commissioner and Asia Team Leader, Export Financing Division, DFAIT, tel.: (613) 996-6188, fax: (613) 943-1100, e-mail: edward.wang@dfait-maeci.gc.ca *

IFI Opportunity Alert Program — Continued from page 1

our effort to raise the level of participation of Canadian companies in IFI projects, we have developed an IFI Opportunity Alert Program, which includes the following components:

opportunities in the South Asia region. This will be used as a notification list for the dissemination of project information and related procurement notices.

IFI Lending Commitments
South Asia Region - 2000



- All active pipeline projects funded by the World Bank and the Asian Development Bank in the region are tracked, focusing on the power, oil and gas, information technology, transportation, agriculture, mining, housing, infrastructure and environment sectors.
- A daily search is conducted for procurement notices.
- IFI project information is sent to companies with related export experience and/or product lines. These companies are sourced through Industry Canada's Web site and the WinExport database.

As a next step, we are developing a database of Canadian companies interested in pursuing IFI business

For more information, including instructions on getting your company included in this database, contact the South Asia Division, DFAIT, tel.: (613)

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Enquiries Service

DFAIT's Enquiries Service provides counselling, publications, and referral services to Canadian exporters. Trade-related information can be obtained by calling 1-800-267-8376 (Ottawa region: 944-4000) or by fax at (613) 996-9709; by calling the Enquiries Service FaxLink (from a fax machine) at (613) 944-4500; or by accessing the DFAIT Internet site at www.dfait-maeci.gc.ca

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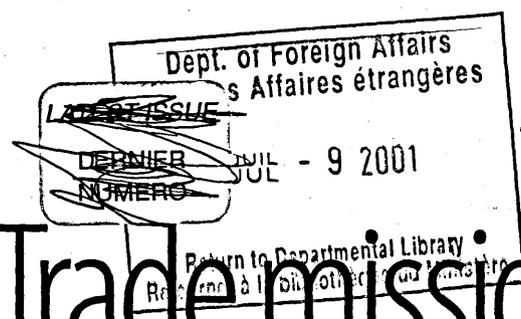
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"The World" under www.dfait-maeci.gc.ca/menu-e.asp has specific information on the South Asian countries and their priority market sectors. Under "Trade" on this site, you can find contact details for our sectoral officers in South Asia. *

IFInet is your Internet gateway to procurement business funded by international financial institutions (IFIs) and UN agencies.
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SUMMER BREAK!
Next issue: September 4, 2001

Trade mission to Turkey and Greece

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International Trade Minister Pierre Pettigrew invites Canadian companies to participate in a trade mission that he will lead to Turkey and Greece from September 11 to 14, 2001, to explore and develop commercial opportunities in these important markets.

"This is an ideal time for Canadian firms to explore business opportunities in Turkey and Greece. With the 17th largest economy in the world, Turkey represents an important market for Canadian goods and services," said Minister Pettigrew. "Greece has set an economic goal of raising its standard of living to the European Union (EU) average by 2010. That can only mean an increased need for infrastructure, and goods and services, which presents many opportunities for Canadian businesses."

During the period 1991 to 2000, Canada's bilateral trade with Turkey increased more than three-fold. For Canadian companies, Turkey presents promising opportunities in the energy, transportation, telecommunications, mining and construction sectors. In particular, considerable potential exists for a substantial increase in Canadian exports of consulting engineering and infrastructure-related equipment and services.

Historically, Turkey has been a strategic intersection between Europe, Asia and the Middle East, allowing trade to flourish, which continues today. The standard of living in Turkey approaches a Western European level, and with Turkey and the European Union increasing their level of co-operation, that will likely continue to improve.

Continued on page 13 - Turkey

Canada's first trade commissioner



From left to right: Terry Larke, John Short Larke's great-grandson; Sue Larke, Terry Larke's wife; Robert Larke, John Short Larke's grandson; John Gero, Assistant Deputy Minister, International Business, and Chief Trade Commissioner.

John Short Larke was Canada's first full-time trade commissioner officially appointed "Commercial Agent" to Australia in 1894. His duties were not unlike those of today's trade commissioners: to develop a market for Canadian products in Australia; to develop a list of Canadian suppliers

Continued on page 13 - First trade

Vol. 19, No. 13 - July 16, 2001

JAPAN - THINK CANADA 2001
(See insert.)



International Business Opportunities Centre

The International Business Opportunities Centre (IBOC) provides a matching service — connecting foreign buyers with Canadian companies. The Centre provides timely, relevant and targeted business leads from the desks of foreign buyers to the doorsteps of Canadian companies.

The following lists some of the Centre's current trade opportunities — for a wider selection, visit the Web site at www.iboc.gc.ca/webleads/webleads.asp

Canadian exporters needing assistance in preparing international bid documents may want to use the international contracts expertise and services offered by the Canadian Commercial Corporation. This Crown Corporation is located at 50 O'Connor Street, Suite 1100, Ottawa, ON K1A 0S6, tel.: (613) 996-0034, fax: (613) 995-2121.

INDIA — Exploration and Production of Coal Bed Methane (CBM) — The Government of India invites bids for the exploration and production of CBM, divided into the following seven blocks: Jharkhand (2); Madhya Pradesh (3); Rajasthan (1); West Bengal States (1). Companies may bid singly or in

partnership for one or more blocks. Closing date: August 31, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010430-02251. (Notice received from the Canadian Consulate in Mumbai.)

CAYMAN ISLANDS — Pharmaceuticals — Cayman Islands Hospital invites sealed bids for the supply of pharmaceutical products. The bid request form is available from the chief pharmacist on diskette, in text or Excel format. Closing date: September 1, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010530-02636. (Notice received from the Canadian High Commission in Kingston, Jamaica.)

DOMINICAN REPUBLIC — Construction of Electrical Energy Transmission Lines — The EDE [Dominican Electricity Corporation] invites technical and financial proposals for the design, manufacture, supply, testing and implementation of 138 kV and 69 kV power transmission lines, with Optical Fibre Composite Overhead Ground Wire (OPGW). The tender is divided into three packages. 1. East Zone: 42 km of 138 kV transmission lines, one circuit with a conductor (AAAC 559.5 MCM)

per phase in metal towers; 142 km of 69 kV transmission lines, one circuit with a conductor per phase on wood or concrete poles or metal towers. 2. South Zone: 243 km of 69 kV transmission lines, one circuit with a conductor (AAAC 559.5 MCM) per phase on wood or concrete poles or metal towers. 3. North Zone: 44 km of 69 kV transmission lines, one circuit with a conductor per phase on wood or concrete poles or metal towers. Bid documents are available July 9 – July 23, 2001. Cost of bid documents (non-refundable): RD \$5,000. Closing date: September 7, 2001. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010601-02697. (Notice received from the Canadian Embassy in Santo Domingo.)

IBOC trade opportunities — find out more at www.iboc.gc.ca



International Business Opportunities Centre

As Team Canada Inc's Sourcing Centre, the International Business Opportunities Centre (IBOC) matches business opportunities from around the world with the business interests of Canadian exporters, particularly small and medium-sized enterprises. IBOC offers a value-added service to trade commissioners by directly contacting Canadian companies about foreign trade leads.

To pursue our international trade leads, check out our Web site at www.iboc.gc.ca (particularly our E-Leads® and Web-Leads®).

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The Canada-Arab Business Council (CABC) is a Canadian chartered, non-profit organization formed in 1983 by the Canadian private sector in recognition of the importance of the Arab world as a trading and investment partner for Canada. Its membership comprises a broad cross section of Canada's leading exporting companies of both goods and services.

The Council's aims and objectives are to:

- promote Canadian trade with the Middle East and North Africa. As a matter of fact, a trade mission to this region is being planned for this fall. Companies interested in more information are invited to contact the Council secretariat;
- serve as a business advisory body to governments in Canada on matters relating to Canada's trade and economic relations with the region;
- create an awareness in the region of Canada's business and commercial capabilities and, in Canada, a greater awareness of the importance of trade and economic linkage with the business, commercial and financial centers of each regional market;
- create an awareness of the advantages of investing in Canada, hence a privileged access base to the vast North American Free Trade Market;
- inform its members of business opportunities, and of economic and political developments, in the region; and to assist members in their trade and investment activities in those markets;
- provide a networking forum for Canadian companies to assist each other and work together to secure business opportunities in the region.

Membership and support

Council members represent a broad range of Canadian companies active in manufacturing, engineering, financial services, information technology, transportation, project management and other services. Each of our members has an active interest in developing business relations in the region and their business strategies include

exporting, joint ventures, investment and importing.

The Council's success as a business and trade promotion agency is not only attributable to the active support of its membership, but also to the co-

- telecommunications
- government services
- transportation and finance

Each of these sectors represents a significant and increasing part of total merchandise exports to the region.

Opening doors for Canadian exporters

The Canada-Arab Business Council

operation received from both Federal and Provincial governments.

As of November 1999, the Council uses the administrative services of Canadian Manufacturers & Exporters (CME) and benefits from the CME's cross-Canada network of offices with access to over 2,000 companies in manufacturing and services.

Opportunities

The region offers growing opportunities for Canadian companies. In 2000, merchandise trade between Canada and the countries of the Middle East and North Africa exceeded \$6.7 billion, an increase of over 46% from the previous year.

Canadian high-technology products and services are in great demand in Arab countries. Opportunities exist for Canadian exporters in:

- transportation
- telecommunications
- environmental technologies
- agriculture
- construction
- oil and gas
- power generation and transmission
- education and training

Opportunities also exist in service exports in such sectors as:

- environmental technologies
- livestock management
- healthcare
- architecture
- education and training
- geomatics

Links with other chambers

Over the years, the CABC has established cordial and mutually beneficial relationships with most of the Chambers of Commerce and Industry of the countries of the region, namely with:

- Egyptian Businessmen's Association (Egypt-Canada Business Council)
- Alexandria Business Association
- Jordanian Businessmen's Association (Jordan-Canada Business Council)
- Abu Dhabi Chamber of Commerce and Industry
- Dubai Chamber of Commerce and Industry
- Council of Saudi Chambers of Commerce and Industry
- Saudi-Canadian Business Council
- Chamber of Commerce of Oman
- L'Union Tunisienne de l'Industrie, du Commerce et de l'Artisanat (UTICA).

The Council is also in the process of formalizing similar privileged relationships with the other Chambers of Commerce and Industry of the countries of the region.

Contact

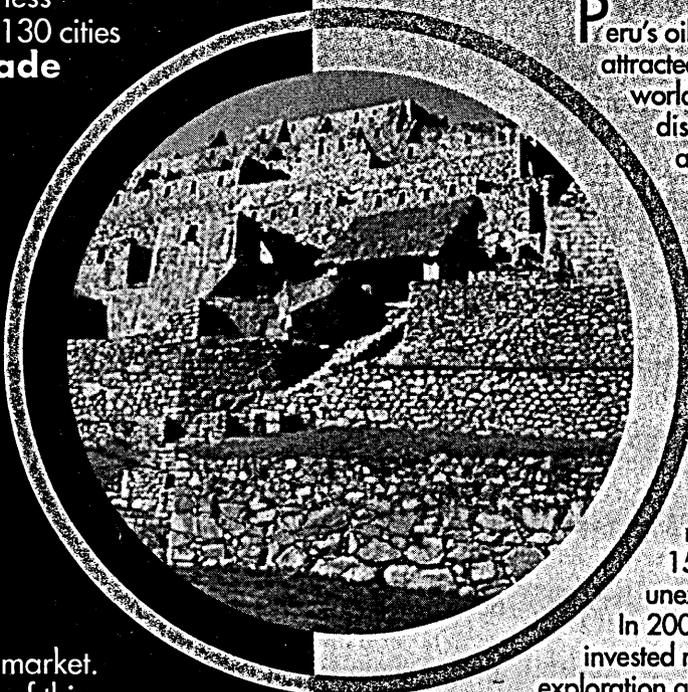
All companies with interests in the region are invited to join the Council, support its activities and bring greater momentum to Canada's growing presence in the rapidly changing Arab world.

For more information, call (905) 568-9413, or visit www.canada-arabbusiness.org *

PERU

With a team of 500 business professionals in more than 130 cities around the world, the **Trade Commissioner Service** has the market knowledge you need to succeed in your target market. Our Market Research Centre and our offices abroad have prepared over 600 market studies available for free on our Web site. These studies will help you identify foreign business opportunities and learn more about your target market.

This is an overview of the market. For a more in-depth study of this market and for other studies, visit our Web site. When you are prepared to do business abroad, you can use our Web site to get in touch with our offices around the world and request personalized services electronically.
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The Oil and Gas

Peru's oil and gas market has attracted investors and companies worldwide. Propelled by the discovery of the Camisea and Aguaytia gas fields, the Peruvian market holds great potential, especially for Canadian companies in the oil and gas equipment industry.

Market Overview

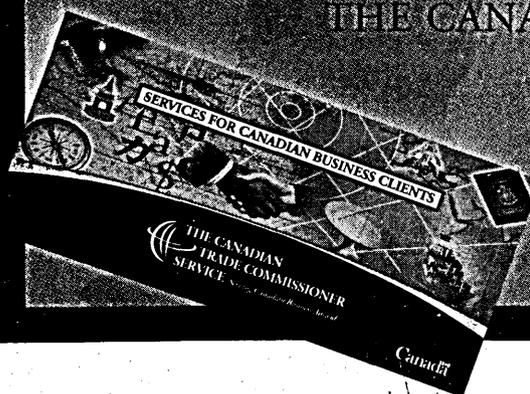
The Amazon jungle of eastern Peru is the country's major natural gas and oil producing region. Peru also has 15 million hectares of largely unexplored offshore basins. In 2000, petroleum companies invested nearly \$300 million in exploration activities in Peru — double the amount invested in 1999.

Natural Gas

Peru's natural gas reserves are estimated at nine trillion cubic feet. Natural gas supplies about 7% of the country's demand and is used mainly for electricity generation, industry and mining.

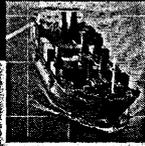
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See insert for your Oil and Gas Equipment and Services Industry contacts in Latin America and the Caribbean.



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Gas Market

The Aguaytia gas field has proven reserves of 223 billion cubic feet and produces an average of 4,800 barrels per day (b/d). This project will require the construction of a pipeline worth approximately \$3 million.

In 1999, Peru's natural gas production was 14.64 billion cubic feet, or an average of 40.1 million cubic feet per day. Development of Camisea will dramatically alter the country's energy reserves and consumption patterns when the \$4.5 billion project comes on-stream in 2004.

Oil

Peru's demand for oil is about 140,000 b/d, with local production supplying about 106,000 b/d. Crude oil imports were estimated to be worth about \$447.7 million in 2000. Estimated reserves of 16 billion barrels are in 18 sedimentary basins located across the country.

Oil and Gas Equipment

Peru relies on imports for its oil and gas equipment needs. Last year, the market for oil and gas equipment was estimated at \$170.9 million. This market is expected to grow considerably now that the midstream — transportation and distribution — stage of the Camisea project has been awarded.

Opportunities

Canadian companies will find opportunities in Peru to supply

equipment and services for drilling wells, and pipelines for transporting petroleum and gas. The development of Camisea will also create a need for natural gas production and transportation infrastructure.

The following are some of the most promising niche areas for Canadian equipment and service suppliers:

- drilling and pumping machines
- line pipe, casing, tubing and drilling pipe
- vessels for compressed gas
- mobile drilling derricks
- gas metering systems

Market Access

The use of an agent or distributor is recommended to assist with language, customs clearance and servicing requirements.

Canadian suppliers selling to the Peruvian government must register with the appropriate ministry and should retain an agent to seek compliance advice about Peru's complex tendering regulations. Tender notices are typically published in Peru's main newspapers, and procurement information is available through

the United Nations Development Program.

Goods and services imported to Peru to be used during the exploration phase are duty-free. As well, Peru has a very liberal investment environment. Foreign investors get the same treatment under the law as nationals.

See Potential?

To learn more about these market opportunities, the competitive environment, and market entry strategies, please read *The Oil and Gas Market in Peru*. This report and hundreds of others, prepared by the Market Research Centre of the Trade Commissioner Service, are available on-line at www.infoexport.gc.ca



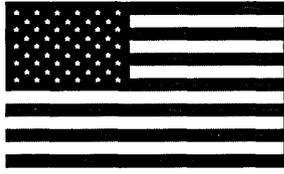
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 The Oil and Gas Market

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CanadExport July 16, 2001
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The U.S. Connection

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Aboriginal export trade mission to the U.S.

The Department of Foreign Affairs and International Trade (www.dfait-maeci.gc.ca) announces a unique export education mission for Aboriginal-owned companies and business organizations across Canada that wish to pursue a new export channel to the United States. This Exporters to the United States (EXTUS) mission will be held in Minnesota, August 12-15, 2001, in connection with the Native American Business Alliance (NABA) 2001 Convention.

EXTUS mission objectives:

- to provide export education to participants;
- to offer an opportunity to network with U.S. Native-owned firms;
- to observe and draw information as well as contacts from the NABA convention; and
- to help participants increase their export sales to the U.S.

NABA's annual convention brings in representatives from over a dozen Fortune 500 corporations (such as American Express (www.americanexpress.com/homepage/personal.shtml), Ford Motor Company (www.ford.com/servlet/ecmcs/ford/index.jsp), as well as representatives from prominent U.S. Native-owned businesses and U.S. tribal organizations.

A Long Table networking session will give participants a chance to visit briefly with each buyer one-on-one. In addition, NABA offers working sessions and talking circles, designed primarily to promote business development among its members. For more information on NABA, visit their Web site: www.native-american-bus.org and click on NABA 2001 Convention.

For more information, contact Dana Boyle, Business Development Officer, Consumer Products & Cultural

Industries, Canadian Consulate General, Minneapolis, tel.: (612) 332-7486, ext. 3358, fax: (612) 332-4061, e-mail: dana.boyle@dfait-maeci.gc.ca ★

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "The U.S. Connection".)

BrainStorming e-Business

NEW YORK CITY — September 19-21, 2001 — Hear what the world's leading experts have to say about infrastructure, e-sourcing and integration strategies at BrainStorm Group's upcoming eBusiness Strategy Conference Series and eBusiness Integration Conference Series.

Canadian companies that register with the Canadian Consulate General in New York will receive a complimentary Companion Pass, valued at \$1,495, with the purchase of a 3-day conference package. BrainStorm Group is also extending a special offer for sponsorships. Find out more at: www.brainstorm-group.com

For details or to register, contact Gregg Rock, tel.: (508) 393-3266 (to register, use priority code EBCCG), e-mail: gvr@brainstorm-group.com

For more information, contact Philip Wahba, tel.: (212) 596-1628, e-mail: pwahba@canapple.com or Steve A. Flamm, tel.: (404) 532-2018, e-mail: steve.flamm@dfait-maeci.gc.ca ★

Attention hardware manufacturers

If your hardware company has its eye on the U.S. market, but needs additional market information to develop an entry strategy, then the Canadian Consulate General in Chicago invites you to attend the New Exporters to Border States (NEBS) trade mission, to be held in Chicago on August 13, 2001.

The mission will combine a focused educational forum, featuring insights from industry experts, with entry to the National Hardware

Show and National Building Products Expo, the largest hardware and building products show in the U.S. More than 100,000 U.S. and international buyers are expected to attend the show, which features more than 1,500 exhibitors.

For more information or to register, contact Ann Rosen, Business Development Officer, Canadian Consulate General, Chicago, tel.: (312) 616-1870 ext. 3357, e-mail: ann.rosen@dfait-maeci.gc.ca ★

Check the Business Section of the Canada-U.S. Relations Web site at www.can-am.gc.ca ... for valuable information on doing business in and with the United States.

Thanks to the efforts of the National Aeronautics Space Administration (NASA), the Canadian Space Agency and an Ottawa-based aerospace company astronauts are now able to precisely attach mechanisms using the Canadarm on space shuttles and the Canadarm2 on the International Space Station (ISS).

Flying high with CCC

Canadian electronic eyes guide astronauts

In 1996, Neptec Design Group Ltd. won a contract with the assistance of the Canadian Commercial Corporation (CCC) to supply NASA with its Orbiter Space Vision System (SVS).

This Canadian technology "sees" and "reacts" to changing conditions in space to help astronauts position large structures with swift accuracy. The SVS helps take the risk out of one of the most difficult jobs on space missions: berthing large structures together in space.

An eye for accuracy

On a 1998 space mission, however, when NASA astronaut Jim Newman tested the SVS he realized that there was still work to be done.

"The 1998 mission was a learning experience," says Newman. "Basically, we found out that the SVS was not

user-friendly, nor was it "robust" enough to read the full spectrum of lighting found in space, which can range from blinding sunlight to pitch black."

Getting a better view

Upon returning from space, Newman recommended a number of changes designed to improve the system's capabilities. Based on his background in experimental physics and his first-hand experience with the system, NASA asked Newman to take over as manager of the SVS and Canadarm projects.

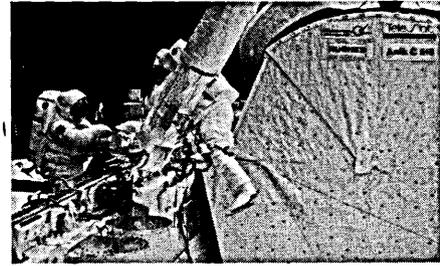
"Essentially, we didn't fully understand how the SVS operated," Newman says. "So we refocused our efforts to find out what we had and how it worked."

Two years later, all of the wrinkles were ironed out, and the SVS became the state-of-the-art system it was originally intended to be.

A future in space

"The SVS is now more user-friendly, more robust, responsive and accurate," notes Newman. "Since the initial test, the system has been used on four other missions with very successful results, and it will be an integral part of the next two upcoming missions. It now has a future."

In fact, Neptec and NASA, through CCC, are negotiating a new four-year contract. "We're working on a sustaining engineering contract for the next phase," says Mike Kearns, Neptec's Director of Contracts. "Basically, what



Neptec's SVS guides astronauts when attaching mechanisms using the Canadarm on space shuttles.

we're looking at is completing the ISS assembly. Then we have to address how the SVS will continue to be used on the space station."

CCC a valuable partner

Kearns adds that Neptec's relationship with CCC has been extremely beneficial. "As a small company, it helps to have an agency like CCC act as prime contractor. For small, relatively new companies, a large government agency brings a sense of permanence and accountability to a project."

In his role as program manager, Jim Newman was also impressed with the added value that CCC brought to the table. "CCC project manager Gabriela Gref-Innes attended all of the budget and operational meetings. She helped us to control costs, assess performance standards and establish payment rates," says Newman. "It simplifies the process for both parties, so we can concentrate on the operational and technical requirements."

"We sometimes spent a full day on the telephone, and eventually all the issues were resolved," says Gref-Innes.

"We've been working with CCC since 1996," says Neptec SVS Program Manager Larisa Beach. "Without their help, I don't know if we would have ever got off the ground — and into outer space."

For Neptec, the sky really is the limit!

For more information on Neptec Design Group Ltd., contact Mike Kearns, Director of Contracts, tel.: (613) 599-7602, fax: (613) 599-7604, e-mail: MKearns@Neptec.com Web site: www.Neptec.com

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Export Sales and Contracting")



Canadian
Commercial
Corporation

DOING BUSINESS WITH THE U.S. FEDERAL GOVERNMENT?

Find out more from the Canadian Embassy in Washington, D.C. (www.canadianembassy.org) under "Business Opportunities: U.S. Government Procurement."

Log onto opportunities via the General Services Administration (www.gsa.gov), which facilitates purchases by the U.S. government — the world's largest consumer — and the Electronic Posting System site (www.eps.gov).

When you're ready to pursue these opportunities, the Canadian Commercial Corporation (www.ccc.ca) can assist you with the interpretation of the U.S. procurement system or ensure that as a Canadian company, you are eligible to participate.

With close to \$3 billion in annual agri-food exports, Canada is one of Japan's top five agri-food suppliers and agri-food is one of Canada's predominant exports to Japan. Good news for Canada, but can this ranking be maintained or improved upon?

Food for thought

Canada's market share of Japan's Agri-food imports

Although the Japanese economy continues to show signs of weakness and the country's population growth is very low, it is unrealistic to assume the level of food imports is going to dramatically erode. Japan's efforts at food self-sufficiency are being undermined by diminishing arable land, changing population demographics, and altering lifestyle conditions of its population. There is also little chance that technological or production advancements will enhance domestic food production in the foreseeable future. The end result is Japan's ongoing need to import most of its nutrition from overseas markets. A reflection of this reality was last year's overall US\$46 billion worth of food imports, representing a 3.9% increase from 1999 levels.

Changes in market access and competition mean Canadian exporters need to monitor the Japanese market closely. The emergence of debate over the public safety of genetically modified (GM) crops and related processed foods is an example of one such change. Its presence has led to stringent certification and "place of origin" labeling requirements that track ingredients and end-products through their entire manufacturing and distribution chains. Already this year there have been recalls and

product bans after in-market tests revealed non-approved GM ingredients had found their way into certain foreign food brands — an expensive and potentially devastating blow to any exporter caught unaware.

Canadian crop producers and food processors should familiarize

all this must be provided at reasonable, low prices. The ability of Canadian exporters to meet these criteria, thereby helping establish a Canadian brand profile, will be key in facing growing competition. Hand-in-hand with establishing this profile is demonstrating market commitment.

themselves with Japan's new and upcoming product approval and labeling requirements. Current sentiments expressed by the Japanese consumer express either reluctance or outright refusal towards buying GM foods. Exporters able to gain certification and maintain strict quality controls from harvest to the distribution on store shelves will have a distinct advantage in creating brand loyalty.

Is this an immediate boon for organic producers? Not quite. Organic food items are currently finding it difficult to make it to store shelves since the new certification process remains slow and the added costs are hard to pass along to the consumer. It is to be hoped that these snags will be resolved soon.

And consider the competition. Canada's 5% market share lags behind other suppliers such as the United States (30-40%), China (10%), and Australia (8%). Neighboring countries like South Korea, Thailand and Russia are also rapidly entrenching themselves in some vegetable and seafood niches. Further abroad, Norway and Chile are also making inroads.

The desire for convenient, high-quality foods offering benefits to consumer health and safety are driving the Japanese market. Naturally,

Preserving the stable supply of items that are adaptive to Japanese tastes will contribute greatly to protecting Canada's market share.

Escalating health consciousness amongst the Japanese, recent concerns about the safety of traditional supply markets for some products, and low Canadian profile presents Canada with an opportunity to position itself strategically within Japan as a high-quality, safe agri-food provider. Exporters with suitable products and who are willing to explore Japan's market potential will find a variety of information sources and government programs available to them. Making the effort to seek opportunities and being aware of the changing environment within the Japanese agri-food sector will go a long way in helping Canada protect its lucrative market share.

For more information on agri-food opportunities in Japan, visit the Government of Canada Web site: www.infoexport.gc.ca

For more information about trade financing and insurance support for Canadian exports and investment to Japan, contact Mark Bolger, Regional Manager, International Markets, Export Development Corporation, e-mail: mbolger@edc-see.ca ✪

Think Canada 2001

An update on the largest Canadian festival in Japan

As reported in the February 15, 2001 issue (Vol. 19, No. 3) of *CanadExport*, Japan has been the stage for a flurry of Canadian activity recently. Since April, throughout Canada's missions in Japan, the Trade Commissioner Service and other sections of the Department of Foreign Affairs and International Trade are co-ordinating Think Canada 2001, a program of approximately 200 events taking place across Japan.

Embassy in Tokyo. Similar launch events followed in Osaka (March 15) and Nagoya (March 27). Since then, the wide-ranging program and extensive media coverage of Think Canada 2001 have delivered new images of Canada both to targeted audiences of business people, researchers and policymakers, as well as to huge new sections of the general public. The message coming back from Think Canada 2001 is that Japan is keen to be more engaged than ever before with Canada, and that there continue to be major opportunities for Canadian companies in Japan.

Pagtakhan, and other Canadian and Japanese VIPs. Building on Canada's image in Japan as a friendly, open country, information kiosks and displays focussed on Canadian expertise in areas such as information technology, transportation, education, food and consumer products, and tourism. These displays exposed Japanese visitors to aspects of Canada that are lesser known among the general public. Entertainment such as Canadian animated films, a popular Canadian street performer, and various art and museum exhibitions, as well as a charity pancake breakfast for 600, helped to make the event attractive to all. The Open House represented the first time that a foreign mission in Tokyo opened its doors to the public.

Here is just a glimpse of some of the highly successful Think Canada 2001 events.

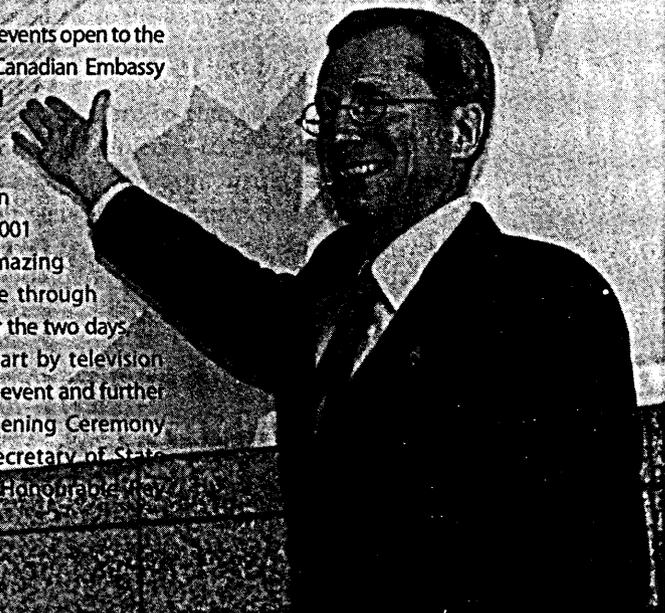
CANADIAN EMBASSY OPEN HOUSE, APRIL 7-8

One of the first major events open to the public in Tokyo, the Canadian Embassy Open House held on April 7-8, is a perfect example of the positive reaction that Think Canada 2001 has elicited. An amazing 20,000 visitors came through the Open House over the two days, attracted in large part by television coverage prior to the event and further coverage of the Opening Ceremony attended by the Secretary of State (Asia-Pacific), the Honourable Rey



The Honourable Rey Pagtakhan and Diet Member, Mr. Shigeo Utake

As Canada's second largest export market, Japan is vital to our economy. However, many Japanese know little about Canada beyond our scenic beauty and Anne of Green Gables. Think Canada 2001 is changing Japanese stereotypes of Canadian markets, and demonstrating what Canada is all about and why it is so important to Japan. Think Canada 2001 was launched on March 13 by Ambassador Leonard J. Edwards at a press conference at the Canadian



Ambassador Edwards Launches Think Canada 2001

THE CANADIAN
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SERVICE

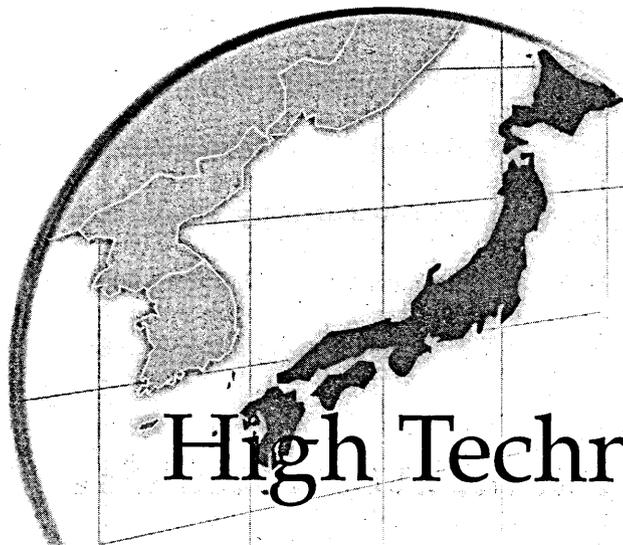
Prepared by the Japan Division (PJP)

Canada



Department of Foreign Affairs
and International Trade

Ministère des Affaires étrangères
et du Commerce International



Japan

High Technology

Think Canada

An update on the festival in Japan



High Tech for Everyone

HIGH TECH CARAVAN, APRIL 16-JUNE 5

The High Tech Caravan, one of the highlights of the Think Canada 2001 business program, travelled across Japan introducing Canadian capabilities—in information and communications, and environmental and health-related technologies—and changing Canada's image among audiences that had previously seen Canada as having an exclusively resource-based economy. A total of over 700 Japanese potential buyers and partners attended events related to the Caravan in 10 locations outside of Tokyo: Fukuoka, Kitakyushu, Matsuyama, Hiroshima, Kobe, Mie, Gifu, Sendai, Morioka and Sapporo. Positive local print and television coverage in each location further disseminated the message that Canada is one of the world's most technologically advanced countries.

One key to the success of the High Tech Caravan was the participation of Canadian companies, namely, Alias Wavefront, Applied AI Systems, Espial, evolutionB, Exfo Technologies, Hummingbird, Nortel Networks, Platform Computing, QLT Inc., QNX Software Systems, Saisu, Smart Technologies and World English. Company representatives were able to demonstrate and answer questions about their products and services directly, adding real substance to both the plenary and sector-specific sessions. Similarly, a number of local Japanese companies provided testimonials about their positive experience working with Canadian partners. The High Tech Caravan has proven that the enormous opportunities in Japan's IT market are not only concentrated in Tokyo. Japan's regional IT firms are emerging and are aggressively seeking new business partners. As IT in Japan continues to grow both nationally and regionally, Canadian IT companies are fully encouraged to explore new and dynamic business opportunities throughout Japan.



Information Technology Display



Mineral Treasures Display from Museum of Nature, Ottawa

Investment

MINERAL DEVELOPMENT AND CANADA'S MINING INDUSTRY: A NORTHERN PERSPECTIVE, APRIL 3

This seminar was designed to promote investment and partnering in Canada's mining sector, with an emphasis on opportunities in northern Canada and relevant technologies. Participants totalled approximately 100—mainly from major Japanese mining companies—and they were joined by representatives from the seminar co-sponsors, Metal Mining Agency of Japan (MMAJ) and Japan Mining Industry Association (JMIA).

Japanese attendees responded positively to the event. One company reported that, as a result of

the seminar, they were prepared to conduct a feasibility study on large mining exploration projects in Canada. Others noted their intention to remain in contact with Canadian firms that have participated in the event such as Expatriate Resources Ltd., Nuna Logistics, Strategy and Partnering Operations Analysis Inc. and Teck Corporation. Attendees were also treated to a display of Canada's rich resources in the form of a mineral exhibition from the Canadian Museum of Nature, brought to Japan with the support of Teck Corporation.

Building and Consumer Products

CHILDREN'S APPAREL MANUFACTURERS' ASSOCIATION MISSION, MARCH 12-16

This successful mission was led by Mr. Patrick Thomas, Executive Director of the Children's Apparel Manufacturers' Association (CAMA). Five CAMA member companies specializing in apparel goods or accessories for babies and/or children participated. Not only did the mission provide participants with an opportunity to learn more about the Japanese market in this sector through store visits, briefings

by industry specialists and meeting with buyers, it also served as an occasion to introduce and promote products. The mission also included a two-day exhibition at the Canadian Embassy in Tokyo, where the majority of participants developed concrete leads to be pursued on their return to Canada. The market for baby and children's wear in Japan is worth approximately 1 trillion yen (\$15 billion) annually.



Canadian Lifestyle Fair, Kobe

**CANADIAN BUILDING PRODUCTS SEMINARS,
APRIL 10-11 (OKAYAMA), APRIL 12-13 (OSAKA)**

This series of seminars gathered home builders from the Kansai region to learn about Canadian building products and current Canadian techniques in energy-efficient 2x4 housing construction. Canadian experts in the building technologies industry, including architect Kenji Aono, travelled to Japan to share their knowledge of innovative building products with selected architects, engineers and contractors. The seminars were hosted jointly by the Government of Alberta, Council of Forest Industries, Canadian Plywood Association, Zairai Lumber Partnership, BC Wood Specialties Group and the Canadian Consulate General in Osaka.

**HOUSING DESIGN CENTRE CANADIAN LIFESTYLE
FAIR, APRIL 26-MAY 6**

The Housing Design Centre (HDC) Canadian Lifestyle Fair promoted Canada's "good life" to the cosmopolitan Kobe community. Kayaks, mountain bikes, world-class wines and innovative wooden furniture—a whole range of Canadian products not readily available in Japan—were on display during this 10-day event.

PARADE OF CANADIAN HOMES, MAY 12-13

The Parade of Canadian Homes was a nationwide event, where Canadian-style homes, commercial buildings and homes with significant Canadian content were opened to the public. Bringing together 46 builders under one promotional campaign conducted by the Canadian Embassy and regional offices, this event included tours of 70 homes in 27 Japanese prefectures.

**CANADIAN FURNITURE AND LIFESTYLE EXHIBITION
(FURNITURE CANADA 2001), MAY 16-18**

This three-day exhibition, held at the Canadian Embassy in Tokyo and organized by Interspan Canada Inc., featured residential furniture and home accessories from 16 Canadian companies—the largest Canadian solo furniture show ever held in Japan. The majority of visitors were directly related to the furniture retail or import business. Imported furniture continues to be popular among Japanese consumers, and presents solid opportunities for Canadian suppliers. Canada's total furniture exports to Japan in 2000 amounted to 2.5 billion yen (\$34 million), and there is a great potential for growth.

**INNOVATIVE CANADIAN BUILDING PRODUCTS
SHOWCASE, MAY 30 (TOKYO), MAY 31
(NAGOYA) AND JUNE 1 (FUKUOKA)**

In keeping with the objective of Think Canada 2001, the Innovative Canadian Building Products Showcase brought lesser known aspects of Canada's building sector (innovative products and new technologies) to Japanese industry representatives. Seminars in Tokyo, Nagoya and Fukuoka featured topics such as new engineered wood products (presented by Forintek) and their use in residential and commercial construction, new products and technologies used in an innovative Canadian housing project that was finished in Tokyo earlier this year, and new products from Canada's value-added industry (presented by BC Wood Specialties Group, as well as a small number of other Canadian companies). The Showcase found resonance with Japanese companies wishing to distinguish themselves from their competition and seeking something truly innovative to offer their clients.

Cultural Industries

CANADIAN FILM FESTIVAL 2001, APRIL 24-JULY 29

For seven days in April, Tokyo's movie-going public had the rare opportunity to see some of Canada's most recent feature films. One objective of Japan's first Canadian Film Festival in 10 years was to show the strength of Canada's newest filmmakers. The focus was therefore on "new generation" directors, defined as those who had directed only one to three feature films. Another objective was to provide a survey of the variety of work being done throughout the country. Following the successful Tokyo event, which attracted approximately 3000 viewers, selected films were shown in Nagoya, Beppu, Kagoshima, Osaka and Fukuoka, bringing the total number of viewers to 10,000. In Tokyo alone, 58 percent of the attendees

surveyed reported that they had never before seen a Canadian movie in Japan.

An important element of the Tokyo Film Festival was the On-location Filming Seminar, held April 25 at the Canadian Embassy in Tokyo. More than 170 producers, directors and other industry representatives came to hear about filming in Canada, and how Canadian film commissions can help to identify the best locations for filming in both downtown areas and other traditionally difficult locations. Representatives from the Montreal Film Commission and the British Columbia Film Commission were on hand to give useful, specific guidance on film making in Canada.

Food

CANADIAN BAKED GOODS FAIR AND SEMINAR, MARCH 12-APRIL 22

Conservo, the Kansai region's leading bakery chain, held a fair and seminar for both the general public and its 70 franchisees. The fair was launched at Conservo's headquarters in Himeji, the famous castle town 100 kilometres west of Osaka. Following a seminar by Saskatchewan chef Syed Shah demonstrating Canadian ingredients and baking techniques, Conservo promoted Canadian baked goods at over 250 of its locations. Conservo has opened a door for Canadian companies to pursue a new and growing Japanese market for whole grains and organic ingredients.

GREAT CANADIAN COOKING DEMONSTRATION, APRIL 29

Osaka's UTAGE 2001, one of the largest food exhibitions in Japan, attracted over 650,000 people over a 10-day period this year. The onsite Canadian Cooking Demonstration drew more than 3000 eager participants, many of whom were able to sample the innovative Canadian cuisine of Ottawa chef Susan Connelly. One example was Canadian salmon in an orange balsamic vinaigrette served with wild rice mixed with dried cranberries and nuts.



Supplement - CanadExport

Focus on...Nagoya



Canadian Fair at Yamanaka Supermarkets

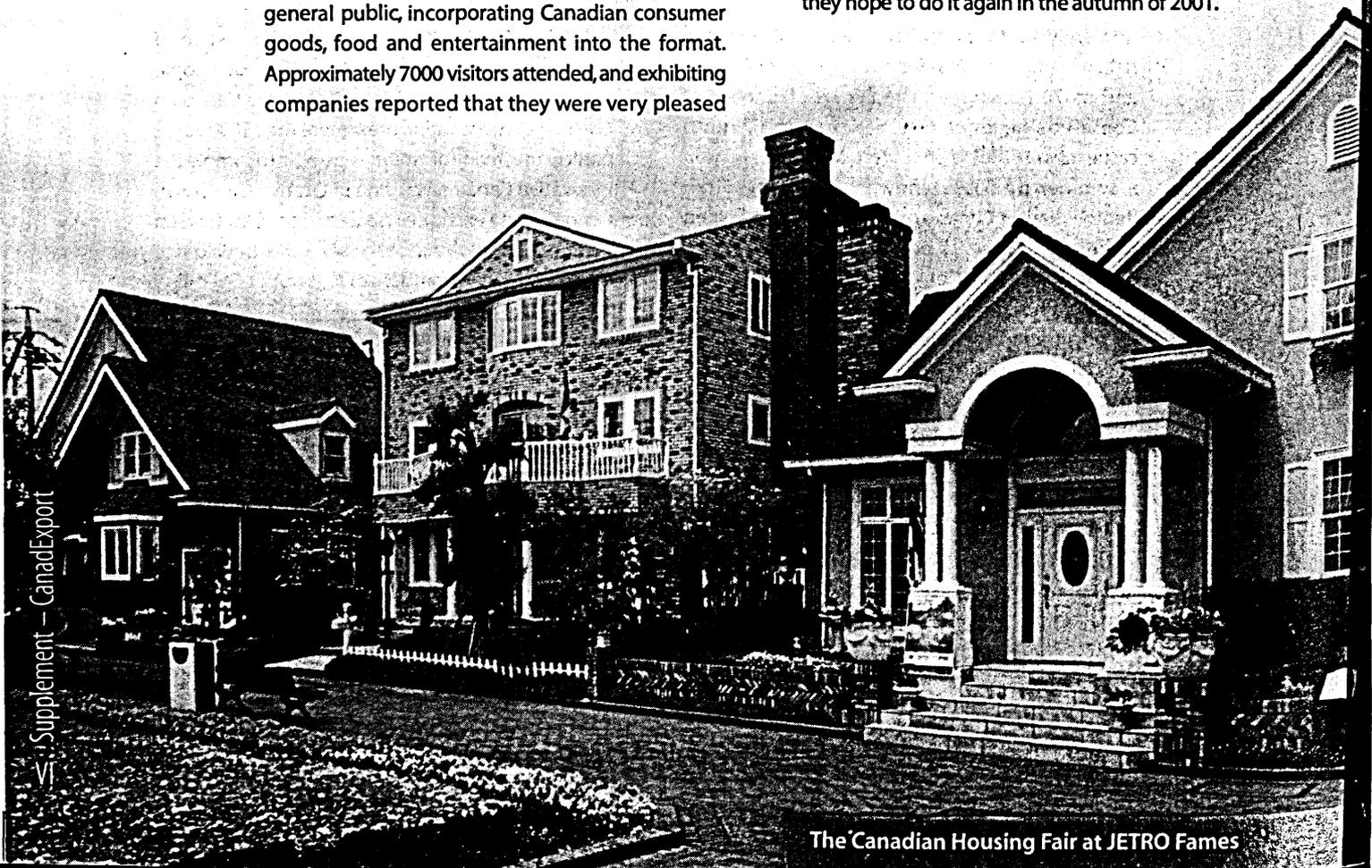
THE CANADIAN HOUSING FAIR AT THE JAPAN EXTERNAL TRADE ORGANIZATION FAMES, MAY 3-6

This event was specifically designed to appeal to the general public, incorporating Canadian consumer goods, food and entertainment into the format. Approximately 7000 visitors attended, and exhibiting companies reported that they were very pleased

with the number of serious visitors to each of their show homes. In addition, the Consulate organized two seminars for the general public, one of which focussed on Super E Housing, where the main theme was Canadian housing lifestyles.

CANADIAN FAIR AT YAMANAKA SUPERMARKETS, MAY 10-17

In addition to selling value-added products (beer, cookies, etc.), large sections of the Yamanaka supermarkets featured special prepared take-home items (*sozai*)—Japanese-style dishes made with Canadian ingredients. These included new creations such as *niagara-maki*, a sushi dish made with Canadian sweet shrimp, salmon and surf clam. Consumers also learned that many of their favourite ingredients (pork for Japanese pork cutlets, salmon, surf clam, etc.) were regularly imported from Canada. Yamanaka Supermarkets found the event to be so successful that they hope to do it again in the autumn of 2001.



The Canadian Housing Fair at JETRO Fames

Focus on...Fukuoka

CANADA FOOD FAIRS, MARCH 15-AUGUST 31

Every day during Think Canada 2001, a Canadian food fair is being held in at least one Kyushu restaurant, promoting Canadian products and cuisine among Kyushu's 15 million people. Participating venues include Restaurant La Plage and Rhiga Royal Hotel in Kitakyushu; Hotels Nikko, Okura, New Otani and Il Palazzo in Fukuoka; and Bayside Garden and Canada Place in Kagoshima. Famous Canadian salmon is on most menus, but customers are also introduced to Canadian lobster, surf clams, beef, pork, veal, cheese, bagels and wine, and Canadian berries have joined maple syrup as a favourite ingredient in Canadian-style desserts prepared by skilled Kyushu chefs.

CANADIAN BAKERY DEMONSTRATION, MARCH 28

In Fukuoka, a Canadian Bakery Seminar featuring a Saskatchewan chef attracted 50 local bakers who were

keen to learn about Canadian ingredients, mixes and baking techniques. Small local bakery companies face fierce competition from larger industrial bread companies, and it is expected that many of the participants will use the information gleaned from the Seminar to develop products to differentiate themselves from their competitors.

CANADIAN WINE EVENING, MAY 11

This event in Fukuoka attracted almost 200 people who were keen to discover Canadian wines. Canadian red, white and fruit wines were served, as well as ice wine following a meal of Canadian beef, salmon, prosciutto and maple syrup. Participants responded very positively and were impressed by the wines. Thus, the relative scarcity of Canadian wines in local stores presents an export opportunity.

Focus on...Hiroshima

CANADIAN HOUSING AND LIFESTYLES EXHIBITION, MARCH 20-22

The Canadian Housing and Lifestyles Exhibition in Hiroshima was the cornerstone event of Think Canada 2001 in Hiroshima. Designed to appeal to both industry representatives and consumers, the exhibition saw 3000 visitors over three days. The focus was on Canadian housing systems, and the majority of the 25 participating companies and organizations were housing-related. These were complemented by a number of importers of Canadian consumer goods, furniture, food and beverages, and these exhibits helped to attract the general public. Materials from the Embassy, Natural Resources Canada and the Canada Mortgage and Housing Corporation were also widely displayed and distributed, promoting Super E and healthy housing, and disseminating both technical and general information related to Canadian housing.

Two industry seminars were held onsite during the Exhibition. A seminar on Canadian housing styles was held on March 21 with the co-operation of Trade

Works BC, BC Wood Specialties Group, CanPly, Zairai Lumber Partnership, Quebec Wood Export Bureau and Japan External Trade Organization Hiroshima. The seminar featured a presentation on Canadian housing by a Japanese architect and attracted 60 local industry representatives. A more technical seminar was held on March 22 by the Imported House Industries Organization of Japan on Japan's new housing insurance system and its application to housing imported from Canada.

THINK CANADA 2001 TENT AT THE HIROSHIMA FLOWER FESTIVAL, MAY 3-5

For the first time, Canada was represented at the Hiroshima Flower Festival, which this year attracted 1.4 million visitors. The Think Canada 2001 Tent displayed information about Canadian high technology, building products, health, food, tourism, culture and study in Canada, resulting in excellent exposure for the new trade office and for Canada in general.

Think Canada 2001 - Thinking ahead

Although Think Canada 2001 has been a great success to date, the need to increase understanding of Canada in the Japanese market will not disappear when the festival ends. On the contrary, Canada's missions in Japan, in partnership with the private sector and provincial governments, will need to work hard to build on the momentum gained through this festival. Getting Japan to Think Canada benefits all of us over the long term.

The success of Think Canada 2001 was only possible through the commitment and energy of many partners. In particular, the many Canadian companies who organized or participated in festival events were vital to the campaign, as was the over \$1 million contributed by the 46 Think Canada 2001 Official Sponsors.

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DAVIS & COMPANY



Breaking open a traditional sake barrel on June 4, 2001 marked the official opening of a trade section in Sapporo, Japan. The new office represents the latest in a series of steps taken by the Government of Canada to expand its presence in Japan's dynamic regional economies.

In one of his last events as Canadian Ambassador to Japan, Leonard J. Edwards presided over the opening ceremony and used the occasion to reaffirm Canada's commitment to increasing commercial relations with Hokkaido: "Hokkaido has always been an important market for Canadian exports of fish, food products and other natural resources," he said. "But I also want Hokkaido to recognize Canada as an innovative and competitive economy with cutting-edge IT capabilities."

The appointment of Shinichi Tsujio as Canada's Commercial Officer in Hokkaido was also announced at the ceremony, which was attended by the Governor of Hokkaido, the Deputy Mayor of Sapporo, and Canadian Honorary Consul Tsuneo Fujita.

The ceremony was held in conjunction with two major Think Canada 2001 events — The Prince Hotel Canada Food Fairs taking place throughout Japan in May and June and the High-Tech Caravan, which introduced Canadian IT companies to over 160 representatives from the Sapporo IT community. The day also featured a multi-media presentation marking the 100th session of the Canada School in Hokkaido.

Think Canada 2001 is a four-month-long festival held throughout Japan to promote Canadian innovation, cultural inspiration and international peace and security initiatives.

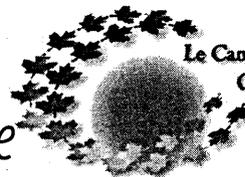
The Canada-Hokkaido connection

Canada and Hokkaido share a cold climate, but their relations are warm. Indeed, their connection goes back a long way through a long-standing "twin" relationship between Hokkaido prefecture and the province of Alberta.

While Canada continues to be a leading supplier to Hokkaido of resource-based products such as lumber, pulp and paper, minerals, meat, fish, grains, oilseeds and prefabricated housing, the Japanese are viewing Canada more than ever as an important supplier of value-added technol-

ogy-driven products and services as well. Japan is now Canada's second-largest trading partner, with two-way trade in goods valued at \$22 billion in 2000.

to bring Canada's high-tech sophistication to Japan's New Economy," Ambassador Edwards explained, "now that the city of Sapporo is emerging as an IT hub in Japan."



Opening another door to trade
Sapporo, Japan

ogy-driven products and services as well. Japan is now Canada's second-largest trading partner, with two-way trade in goods valued at \$22 billion in 2000.

In fact, Canada joins the U.S., Russia, China, South Korea, Australia, and Denmark in establishing business centres in the city.

Aided by the high-tech experience the new commercial officer brings to the job, the Sapporo trade office is expected to tap into the increased Japanese appetite for Canadian software, aircraft, telecommunications equipment, and environmental products and services. Through such initiatives as missions, trade fairs and seminars, it will create opportunities to forge new business relationships between Canadian and Hokkaido-based companies — in particular small and medium-sized enterprises (SMEs).

Those opportunities were also underscored by International Trade Minister Pettigrew in his announcement of the opening of the new trade office. "This reinforces Canada's commitment to increasing our commercial relations with the regional economies of Japan, including the prefecture of Hokkaido," he said.

Many local partners supported the opening of the new section, including the Hokkaido Government and the City of Sapporo.

For more information, contact Shinichi Tsujio, Commercial Officer, Trade Section, Canadian Consulate, Sapporo, tel.: (011-81) 11 708-8702, fax: (011-81) 11 708-8702, e-mail: ctosapporo@gol.com



Sake barrel breaking to officially open the Sapporo Trade Office. From left to right: Ambassador Edwards; Hokkaido Governor Tatsuya Hori; and Canada's Honorary Consul Tsuneo Fujita.

Canada and Hokkaido share something else as well: a desire to establish themselves as leaders in advanced information technology (IT). Canada has a multitude of small, dynamic IT companies eager to build relationships through technology contacts and partnerships. Sapporo also has many rising high-tech stars, always on the look-out for partners as they strive to improve their technologies.

New office, new opportunities

How was Sapporo chosen as the location for Canada's newest trade office in Japan?

"It seemed that expanding our presence here would be the ideal way

The Netherlands on the map

Geomaticapark

Surveying the right spot for a geomatics business park has had its ups and downs over the years, but finally, on April 1, 2001, Geomaticapark opened in the Netherlands. The Park, located 80 km from Amsterdam, promises to be a hot spot for Canadian geomatics companies interested in mapping out a business strategy in Europe.

Over the past decade, geomatics has developed from a specialized sector into a complex industry, encompassing the disciplines of surveying, mapping, remote sensing and Geographic Information Systems (GIS). The business of providing spatial information is expanding its frontiers into many sectors, from traditional to emerging. The industry today is dominated by small-to-medium enterprises (SMEs), many of them recent start-ups, with larger, more established, companies involved primarily in GIS software and remote-sensing systems.

Geomaticapark, which focuses on geomatics and related IT sectors, appears to be breaking new ground in Europe. By gathering geomatics companies together and focusing their strengths, the Park creates synergies that will ultimately point the way to exciting new business opportunities. The Park's "common roof" will also make it easier for tenants to acquire subsidies and attract group projects.

Still in the start-up phase, its spacious and well-appointed buildings are already home to some 10 Dutch geomatics companies, with a combined staff of between 50 to 60 employees. The National Aerospace Laboratory (NLR)



played an active role in establishing the Park and provides tenants with access to the latest in technologies and facilities in one of its nearby operations.

Location, location

Management at Geomaticapark, which is supported by the Netherlands Ministry of Economic Affairs, the Province of Flevoland and the NLR, is currently recruiting new tenants from within The Netherlands. But both Park managers and tenants are interested in sharing the space with members of the Canadian geomatics community as well. Canada's status as a world leader in geomatics is widely recognized in Europe, reflected in its existing links

with European geomatics companies and co-operative ventures with related organizations such as the European Space Agency.

Already, the Dutch tenants speak enthusiastically about the synergy the park atmosphere has generated and the new products that have been developed as a result. Canadian geomatics companies will find it ideal as a base for European operations and for locating strategic partners in Europe. Not only are most of the tenants already active in Europe but, with its proximity to Amsterdam, Geomaticapark offers easy access to major markets in the EU, such as Germany.

Useful information

The Geomaticapark Web site (www.geomaticapark.nl) offers general information about the Park, links to tenants' Web sites as well as a subscription to its newsletter.

Geo Informatics (www.geoinformatics.com) is a key English-language magazine produced in the Netherlands about European and international geomatics issues.

For more information, contact Chris Rowley, Commercial Officer, Canadian Embassy, The Hague, tel: (011-31-70) 311-1664, fax: (011-31-70) 311-1682, e-mail: chris.rowley@dfait-maeci.gc.ca or Bruno Wiest, Technology and Business Development Officer, Canadian Embassy, Berlin, tel.: (011-49-30) 2031-2363, fax: (011-49-30) 2031-2142, e-mail: bruno.wiest@dfait-maeci.gc.ca *

Italy's hot ICT market

SMAU 2001

MILAN, ITALY — October 18–22, 2001 — Italy's hot Information and Communication Technology (ICT) market is getting hotter and the forecast is for this year's SMAU 2001 to be even bigger and better than ever. The temperature of the Italian ICT market rose 11% in 2000 to reach a sizzling US\$25 billion.

SMAU (www.smau.it/) is Italy's

premier ICT exhibition, the most important in the Mediterranean region and the second largest (after CEBIT) in all of Europe. Last year's SMAU, which featured product exhibits and conferences spanning the major ICT sub-sectors, attracted over 2,900 exhibitors, 20,000 conference participants and more than half a million visitors.

At this year's SMAU 2001, the spotlight will be on the Internet, focusing on solutions for the super-heated e-learning, e-training, e-commerce, and mobility markets, as well as government on-line systems and services.

As it has in the past, the Canadian government is organizing events at SMAU to raise Canada's hi-tech profile and to introduce Canadian exporters to Italy. Participants will be offered a number of ways to take the pulse of Italy's exciting ICT market, the fourth largest in Europe:

1. Rent space in the national stand, which is located in a prime pavilion, to showcase products or use it as a base for moving around the fair.
2. Meet leading Italian ICT players at a showcase and partnering event in

Continued on page 12 – SMAU 2001

Long-term trade relations between Canada and China just took a giant step forward with the tremendous success of Team Canada's 2001 visit to Beijing, Shanghai and Hong Kong. Now that participants are home again, the Department of Foreign Affairs and International Trade (DFAIT) is offering a number of ways to guide them on the next leg of their business journey.

Accompanied by Prime Minister Jean Chrétien, twelve provincial premiers and territorial leaders, the Minister for International Trade and the Secretary of State (Asia-Pacific), the 600 Canadian business delegates who participated signed deals worth \$5.7 billion.

Canadian firms that are successful in these regions tend to take a long-term view, understanding that to make the most of these markets requires sustained effort and a strategic commitment. Many companies have already laid down deep roots there and are now drawing on these long-established networks to follow-up on the opportunities they identified during the mission.

Without such networks however, Canadian businesses may well wonder where to go from here, how to benefit from the contacts established during the visit or who can help design a regional market strategy. This is where DFAIT steps in, offering a

number of ways to keep the business ball rolling and ensure that Canadian firms continue to reap the mission's rewards.

Three steps to continued success

1. Visit our Web site InfoExport:

Watch for upcoming trade events

After Team Canada 2001

Planning next steps

and activities and follow the links to our team.

2. Learn about our Team Canada followup activities:

On behalf of its commercial team in China and Hong Kong and Team Canada Inc partners, DFAIT has created a menu of major trade activities and events taking place where Canadian exporters can meet local contacts in their sector and investigate the various regional markets. You can now find all the information for these events listed in one place, on the Infoexport Web site. We invite you to consider how these activities will support your China-Hong Kong strategy.



will provide the necessary tools to plan a successful business strategy in China and Hong Kong. They can also provide you with information on more specialized trade events taking place in the region.

Representatives of Team Canada Inc's domestic network in Canada are also on hand to provide advice and guidance to help companies plan. As well, DFAIT's China and Mongolia Division can co-ordinate market development support across a broad partnership of government and private sector players.

For more information, contact Andrew Smith, Deputy Director (Trade), China and Mongolia Division, DFAIT, tel.: (613) 992-6129, fax: (613) 943-1068. ✪

State-of-the-art resource management system

Positron wins deal in Hong Kong

Positron Public Safety System Inc. of Montreal signed last month a \$9 million agreement with Singapore Engineering Software Pte Ltd. (SES) to provide an IT sub-system for the Third Generation Mobilising System (TGMS) of the Hong Kong Fire Services Department (HKFSD).

"This is our first major contract in Asia with a leading and respected Asian company like SES," commented Positron President José-Luis Menghini who also acknowledged the support his company received from the Trade

Commissioner Service at the Canadian Consulate General in Hong Kong in meeting with key local contacts.

Positron Public Safety Systems, a wholly owned subsidiary of Positron Inc, is a Canadian company based in Montreal, specializing in the conception, design, manufacturing, supply and installation of integrated solutions for Emergency Response including Call Taking, Dispatching, Mapping and other components. Positron has more than 3,600 systems implemented in the U.S.,

Canada, Latin America, Europe and South Africa. ✪



Contract signing in Hong Kong (from left to right): Claude Neunlist, Business Development Manager, Positron; José Luis Menghini, President, Positron; Brian Wong, Commercial Officer, Canadian Consulate General in Hong Kong; and Joseph Tsui, Symphonic Telecom, Positron's partners in Hong Kong.

African business will inevitably be on the radar screens of Canadian and global media this fall since President Bush has invited leaders from 35 African nations for a trade and economic forum that will focus on building stronger ties. "We Americans," he says, "want to be more than spectators of Africa's progress."

reason is commercial. "Where the risk is high, the investment returns can be even higher," he adds.

But there is more than that involved. With a deep commitment to Africa's development, Amosah believes that "creating jobs for people, something for them to do other than waiting for handouts from develop-

for several of the larger economies, almost all continue to suffer from heavy debt burdens and deep-seated structural problems, especially over-reliance on one or two commodities. International initiatives to reduce debt are now gaining ground, but will make little concrete difference in 2001. For the many states still wracked by civil war, persistent economic chaos, or drought, the economies remain on hold and present challenges for investors.

Still, Benjamin Amosah's entrepreneurial optimism makes him see a bright side. "Africa is the next Asia," he says confidently. "And sooner rather than later we will be talking about the African economic miracle the same way we do about Asia's."

A roadmap to Sub-Saharan Africa

Business opportunities

Increased trade and investment is ultimately the only road that can lead towards development for the region.

Ottawa company committed

Even small Canadian entrepreneurs can play a part in this process. Ottawa's Benjamin Amosah, for example, has made a number of ventures aimed at developing the potential of the region's food industries. Through his holding company, K-Okuta Group of Co. Int., Inc., Amosah has invested in aquaculture ventures in Guinea, Mozambique, Madagascar and Cameroon, all of which export the bulk of their catch to markets in the European Union.

A native of Ghana, Amosah is well aware of the troubles that exist in Sub-Saharan Africa. But he has an unusual philosophy. "I seek out the troubled spots," he says. "Actually, I go looking for them." Part of the

ment agencies" creates enormous good will towards investors. That results, according to Amosah, "in a positive attitude towards doing the job right, which along with low wages makes for an economically sound rationale for my investments."

Sub-Saharan Africa country profiles

Of course, the achievements of one small business do not spell success for all in this vast region. Indeed, the Export Development Corporation (EDC) (www.edc-see.ca) Spring 2001 survey of Sub-Saharan Africa points out a wide array of problems and pitfalls. Still, EDC expects growth of the region's GDP to accelerate to slightly under 3% in 2001, so there is room for cautious optimism on the macro level.

Furthermore, cautions EDC, "Even if short-term prospects are brighter

On-line information

There are various Web sites that can provide information about business in Sub-Saharan Africa. Two good starting points are Canada's Africa Direct site (www.africadirect.net) and African business portal Mbendi (www.mbendi.co.za).

For more information, contact Karra-Lee Gerrits, Trade Commissioner, Sub-Saharan Africa Trade Unit, DFAIT, tel.: (613) 944-6575, fax: (613) 944-7437, e-mail: karra-lee.gerrits@dfait-maeci.gc.ca Web site: www.infoexport.gc.ca/main-e.asp?act=7&rid=7

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Trade News!")

SMAU 2001

— Continued from page 10

- the "Edunet" educational solutions pavilion featuring Canadian on-line learning and training technologies.
3. New exporters who choose not to exhibit can join a NEXOS mission, using the four days to get a close-up view of the market, meeting major players, distributors, agents and reps and taking part in a stimulating array of demos, workshops and technology conferences.

Three ways to be part of SMAU

For \$200, Virtual Participants can have their product literature displayed at the national stand and receive enquiries from prospective customers back home at the office.

For \$400, New Exporters can use the Canadian stand as a base for business meetings, receive briefings by industry specialists on the Italian ICT market and trends, and then tour the fair at their own pace.

For \$4,000, Full Exhibitors receive the full-service package, which

includes plenty of space in the Canadian stand, plus receptionist and hostess services and assistance in identifying, selecting, and organizing private meetings with potential partners.

The deadline for registering for SMAU 2001 is August 15.

For more information, contact Robert Landry, Trade Commissioner, International Trade Centre (a Team Canada partner), tel.: (514) 283-3940, e-mail: landry.robert@ic.gc.ca

The Canadian Embassy is now open for and to business in the Libyan capital of Tripoli. The Embassy is staffed by a *Chargé d'affaires* and the Canadian Ambassador resident in Tunis will continue to be accredited to Libya.

Libya offers new market opportunities for Canadian firms. Its ten-year isolation ended in April 1999 with the suspension of UN sanctions, followed soon after by a lifting of bilateral Canadian export restrictions.

The first-ever officially sponsored Canadian trade mission to Libya took place in February 2001 and, as the 11 participating companies discovered, opportunities abound in the oil and gas sector. Libya has the largest proven oil and gas reserves in Africa. It is also the site of some of the most promising opportunities for new discoveries and employment of innovative techniques for enhanced recovery in the world.

Libya has also undertaken an ambitious project of repairing and refurbishing its infrastructure, as well as that of the oil industry. Several Canadian engineering firms have won contracts in the electrical, water, and petroleum sectors.

Canadian merchandise exports have also increased rapidly in recent years. Libya imports most of its food,

manufactured goods, and raw material needs. Canada's main exports are grains, dairy products, and industrial machinery. Wood, paper, pipes, steel and medical/optical equipment are also frequently exported.

Canada establishes Embassy in Libya

The most promising sectors for Canadian companies are agriculture, oilfield supplies and services, pharmaceuticals and medical equipment.

Companies wishing to take advantage of the suspension of sanctions must first obtain a certificate from the Economic Law Division, DFAIT, tel. (613) 995-0413, fax: (613) 992-6483. There also continue to be restrictions on the export to Libya of U.S. origin goods, as well as military and dual-use equipment.

While accessing the Libyan market requires special care and attention, the possibilities are unmistakable. The Canadian Embassy staff can offer valuable assistance to Canadian firms looking to enter the Libyan market.

For more information, contact:

- George Jacoby, *Chargé d'affaires*, Canadian Embassy, Tripoli, tel.:

(011-218-21) 335-1633, fax: (011-218-21) 335-1630

- Russell Merifield, Commercial Counsellor, Canadian Embassy, Tunis (also responsible for Libya), tel.: (011-216-1) 796-577, fax: (011-216-1)

792-371, e-mail: russell.merifield@dfait-maeci.gc.ca Web sites: www.infoexport.gc.ca/tn and www.dfait-maeci.gc.ca/tunisia

- Romeo Rojas, Maghreb and Arabian Peninsula Division, DFAIT, tel.: (613) 944-1558, fax: (613) 944-7431, e-mail: romeo.rojas@dfait-maeci.gc.ca *

Turkey and Greece

— Continued from page 1

Greece's economy has improved tremendously over the last decade (as have Canada's trade and investment relations with Greece), and it is expected to continue exceeding the EU growth average for the foreseeable future, fuelling opportunities in sectors like information technology and telecommunications, aerospace and defence, and agriculture and agri-food.

Greece can also serve as an additional gateway for Canada into other European Union countries and the Balkans, another region offering good trade prospects.

Government goals to raise the standard of living in Greece will mean increased opportunities in many sectors including construction. As well, excellent opportunities will likely result from construction undertaken in anticipation of the 2004 Olympic Summer Games.

For more information on trade opportunities in Greece and Turkey, visit: www.infoexport.gc.ca and for more information on the trade mission, visit: www.tcm-mec.gc.ca/welcome-e.asp *

First trade commissioner — Continued from page 1

for selling products to Australia; to visit Australian companies telling them about Canadian products; and to send reports back to Ottawa on market conditions, the competition and opportunities for Canadian goods. During Larke's time, the Canadian Trade Commissioner Service grew from one man to 21 in 16 different countries. Today, the Trade Commissioner Service he pioneered operates 138 posts around the world.

On May 24, 2001, on the occasion of the Trade Commissioner Service Rendez-vous, John Gero, Assistant Deputy Minister, International Business, and Chief Trade Commissioner, pre-

sented Robert Larke, the grandson of John Short Larke, and Terry Larke, John Short Larke's great-grandson, with a museum-quality copy of the Order-in-Council from August 1894 recommending Larke be appointed commercial agent in Australia. As well, they received *A Tribute to John Short Larke, Canada's First Trade Commissioner*, a comic strip history of the Trade Commissioner Service — a sort of "day-in-the-life-of" — depicting that although technologies may have changed over the last 100 years, the role of the trade commissioner has remained the same in building relationships and brokering information. *

On March 20, 2001 (and as reported in the April 16 issue of *CanadExport*), the Canadian government announced its decision to pursue the broadest possible political and economic relationship with India. This re-engagement strategy includes

Through ministerial visits and trade missions, the reactivation of CIDA-INC and active support for cultural and sports linkages, Canada will enrich its political dialogue with India and promote mutually beneficial trade and investment opportunities.

"Re-engaging India":

What does it mean for Canadian exporters?

lifting several economic measures and encouraging more commercial and political exchanges. But how exactly does this policy influence doing business in India?

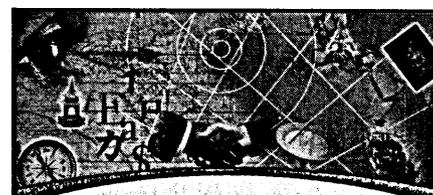
First, senior official and ministerial visits in both directions have resumed. Canada's Deputy Minister for International Trade travelled there in March and the Deputy Minister of Foreign Affairs visited in April. During the June visit by India's Minister of Power to Canada, International Trade Minister Pierre Pettigrew announced that he would lead a Canada trade mission to India in October. Additional visits are expected to take place in the coming year.

Second, Canada's re-engagement policy means that exporters can now apply for support in India from CIDA's Industrial Co-operation Program (CIDA-INC). Several projects have already been approved.

Third, cultural and sport linkages have been restored and a series of cultural events including Canadian performances, a film festival and a food festival, will begin in November 2001. The resultant visibility and goodwill should enhance the efforts of exporters active in India.

Top ten reasons to take a closer look at India:

- Minister Pettigrew's trade mission to India in October. For more information, visit www.tcm-mec.gc.ca or call (613) 995-2194.
- Canada 3000 will begin direct flights to India in October, greatly facilitating business and tourism travel.
- Export Development Corporation just signed a US\$75 million line of credit with the Indian Power Finance Corporation. Additionally, EDC is interested in financing Indian projects in every sector.
- CIDA-INC is once again in a position to consider applications from Canadian exporters interested in India.
- The Canada-India Working Group on Coal was reactivated in March 2001 and should lead to opportunities in the mining sector.
- India is the 11th largest economy in the world, ranks 4th in the world in terms of purchasing power parity, and has one of the fastest economic growth rates in the world.
- India is one of the largest recipients of lending by International Financial Institutions. Projects worth billions of dollars are approved annually.
- The large and growing Indo-Canadian community (nearly one million strong) is an important bridge between the two countries. With their cultural sensitivity and network of contacts, many Indo-Canadians are becoming catalysts for doing more business in India.
- Our new publication, *South Asia Trade Action Plan (SATAP)*, will be



PROGRAM FOR EXPORT MARKET DEVELOPMENT (PEMD)

PEMD provides assistance in developing new export markets.

Eligibility criteria

- Canadian companies with annual sales between \$250,000 and \$10 million.
- Eligible costs are shared on a fifty-fifty basis.
- The repayable contribution is based on the company's exporting success.

For more information, contact the ITC in your area or visit our Web site: www.infoexport.gc.ca/programs-e.asp

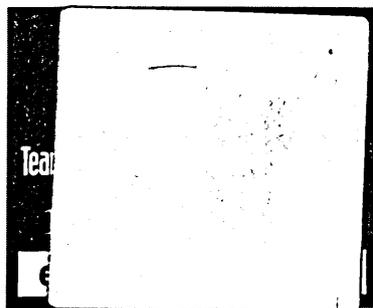
(See the PEMD announcement in the July 3, 2001, issue of *CanadExport*.)

PEMD is jointly administered by DFAIT and Industry Canada.

available soon and will help you to identify commercial opportunities throughout South Asia.

- As India's need for a multitude of products and services corresponds well with what Canada produces, and English is the language used in business, the fit is very good.

The Department of Foreign Affairs and International Trade encourages Canadian companies to take a brand new look at India and to seriously consider commercial opportunities there. Our trade officers in Canada and India are ready to assist you. Direct inquiries to our officers in Canada via psa@dfait-maeci.gc.ca and to our officers in India via delhi-commerce@dfait-maeci.gc.ca *



Environmental industry events in Mexico

Looking for opportunities in Mexico's environmental market, especially the water and wastewater sectors? Mark the following major events on your calendar.

MEXICO CITY — September 25-28, 2001 — Local industry leaders rate **ENVIRO PRO/TECOMEX** as Mexico's most important trade show in the environmental sector. It is fully supported by the Mexican National Confederation of Environmental Industrialists (CONIECO), which is the main organizer of the conference series. Last year's event attracted over 6,000 visitors. For the ninth show this year, 200 exhibitors are expected to participate.

The Mexican government has made the environment a priority, opening new business opportunities. In 2001 alone, sales of environmental equipment and services should exceed \$5.46 billion. As a NAFTA partner, Canada is well positioned to gain a share of this market. And one of the most effective ways to promote your firm is by exhibiting in the Canadian pavilion at **ENVIRO PRO/TECOMEX 2001**.

The Canadian Embassy (www.canada.org.mx) is working closely with the organizers to ensure that your participation yields maximum benefits. Among the advantages: an attractive exhibition space; prearranged one-on-one meetings; technical conferences to promote your products/services; a briefing on arrival and reception at the Embassy; and an extra-low rate for rental of a full booth space (9 m²).

To register as an exhibitor or for more information, contact John Gallagher or Joni S. Leonardo, E.J. Krause & Associates Inc., tel.: (301) 493-5500, fax: (301) 493-5705, e-mail: gallagher@ejkrause.com or leonardo@ejkrause.com. Web site: www.enviropo.com.mx or Steve Côté, Canadian Embassy, Mexico City, tel.: (011-52-5) 724-7936, fax: (011-52-5) 724-7982, e-mail: steve.cote@dfait-maeci.gc.ca Web site: www.canada.org.mx

As part of Action Plan 2000 on Climate Change, Industry Canada will lead a climate change workshop/mission at **ENVIRO-PRO 2001** showcasing

Canadian climate change technologies to Mexican and Latin American buyers, as well as addressing recent political change and policy trends across the North American climate change agenda. The workshop will attract private sector partners and local Mexican government decision makers.

For more information, contact Michèle Kingsley, Industry Canada, tel.: (613) 946-2578, e-mail: Kingsley.Michele@ic.gc.ca

MONTERREY — October 1-2, 2001 — Over 200 municipal and industrial water and wastewater managers from all over Mexico are expected to attend the **Water and Wastewater Symposium** at the Centre for Water Studies (Centro de Estudios del Agua), at Monterrey Tec University. This is a hot topic in northern Mexico, where water conservation, hydrogeology studies and water/wastewater equipment are priorities.

Open only to participants, the two-day event includes a conference with keynote speakers, one-on-one matchmaking sessions and an exhibition area. The Canadian Environment Industry Association (www.ceia-acie.ca) is planning a strong Canadian presence at the event, with up to 20 exhibition spaces reserved for Canadian firms plus Canadian speakers on the main program.

For more information, contact Kim Henderson, Canadian Environment Industry Association, tel.: (613) 236-6222, ext. 3, e-mail: info@ceia-acie.ca Web site: www.ceia-acie.ca



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www.infoexport.gc.ca/ifinet/menu-e.asp

Upcoming trade shows in Dubai

Two major trade shows are on the calendar for October in Dubai, United Arab Emirates (UAE), and Canada will have a national pavilion at each. The shows are opportunities to establish a foothold in the affluent Gulf region, develop existing business or recruit agents.

October 3-7, 2001 — **INDEX 2001** features furniture and furnishings for homes and businesses/institutions. With 1,000 exhibitors from 50 countries, the show is expected to attract more than 26,000 trade visitors.

The largest and most comprehensive interiors event in the region, **INDEX 2001** meets a rising need in the UAE: tourism is booming, business is expanding, and builders are constructing new hotels, shopping centres and commercial buildings. The result is a strong demand for modern interiors, high-quality furniture and furnishings, and related products.

For more information, visit the **INDEX** Web site: www.dmgindex.com or contact Sanam Shahani, Commercial Officer, Canadian Consulate, Dubai, tel.: (011-971-4) 352-1717, fax: (011-971-4) 351-7722, e-mail: sanam.shahani@dfait-maeci.gc.ca Web site: www.infoexport.gc.ca/ae

October 14-18, 2001 — The Gulf Information and Technology Exhibition (**GITEX**) is the Middle East's leading IT show. Last year, **GITEX** drew 460 exhibitors representing 36 countries and more than 73,000 visitors from around the world.

GITEX displays the most recent products and technology in the field of information technology. This year, **GITEX** will include seminars and conferences, plus a retail showcase of home computer equipment.

In the UAE, the software, hardware and telecommunications markets are experiencing unprecedented growth,
Continued on page 16 - Dubai

Upcoming trade shows and conferences

For the full details on the following events, see Canadexport on-line at www.infoexport.gc.ca/canadexport and click on either "Trade Fairs and Missions" or "Conferences/Seminars/Meetings".

LYON, FRANCE — September 1-3, 2001 — Lyon, Mode City — One of Europe's top trade events, this is three shows in one: Lyon Lingerie, Lyon Swimwear, and Lyon Fabrics.

BANGKOK, THAILAND — September 12-15, 2001 — The International Food & Hospitality Show is Thailand's top trade event for the hotel, catering, bakery, food, beverage and retail supplies industry.

CARTAGENA, COLOMBIA — October 3-5, 2001 — Proflora is the largest flower industry trade show in the Americas.

FRANKFURT, GERMANY — October 10-15, 2001 — The annual Frankfurt Book Fair is the world's largest event in the publishing industry, and over 120 Canadian publishers and agents will be present at the two Canadian stands.

BEIRUT, LEBANON — October 13-17, 2001 — The Eighth Business Forum to precede the Summit of the Heads of State of La Francophonie will bring together business people from over 55 countries in the Francophone economic sphere and provide an opportunity to network with the 800 expected participants from throughout La Francophonie.

HONG KONG/BEIJING — November 5-10, 2001 — The World Productivity Congress will focus on innovative strategies for enhancing individual, organizational, industrial, national, regional and global competitiveness.

CAIRO, EGYPT — November 6-9, 2001 — The Middle East Power and Energy Exhibition and Conference (ELECTRIX) is the leading annual electrotechnical, power, solar and renewable energy event in the Middle East and North Africa.

CHICAGO, ILLINOIS — November 11-13, 2001 — The Private Label Manufacturers Association (PLMA) Show is the premier annual exhibition for North America's private label grocery products trade.

MIDRAND, SOUTH AFRICA — November 12-16, 2001 — ITU Telecom Africa 2001 is the venue to target the ever-expanding African market.

ANTOFAGASTA, CHILE — November 20-24, 2001 — Exponor 2001, a major international mining trade show, will take place in the heart of Chile's mining region.

BAHRAIN — January 14-17, 2002 — Bahrain Naval & Maritime 2002 is

the first dedicated international naval and maritime exhibition and conference in the Middle East, complementing the air and land defence exhibitions already established in the Gulf region.

BIRMINGHAM, U.K. — June 9-13, 2002 — Interbuild is the largest and most important exhibition for Britain's building and construction industry, and acts as an umbrella for 15 sub-shows.

GERMANY — Trade fairs in Germany — see a complete list of shows, until 2002, in the major German fair venues. ★

Dubai — Continued from page 15

especially with the recent creation of the Dubai Internet City and the e-government initiative. Dubai is actively seeking to establish itself as an IT hub.

For more information, visit the GITEX Web site: www.gitex.com

To register for GITEX, contact:

- Fouad Soueid, Senior Commercial Officer, Canadian Consulate, Dubai, tel.: (011-971-4) 352-1717, fax: (011-971-4) 351-7722, e-mail: fouad.soueid@dfait-maeci.gc.ca Web site: www.infoexport.gc.ca/ae
- Terry Gain, Ontario Exports Inc., tel.: (416) 325-6792, e-mail: terry.gain@edt.gov.on.ca Web site: www.ontario-canada.com/export
- Keri Holtby, Maghreb and Arabian Peninsula Division, DFAIT, tel.: (613) 944-6983, e-mail: keri.holtby@dfait-maeci.gc.ca ★

Enquiries Service

DFAIT's Enquiries Service provides counselling, publications, and referral services to Canadian exporters. Trade-related information can be obtained by calling 1-800-267-8376 (Ottawa region: 944-4000) or by fax at (613) 996-9709; by calling the Enquiries Service FaxLink (from a fax machine) at (613) 944-4500; or by accessing the DFAIT Internet site at www.dfait-maeci.gc.ca

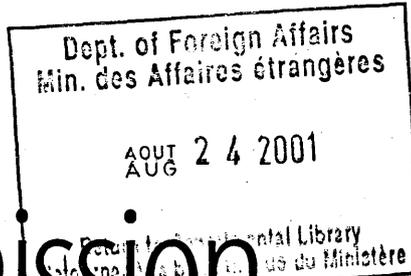
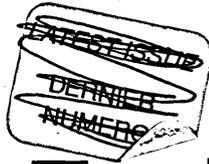
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Trade mission to India



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International Trade Minister Pierre Pettigrew invites Canadian companies to participate in a trade mission that he will lead to India from October 7-12, 2001. The mission will visit three of India's most influential business centres: New Delhi, Chennai (formerly Madras), and Mumbai (formerly Bombay). In each city, a tailored business program will include seminars and workshops, hospitality events and networking opportunities.

India's GDP has grown more than 30% over the past five years. Canada's exports to India grew an impressive 20% during 2000 while exports have already increased 45% in the first five months of this year alone. As the following success stories demonstrate,

India presents promising opportunities in diverse sectors, especially information technology and telecommunications, energy, transportation and infrastructure, and the environment.

Information technology and telecommunications

There has been investment in both directions with Sigma Systems Group of Toronto planning to establish a software development facility in India to bolster the presence of other Canadian firms such as central Canada-based Nortel Networks, CAE, C-MAC and OSS-Eftia. Indian IT companies like Infosys, WIPRO and Tata Consultancy Services have followed suit by establishing offices in Canada.

Continued on page 13 - Trade mission

2001 Canada Export Awards finalists

International Trade Minister Pierre Pettigrew recently announced the finalists for the 2001 Canada Export Awards. Up to 10 winners, one of which will also be named "Exporter of the Year", will be honoured at a gala ceremony in Montreal on September 24, 2001, which will be held during the Annual Convention of the Canadian Manufacturers & Exporters, September 23 to 25, 2001.

"Canadians exported a record \$474 billion in 2000, a 15 percent increase over

1999," said Minister Pettigrew. "The 2001 finalists played an active role in this growth, generating more than \$2 billion in export sales. They also sustained more than 12,500 jobs across the country."

Since 1983, more than 200 firms have been recognized for their success in Canada and in foreign markets. "Previous award-winning companies have come from a variety of industries, clearly indicating the diversity of Canada's economy," said Minister Pettigrew.

Continued on page 14 - Export Awards



International Business Opportunities Centre

The International Business Opportunities Centre (IBOC) provides a matching service — connecting foreign buyers with Canadian companies. The Centre provides timely, relevant and targeted business leads from the desks of foreign buyers to the doorsteps of Canadian companies.

The following lists some of the Centre's current trade opportunities — for a wider selection, visit the Web site at www.iboc.gc.ca/webleads/webleads.asp

Canadian exporters needing assistance in preparing international bid documents may want to use the international contracts expertise and services offered by the Canadian Commercial Corporation. This Crown Corporation is located at 50 O'Connor Street, Suite 1100, Ottawa, ON K1A 0S6, tel.: (613) 996-0034, fax: (613) 995-2121.

CYPRUS — Centralized Call/Contact Centre — The Cyprus Telecommunications Authority has issued a tender (Bid no. 14/2001) for Contact Centre Implementation and Customer Relationship Management Modules. The project involves successful implementation of a turnkey solution including system design, software supply, installation, customization and parameterization of all software and hardware, interfacing and integration, documentation and training. Functionality requirements include switching, queuing and call routing as well as Computer Telephony Integration (CTI), Interactive Voice Response (IVR), Customer Relationship Management (CRM), workflow management, e-mail and Web server connectivity, and system monitoring and statistics. Bid guarantee: CYP 75,000. Cost of bid documents (two sets): CYP 10,000 plus VAT. Closing date: **October 12, 2001**. Tenders will remain open for 180 days from the closing date. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010709-03317. (Notice received from Canada's Honorary Consul in Nicosia.)

FINLAND — Army Flir and Optical Target Designator, Air Defence Missile Firing Stand Project (AFOTAS) — The

Defence Forces Material Command Headquarters has issued a tender (Bid no. 70/28.03.01) for delivery of the following: 400–500 thermal imagers with option for 50–70 pcs; 70–100 laser rangefinders; 90–125 goniometers; 340–385 tripods; 40–55 target designator computers; and 40–50 remote control units with option for 50–70 pcs. Delivery date: 2002–2004. Closing date: **October 31, 2001**. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010706-03290. (Notice received from the Canadian Embassy in Helsinki.)

SYRIA — Railway Study for Modernization and Renewal — Syrian Railways requires a study (Bid no. 51/2001) concerning the modernization and renewal of the railway between Al Sharghaya and Palmyra Station. Bid bond: US\$50,000. Performance bond: 10% of contracted value. Closing date: **October 8, 2001**. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010730-03632. (Notice received from the Canadian Embassy in Damascus.)

BANGLADESH — Capacitor Oil Switch and Underground Cable — As part of the Dhaka Power System Upgrade

Project, the Rural Electrification Board (REB) invites bids from member countries of the Asian Development Bank (ADB) for the supply and delivery of capacitor oil switch (contract no. IFB No. ADB-07) and underground cable (contract no. IFB No. ADB-25). Cost of bid document (non-refundable): Taka 3,000 or US\$ equivalent. Bid security: minimum 2% of the total bid price. Closing date: **October 15, 2001**. Contact IBOC, fax: (613) 996-2635, e-mail: eleads@dfait-maeci.gc.ca quoting case no. 010803-03708. (Notice received from the Canadian High Commission in Dhaka.) *

IBOC trade opportunities — find out more at www.iboc.gc.ca

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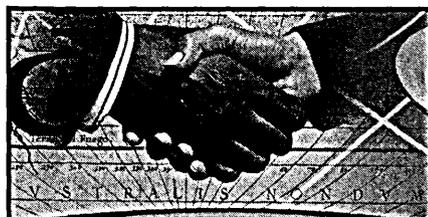
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CanadExport

Team Canada mission participant Keith Dewar arrived in China with a sound knowledge of the market, a product offering a timely and cost-effective solution, and six partners lined up to sign contracts in the presence of the Canadian Prime Minister. Dewar's story, in fact, reads like a textbook of export success — which is appropriate given that he is Vice-President of Prince Edward Island's Holland College and that the product he's selling is education itself. As a result of the Team Canada signings, six Chinese colleges will soon be delivering Holland College's highly popular Business Information Technology (BIT) program to their students.

Created in 1969 and P.E.I.'s only community college, Holland College is an industry-based institution offering 75 post-secondary programs to 2,400 full-time and 6,000 part-time students. The College was founded on the philosophy of competency-based education and continues to emphasize skills-oriented training and assessment of knowledge through performance.



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CIDA-funded projects: reputation

It is an approach that has appeal in China, where reforms to the education system are calling for colleges to improve the quality and relevance of their programs to support the country's new economy, with its emphasis on skills training and efficiency. "Our

Textbook for export success

P.E.I. Holland College

philosophy is one of the reasons we first got involved in China, about 11 years ago," explains Dewar.

The College's early projects were funded by the Canadian International



Official signing of the educational joint venture agreement between Chongqing Polytechnical College in Beijing and Holland College. Seated, left to right: Jolene Chan, Development Officer-International Projects and Keith Dewar, Vice-President of Holland College; Liu Yu De, Secretary of CCPC and Zhou Qihui of Chongqing Polytechnical College. Standing, left to right: P.E.I. Premier, Pat Binns; Prime Minister Jean Chrétien; Minister for International Trade Pierre Pettigrew.

Development Agency (CIDA) and delivered through the Association of Canadian Community Colleges (ACCC) under the Canadian College Partnership Program (CCPP).

Reviewing the results of its international work, in 1997, the College determined that it needed to move towards projects generating profits.

Discussing the concept with Chinese officials and with senior officials at the Canadian Embassy in Beijing and Consulate in Chongqing, Holland College gained a comprehensive understanding of the Chinese business and legal environments.

By summer 2000 it was in serious negotiations with six colleges. Critical to the progress of the negotiations was the support, and understanding of Chinese cultural nuances, provided by Hong Kong-born Jolene Chan, hired to be the College's International Project Officer in China.

Team Canada clinches Deal

The timing of the Team Canada Mission to Beijing, Shanghai and Hong Kong in February 2001 proved fortuitous in bringing the negotiations to closure. "Chinese people place a high value on hierarchy," explains Dewar. "We were able to offer them the opportunity to have the agreements signed in a formal arena in the presence of the Canadian Prime Minister." Under the agreements, Holland College will maintain control over the BIT curriculum, while the Chinese colleges are responsible for facilities, equipment and delivery of the program.

Education as industry

Dewar stresses the importance of treating education as any other business. "You have to maintain quality and consistency. Our idea is not to offer 75 programs in China, but three or four that we can do very well."

For all his business emphasis, Dewar can't help slipping in the educational benefits. "There will be opportunities for our Chinese and Canadian students to learn of each other's culture by collaborating on Internet projects. And our instructors going to China will also gain greater international experience, so crucial in today's global economy."

For more information, contact Keith Dewar, Vice-President, Holland College, tel.: (902) 566-9520, fax: (902) 629-4268, e-mail: kdewar@hollandc.pe.ca Web site: www.hollandcollege.com *

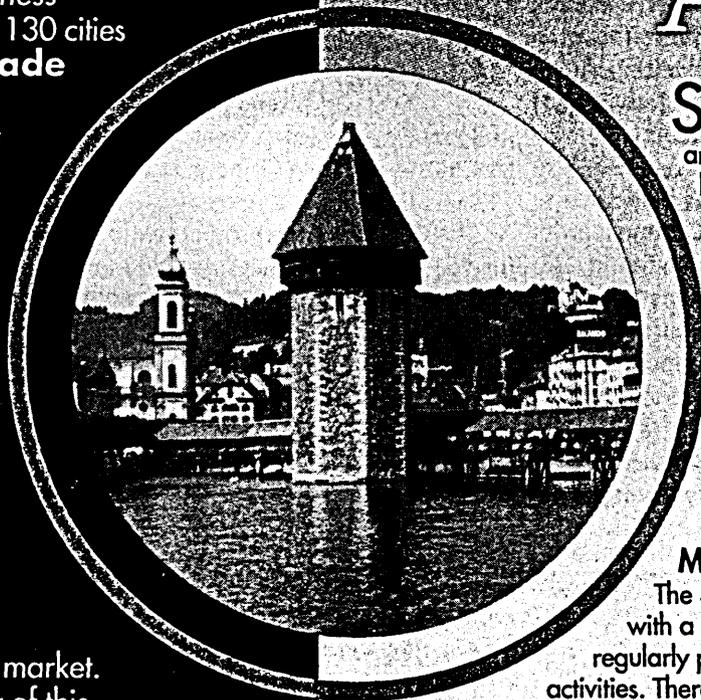
(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Team Canada Success Story")

SWITZERLAND

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The Sporting Apparel

Switzerland's sporting goods and sports apparel market is heating up. Although winter sports sales have dipped in recent years, the Swiss market for summer and year-round sporting goods has risen. Overall, Switzerland's sports market jumped 8% in 1999 reaching \$1.67 billion (excluding bicycles) in 2000.

Market Overview

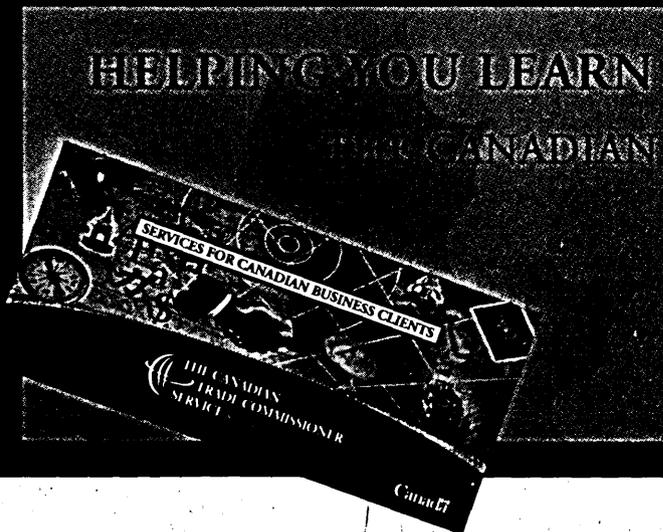
The Swiss are sports enthusiasts, with a majority of the population regularly participating in sporting activities. There are approximately two million downhill skiers, 530,000 cross-country skiers and 470,000 snowboarders who spend approximately \$522 million on equipment annually. Switzerland has the highest snowboard sales in Europe, and the demand is forecast to continue to grow by 10% annually.

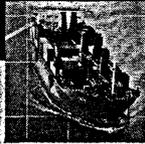
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Goods and Sports Market

In 2000, winter sporting goods and apparel held 42% of the market representing \$700 million. However, success in this industry is largely dependant on weather and snow conditions at the beginning of each season. The market for summer and year-round sporting goods and sports apparel accounted for 58% of the market in 2000 totaling \$970 million. Sports dominating the summer market include soccer, hiking and golf.

Market Trends

The sporting goods industry has introduced new and innovative products in recent years that are fueling continued growth in the sector. For example, snowboards, "caving skis," freestyle skis and racing skis have become very popular. Buyers are also looking for innovative designs and fabrics in sports wear for upcoming seasons.



For the summer sporting market, new trends expected to lead to industry growth include in-line skates, golf equipment, scooters and kickboards, as well as high-quality hiking and camping equipment. Most notably, demand for sporting apparel has been moving away from sport specific active wear to multipurpose leisure-based sports-wear. For both summer and winter, there is increased demand in the Swiss market for advanced technology textiles that are naturally

breathing, lightweight, wind and waterproof.

Opportunities

Opportunities for Canadian companies in the Swiss sporting goods market include golf related products and clothing, ice hockey equipment, figure skates, curling equipment and high technology fabrics. Increased participation by women in sports is also creating additional opportunities.

Canada has a strong international reputation for quality hockey equipment. Despite increased international competition, the Canadian reputation for these products is supported by technological advancements in skates and hockey equipment and ensures a strong presence for Canadian companies in this sector in Switzerland.

Competitive Environment

Domestic production of sporting goods and sporting apparel in Switzerland is a small part of the market and was valued at approximately \$100 million in 1999.

Canada's reputation as a producer of

quality sporting goods is relatively unknown in Switzerland. Except for ice hockey equipment, this market is fairly untapped by Canadian manufacturers. With assistance from the Canadian Embassy in Switzerland, and a repeated presence at important trade shows including SWISSPO, BESPO, and ISPO, other Canadian sporting goods are becoming increasingly known in Switzerland.

See Potential?

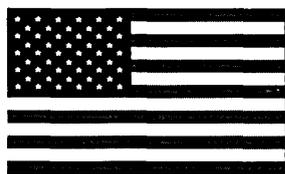
To learn more about this market, read *The Sporting Goods and Sporting Apparel Market in Switzerland* prepared by the Market Research Centre. You can access this report and hundreds of others free at the Trade Commissioner Service Web site: www.infoexport.gc.ca

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The Sporting Goods and Sports Apparel Market

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The U.S. Connection

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COMDEX Fall 2001

LAS VEGAS — November 12-16, 2001 — COMDEX Fall 2001 (www.key3media.com/comdex/fall2001/) is almost here! This annual trade show is rated the world's premier information technology (IT) marketplace. The statistics speak for themselves — over 200,000 resellers, industry professionals, and corporate decision makers come to this event, bringing with them more than \$125 billion in buying power.

Over 35,000 attendees from around the world are looking for networking and wireless technologies; information appliances (mobile and wireless solutions); Web tools and technologies; software platforms and solutions; digital media and Web publishing innovations; and IT services.

The Department of Foreign Affairs and International Trade (DFAIT) (www.dfait-maeci.gc.ca), in co-operation with Key3 Media (www.key3media.com) (the organizers of COMDEX), is once again supporting a Canadian Pavilion located in a prime position on the main floor of the Sands Expo and Convention Centre. All companies exhibiting in the Canadian Pavilion will have free access to the services of a marketing communications consultant to prepare a marketing plan and media strategy for this event. Each exhibitor will receive information about market opportunities and



trends, and will be provided with help in developing market-entry strategies. Once again, a press conference will be organized to provide media exposure in the U.S. and Canada.

Take advantage of this excellent opportunity to expand your business in the U.S. market. Exhibiting within the Canadian Pavilion will let you focus your efforts on developing your firm's strategy to achieve your key objective — generating sales and earning new business.

For more information, contact Pat Fera, U.S. Business Development Division, DFAIT, tel.: (613) 944-9475, fax: (613) 944-9119, e-mail: pat.fera@dfait-maeci.gc.ca *

Get a head start with Export USA

The Canadian Consulate General Trade Office in Silicon Valley is arranging a special education and training program for Canadian IT companies visiting COMDEX for the first time. This hands-on Exporters to Border States (EXTUS) program, part of the Export USA series, is designed for companies that are familiar with the U.S. market, but have yet to implement a full-scale U.S. marketing program.

For more information or to register, contact Jeane Weaver, Business Development Officer, San Jose, tel.: (408) 289-1157, ext. 23, e-mail: jweaver@cdntrade.com

MEDTRADE 2001 EXPOSITION AND CONFERENCE

NEW ORLEANS — October 23-25, 2001 — The Canadian Consulate General in Dallas will host a Medical Equipment Exporters Mission in New Orleans, Louisiana, as part of MEDTRADE 2001 (www.medtrade.com).

MEDTRADE has become the premier event for the home health and post-acute care industry. Last year, representatives of more than 4,000 companies from over 100 countries visited the show. They were exposed to more than 250,000 health-care products and services presented by 1,200 exhibitors and

had the opportunity to attend a range of over 200 seminars and workshops.

To complement MEDTRADE's program, the Medical Equipment Exporters Mission will offer one-on-one meetings and a networking event with buyers and distributors from the United States, as well as seminars tailored directly to the needs of new Canadian exporters.

For more information or to register, contact Dorothy Campbell, Dallas, tel.: (214) 922-9812 ext. 3351, e-mail: dorothy.campbell@dfait-maeci.gc.ca *

Check the Business Section of the Canada-U.S. Relations Web site at www.can-am.gc.ca ... for valuable information on doing business in and with the United States.

When Johnson Controls' systems are at work, no one notices — and that's as it should be. The technological leader, and very founder, of the building controls industry manages indoor environment systems, including for the German Air Force (GAF) at 5 Wing Goose Bay.

Renamed Johnson Controls, Inc. in 1974, the multi-billion-dollar company (sales of US\$17.2 billion in 2000) has become a world leader in two businesses: building controls and automotive systems, and has branch offices in 53 countries. Johnson Controls SSNA manages the building controls side of the business.

Partners in smooth operations

CCC and St. John's building controls

When the German customer chose to sole source its maintenance and service contract with Johnson Controls Systems and Services North America (SSNA) last year, the Newfoundland branch was introduced to the Canadian Commercial Corporation (CCC) — and discovered a working relationship as efficient as its systems doing their job in an air force hangar.

Johnson Controls, Inc. was founded in Milwaukee, Wisconsin, in 1885 by Professor Warren Johnson, whose invention of the electric room thermostat launched the building control industry and was the impetus for creation of the company (then called Johnson Electric Service Company).

Since 1995, the Newfoundland branch of Johnson Controls SSNA, based in St. John's, has succeeded in winning the three-year maintenance and support contracts put out to tender for the building control system it originally supplied and installed in a new GAF hangar at 5 Wing Goose Bay, the low-level flight training facility for NATO Allied forces in Goose Bay, Newfoundland. Wishing to avoid time delays associated with the tendering process, the GAF requested a sole-source contract with Johnson Controls in 2000.

By international agreement, the GAF is required to purchase such services through the Department of National Defence (DND) and CCC. "CCC acts as the buyer's agent through DND," explains CCC Senior Project Manager Suzanne Gougeon. "The buyer, the GAF, was obviously pleased with the service it was getting from Johnson's."

No bones to pick

CCC's role was to negotiate the contract on behalf of the company. "We had never used the services of CCC before," explains Account Executive Norman Tobin, "but it was a step we needed to get this contract put into place. Sometimes these extra steps can be like trying to pick bones out of a jelly fish — they create a lot of needless extra work. But CCC made the whole process as painless as possible. They worked with the GAF to determine

SHAPING TRADE SOLUTIONS FOR OUR EXPORTERS



Canadian Commercial Corporation

The Canadian Commercial Corporation (CCC) is an export sales agency of the Government of Canada providing special access to the U.S. defence and aerospace markets and specializing in sales to foreign governments.

Canadian exporters can gain greater access to government and other markets, as well as a competitive advantage, through CCC's contracting expertise and unique government-backed guarantee of contract performance.

CCC can facilitate export sales that often result in the waiving of performance bonds, advanced payment arrangements and generally better project terms.

When requested, CCC acts as prime contractor for government-to-government transactions and provides access to pre-shipment export financing from commercial sources.

For more information, contact CCC, tel.: (613) 996-0034, toll-free in Canada: (800) 748-8191, fax: (613) 947-3903, e-mail: info@ccc.ca Web site: www.ccc.ca

the scope of work and with us to negotiate contract terms. We got our contract and it was perfect."

The company's "perfect" contract is a three-year services and maintenance contract for the GAF hangar's HVAC systems, beginning December 1, 2000, and ending November 30, 2003. With two one-year options for extension, the contract could be extended until 2005.

"CCC demonstrated a professionalism, and a knowledge of international business, all the way through the negotiations," adds Tobin. "They're obviously very experienced. Gougeon worked very hard and diligently for us."

Accommodating customer needs

Gougeon credits the company — and Tobin himself — for being easy to work with. "There were no problems with the negotiations; it was a very smooth process. I can see why the GAF wanted to sole source the contract — this is a company that goes out of its way to accommodate its customers."

Johnson Controls got its own taste of an organization willing to go out of its way to accommodate customer

Continued on page 9 — Johnson Controls

DOING BUSINESS WITH THE U.S. FEDERAL GOVERNMENT?

Find out more from the Canadian Embassy in Washington, D.C. (www.canadianembassy.org) under "Business Opportunities: U.S. Government Procurement."

Log onto opportunities via the General Services Administration (www.gsa.gov), which facilitates purchases by the U.S. government — the world's largest consumer — and the Electronic Posting System site (www.eps.gov).

When you're ready to pursue these opportunities, the Canadian Commercial Corporation (www.ccc.ca) can assist you with the interpretation of the U.S. procurement system or ensure that as a Canadian company, you are eligible to participate.

Chreed company president Edward Leman half jokingly refers to his Ottawa-based company as a "China company with a rep office in Canada." The reason? Projects funded by International Financial Institutions (IFIs) in China constitute 95% of business for the provider of economic and development planning services. But getting a foot in the door wasn't easy. Chreed shares how it got the door to open — and stay open.

Contacts, consistency, credibility

DEVELOPING A COMPETITIVE ADVANTAGE IN CHINA

It took three years to get a foot in the door. Set up to pursue urban development opportunities in China in 1985, Chreed Ltd., which provides economic and development planning services to government and private-sector clients, got its first contract in that exciting market three years later.

Retained in 1988 by the Federation of Canadian Municipalities and the Shanghai Municipal Government, Chreed designed and implemented an urban land-management training program in Shanghai. But the door to China opened wider in 1990, when the Canadian International Development Agency's Industrial Co-operation Program (CIDA Inc) took a half a million dollar chance on Chreed, as yet a small, virtually untested shop. Chreed's performance on that first CIDA Inc-funded contract — to conduct a study under the Shanghai Land Use Management Strategy — led to repeated contracts from CIDA Inc and IFIs, including the Asian Development Bank and World Bank.

"The key to winning IFI work is to give them the best resources available," says company President Edward Leman. "In areas where we don't have the expertise ourselves, we make sure we tap into other resources. We've worked with a number of partners, both Canadian and non-Canadian, on our projects." Creating a joint venture helped Chreed win a contract in Pudong, for example, where an

Australian firm had the local experience Chreed lacked.

Of the many challenges to working in a new market, the team at Chreed stresses two equally significant ones: entering the market and sustaining a presence.

"To do a proper job of breaking into China, you must devote a year, taking four trips (of at least three weeks each) to make new contacts and learn about the market — then you may have the credibility to help the client," advises Leman.

Derek Ireland, an economist and company director, adds: "What might work [for a new company] is to look for certain, very short-term assignments that might involve training, giving a paper at a conference — something that someone else, the UNDP [UN Development Program] maybe, might pay for. This will help to build up credibility, background and contacts."

Commitment is key

Getting a foot in the door is one thing — albeit not easy. Keeping that door open is a matter of constantly slugging away, learning about the market and the people, making contacts and reaffirming the company's interest in and commitment to the market. Of sustaining a presence in China, Leman says: "Senior people of the company must be prepared to give a long-term commitment to China. They must be

willing to commit themselves to learning, and be willing to commit the resources."

Learning about China is in itself a substantial task, given the incredibly fast pace of change in that country.

"Imagine the scale," adds Leman. "There are 16 million people in Shanghai — half the population of Canada — outside our office window. And they're going places: fast!"

A statistical first

As large as China is, it naturally features a great deal of diversity: geographically, economically, and socially. That diversity is being plotted by Chreed in the first comprehensive database on China. This extensive spatial and statistical database is based on information the team members have been gathering ever since they arrived in China. Four employees work full time in Chreed's Shanghai office to input new and updated data.

"This database has provided a major competitive advantage for the firm," says Ireland. The data provides opportunities for in-depth analyses that were previously unavailable. IFIs, the Government of China and the private sector alike can benefit from this database.

For more information, contact Export Financing Division, DFAIT, tel.: (613) 995-7251, e-mail: ifinet@dfait-maeci.gc.ca Web site: www.infoexport.gc.ca/ifinet or Edward Leman, President, Chreed Ltd., tel.: (613) 238-3954, e-mail: leman@chreed.com Web site: www.chreed.com *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Sharing Trade Secrets")



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China... Just the name of this ancient country is certain to stir a myriad of images and impressions ranging from peasants in rice paddies, to the Great Wall, to Mao Ze Dong and the Communist revolution. But increasingly, China is being considered as the next great market, the "pot of gold" for business persons worldwide. Here are some key issues that Canadian information and communications technology (ICT) professionals should consider before targeting the Chinese ICT market.

Today, China could be described as an emerging free market economy operating within a totalitarian political system. Entrepreneurship is alive and well — China's GDP has increased nearly sixfold since 1978. Its economic growth is expected to remain a robust 7% annually over the next few years. China has experienced this growth while withstanding the recent Asian financial crisis, and today, is the only country to have avoided the global high-technology meltdown.

Huge opportunities

With a population of 1.3 billion, and an underdeveloped telecommunications infrastructure, the market opportunities in China are tremendous. For example, cellular penetration is in the order of 3% compared to about 75% in Hong Kong or Singapore. Yet, China is already the world's second-largest user of cell phones, and annual growth rates have averaged 100% per year since the early 1990s.

This potential becomes even more dizzying when one looks at the penetration rates in other areas such as fixed-line teledensity (8.6%), or the Internet (1%). And with China's imminent accession to the World Trade Organization, growth of the telecommunications sector can only be expected to accelerate. This growth is producing a robust domestic industry there.

Yet all is not golden

China is undergoing significant growing pains as it transforms from a planned

economy to a global, market economy. For example, although legal regulations are in place with regard to intellectual property (IP) protection, this concept is not part of the Chinese tradition; in addition, the judiciary is not to Western standards, and the laws are neither well enforced nor uniformly applied.

In the West, the rule of law defines how we interact with each other. In

Is it right for you?

China's ICT market

China, as is true in many Asian nations, it is your personal connections or "guanxi" that count. Do not expect the courts to enforce your contract or the rules to be static — rather, rely on the integrity and commitment of your partners and associates. As a Westerner, you will need to gain an appreciation for the cultural differences if you are to gain respect and commitment from your associates.



In general, it is much more complicated to win a major contract in China than in the West due to the number of organizations involved and the close linkages between the government and the private sector. Apart from convincing key corporate decision-makers of the merits of your product or services, it is necessary to deal with both the provincial and state governments (typically the Ministry of Information Industry and the Ministry of Foreign Trade and Economic Co-operation), as they are part owners and they control the import/export of foreign currencies.

To compound these difficulties, the decision-making process can often appear to be fluid to a foreigner due to the lack of transparency, and regulatory challenges abound. Therefore Canadian companies are advised to either partner with a Chinese firm via technology transfer or equity influx, or establish their own production/distribution facilities in China.

Despite these challenges, the China of today is rapidly developing, and is now a major market, home to up-and-coming global competitors. It may represent a pot of gold at the end of the rainbow, or it may represent a market of significant loss. To ensure the former, as a minimum, you will need to do your homework, pursue the market on a regional basis, and

develop appropriate relationships. It is not a market for part-timers, the faint of heart or the uncommitted.

For more information, contact Dale Forbes, Manager, China and Hong Kong Division, Industry Canada, tel.: (613) 990-9092, fax: (613) 990-4215, e-mail: forbes.dale@ic.gc.ca or Marcel Belec, Trade Commissioner, China and Mongolia Division, DFAIT, tel.: (613) 995-6962, fax: (613) 943-1068, e-mail: marcel.belec@dfait-maeci.gc.ca *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Roadmap to China and Hong Kong")

Johnson Controls

— Continued from page 7

needs. With such contracts, CCC normally recuperates its costs against each invoice, but in this case agreed to charge the percentage only once a year to accommodate the company's internal accounting procedures. "We appreciate their flexibility," says Tobin, who adds that the company would be delighted to work with CCC again.

For more information, contact Norman Tobin, Account Executive, tel.: (709) 579-8751, fax: (709) 579-9015, e-mail: norman.g.tobin@jci.com Web site: www.johnsoncontrols.com *

When it comes to the Information and Communication Technology (ICT) market in the Czech Republic, there's plenty to talk about. The country boasts one of the highest ratios of ICT spending to GDP in the region (2.9%), as well as the highest penetration of mobile phones, making it one of Central Europe's top ICT markets. In fact,

What's ahead?

Despite the decline in the global ICT market, experts agree that further growth in the Czech telecommunications market is assured. The value of the market is expected to reach US\$3.27 billion by 2004, with the fixed-line market expanding to US\$1.52 billion and the mobile services market rising to US\$1.75 billion during 2001.

insight into Czech business practices, market characteristics and strategies, as well as legal, financial and import procedures. The type of partner needed will vary depending on the enterprise involved, but in general, companies should select a local agent, representative or distributor using the same criteria that apply in Canada.

Making the right connection

The Czech ICT market

spending levels are approaching those of most Western European countries, reaching US\$151 per capita in 1999.

Market overview

The value of the ICT market reached US\$1.56 billion in 1999, marking an annual growth rate of just under 7%. This rate was expected to almost double in 2000 with spending anticipated to climb to US\$1.75 billion. While much of this growth derives from more spending on software and services, hardware is still the biggest seller on the market. Despite the growing demand for the development of technology solutions, basic hardware accounted for 47% of the overall ICT expenditures in 1999, followed by services (37.9%) and software (15%).

The Czech Republic is leading the Eastern European mobile communications market as well. Some 40% of the Czech population owned mobile phones in 2000, compared to 25% in Hungary and Slovakia and 16% in Poland. General Packet Radio Service (GPRS) technology has already arrived on the market and a tender for Universal Mobile Telephone Service (UMTS) licenses is planned for fall 2001. The country's newest mobile operator, Canadian-owned Cesky Mobil, reports an excellent start to its operations in the country.

A number of market conditions will affect this future expansion, the most notable of which is the rising demand by the Czech population for ICT services, including Internet access. With the growing trend among enterprises to use networks for sharing



resources and conducting e-business, the demand for packaged application solutions is expected to rise. As well, with the current focus on cleaner production, waste management, energy management, water and wastewater treatment and climate change issues, investment in upgrades to the related telecommunication and data communication infrastructure will need to increase.

Between 2001 and 2003, the fixed-line market will be liberalized and Cesky Telecom and Ceske Radiokomunikace will be privatized. This, combined with the tender for UMTS licenses in 2001, will pave the way for a more competitive ICT environment in the Czech Republic.

Choose a partner

Canadian companies should not expect to conduct business effectively in the Czech Republic without a local partner. A partner provides vital

Who's who in Czech ICT

Major companies from Germany, the Netherlands, France, the U.K., Scandinavia, and the U.S. are already present in the Czech Republic. Top companies in the telecommunications sub-sector include KPN Royal Dutch Telecom, RWE Telliance, TeleDanmark, GTS (Global TeleSystem), Atlantic West, TIW, C-Mobil, Nokia, Erickson and Siemens.

Telecom Austria, Nextra, Star One, Tiscali, TeleDanmark are all top players in the Internet.

Libra, Vikomt, AT Computers, Microsoft, Novell, Linux, SAP, Minerva, Oracle, Intentia, Navision Software, GEAC, Celestica are major suppliers of ICT hardware and software.

Useful Web sites

- Czech Invest: www.czechinvest.org
- Czech Trade: www.czechtrade.cz
- Ministry of Industry and Trade: www.mpo.cz
- Czech and Moravia Electrical and Electronic Association: www.electroindustry.cz
- Prague Internet World forum: www.internetworld.cz
- INVEX, largest ICT fair in Central Europe: www.invex.cz

For more information, contact Ella Stenroos, Commercial Officer, Canadian Embassy, Prague, tel.: (011-42-2) 7210-1862, fax: (011-42-2) 7210-1894, e-mail: ella.stenroos@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/~prague ✪

The trade sections of the four Nordic Canadian embassies are teaming up to help Canadian manufacturers of outdoor gear score in Finland, Sweden, Norway and Denmark during Nordic Nexos 2001, to be held November 3-11.

exercise. With 1,257,308 square kilometres of rugged Nordic terrain and thousands of rivers and lakes at their disposal, it's little wonder that the Scandinavian people — with an aggregate population of some 24 million — are very focused on health

doubt a contributing factor to the national popularity of camping and hiking.

For more information, contact:

- Tania Groth, Business Development Officer, Canadian Embassy, Copenhagen, tel.: (011-45) 3348-3239,

Outdoor gear mission to the Nordic countries

Gearing up for Nexos 2001

Nordic Nexos 2001 is aimed primarily at export-ready outdoor gear manufacturers looking for new markets. The target customers are young — or young at heart — and active, looking for gear and apparel to use when playing extreme sports or while camping, hiking, climbing, canoeing or kayaking. They demand high-quality merchandise — and are willing to pay the price.

The trade sections of the embassies in each of the four host countries will be working hard to encourage partnership opportunities for Nexos participants. In addition to the organized tour program, they will be setting up hospitality functions, introducing individual companies to appropriate outdoor reps and arranging customized visiting programs.

Highlights of the tour include a Sport (Ski) Expo in Helsinki and the Banff Mountain Film festival in Copenhagen where a booth may be available to display Canadian gear.

Pre-mission assessments of product potential in Finland, Sweden, Norway or Denmark are available by contacting the individuals listed below. As well, information regarding potential PEMD sources of financial assistance to help companies attend the mission is posted at www.infoexport.gc.ca/outreach/itc-e.asp or can be obtained from a local ITC representative.

Scandinavia — a lot like Canada

In Scandinavia, as in Canada, the outdoors is a natural arena for sport and

and the outdoors. Indeed, one third of Swedes belong to some form of sports association.

In winter, almost everyone is outside, either on the slopes cross-country or downhill skiing or skating. Long distance skating, popular for decades, is attracting a growing number of enthusiasts. In summer, the region's waterways offer opportunities for sailing, kayaking and canoeing. Swedish law even stipulates that all land must be freely accessible, no

fax: (011-45) 3348-3221, e-mail: tania.groth@dfait-maeci.gc.ca
Web site: www.canada.dk

- Astrid Haaeman, tel.: (011-45) 3348-3251, e-mail: astrid.haaeman@dfait-maeci.gc.ca

Other embassy contacts:

- Maria Stenberg (Sweden), e-mail: maria.stenberg@dfait-maeci.gc.ca
- Johan Nyman (Finland), e-mail: johan.nyman@dfait-maeci.gc.ca
- Bjorn Hansen (Norway), e-mail: bjorn.hanssen@dfait-maeci.gc.ca ✪

Contract awarded

JAKARTA OPENING PAINTS ROSY FUTURE FOR BÉTONEL

Montreal-based Bétonel Ltée and Indonesian partner P.T. Putramataram Coatings International opened their first branch last May in Jakarta. The new venture Bétonel Indonesia hopes to expand to over 20 stores across Indonesia (target market size 20 million people), generate about \$1 million in revenue and sell around 25,000 gallons of paint per store. That's enough paint to cover the Eiffel Tower entirely 40 times, each store twice. Canada's former Ambassador Ken Sunquist, who officially opened the new store, lauded the partners for their confidence in the Indonesian consumer market. He also highlighted the fact that Canadian investment in Indonesia has returned to pre-crisis levels over the past year.

For more information, contact



Ambassador Ken Sunquist (left) officiating at the opening with Bétonel Indonesia President Freddy Pankey.

Paul Desjarlais, Bétonel, tel.: (514) 277-2095, Web site : www.betonel.com or the Canadian Embassy, Jakarta, e-mail: jkarta-td@dfait-maeci.gc.ca ✪

Gingered carrot consommé with smoked salmon and spiced shrimp roll, warm salad of Flintshire Farms pheasant, pecan-crusted rack of Ontario pork loin with winter fruit stuffing and apple-cidre jus... These were a few of the exquisite menu items of the five-course gala dinner, featuring Canadian foods and wines, that was prepared by a team of Ontario and Japanese chefs working together at the Niagara Culinary Institute of Niagara College this April. The enthusiastic response of the Japanese chefs, winners of the 8th annual Canadian Culinary Cup, brought ample — and tangible — evidence of the exportability of Canadian foods and wines.

Niagara "learning holiday"

JAPANESE CHEFS GET YEN FOR CANADIAN FOODS



Accompanied by Senior Chef Tokio Kamimura of the All Japan Cooks Association (AJCA), the three contest winners — Chef Masahiro Fujita of the Royal Hall Yokohama, Chef Hitoshi Nishimiya of Tokyo's Royal Park Hotel, and Chef Ms. Sumie Shinohara, Chief of the teaching staff at the Tokyo Seishin Cooking College — arrived in Ontario on April 21 for their contest prize, a week-long "learning holiday," hosted by the Niagara Culinary Institute at Niagara College, in Niagara Falls.

The three chefs were the finalists in the 8th Annual Canadian Culinary Cup, held in Tokyo last October by the Canadian Embassy in Japan in conjunction with the AJCA. The Cup is part of the Department of Foreign Affairs and International Trade (DFAIT)'s Culinary Discoveries Program, which is successfully promoting Canadian agri-food and beverage products to the Japanese market.

Niagara culinary attractions

The jam-packed week included tours of local farms and wineries; product presentations from Canada Pork International, the Ontario Commercial Fisheries Association and Flintshire Farms of Kingston; and gourmet meals at well-known local restaurants. The week culminated with the gala dinner, served — to standing ovation — at the Institute's Kerrio Room.

"I had bought products I thought we'd use, and roughly planned the menu, but the other Institute chefs and I let the Japanese chefs take the



The team of Japanese guest chefs and chefs from Niagara Culinary Institute show off their Gala Dinner dessert. From left to right: Mary Moore, Sumie Shinohara, Vincenza Smith, Masahiro Fujita, Tokio Kamimura, Mark Hand and Hitoshi Nishimiya.

lead so that it was their presentation, their flavour," explains Mark Hand, Corporate Chef and Food and Beverage Manager of the Niagara Culinary Institute, who spent the entire week with the Japanese guests, both in and out of the kitchen.

Tangible proof of export potential

The week proved to be a learning experience for not only the Japanese participants, but also the Canadians. "I had a preconception that our products wouldn't be as good as theirs," admits Hand. "But watching the faces of the chefs as I showed them the produce we would be working with made it very clear that we are blessed

to have what we have in Canada. They loved our products."

The chefs' appreciation for Canadian foods and wines has significant implications for Canadian export opportunities. "They're like rock stars in Japan," says Hand of Japanese chefs. "They have such a high profile that if they adopt a certain product, its popularity will spread and it will sell quickly."

In fact, during the week, the Senior Chef of the AJCA made arrangements to have Flintshire Farms' pheasant used in this fall's Culinary Cup, and the chefs asked for more information on whitefish — a product with surprise export potential.

Program forges international ties

This year is Niagara College's first year hosting the "learning holiday" portion of the Culinary Discoveries Program — participation that dovetails well with the College's own international involvement: it has managed and co-ordinated projects in over 30 countries over the past six years, and signed agreements on the Team Canada Trade Mission to Beijing, Shanghai and Hong Kong this past February.

"We see education as a highly marketable commodity," explains Martha Casson, Vice-President of Enterprise and Student Services. "This celebration of culinary success, married with the showcasing of Canadian food and wine, is one more way for us to forge international relationships."

For more information, contact Kyla Pennie, International Projects Specialist, Niagara College, tel.: (905) 735-2211, ext. 7805, fax: (905) 735-2413, e-mail: kypennie@niagarac.on.ca Web site: www.niagarac.on.ca or Robert Lazariuk, Japan Division, DFAIT, tel.: (613) 992-6185, fax: (613) 944-2397, e-mail: robert.lazariuk@dfait-maeci.gc.ca



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SOUTHEAST ASIA — November 4-16, 2001 — Take advantage of an excellent opportunity to explore the oil and gas market in Southeast Asia by taking part in a trade mission this fall. This area contains some of the richest and most extensive oil and gas deposits on the planet. The mission will be anchored by ASCOPE 2001 (November 5-8) <www.ascope2001.com/> in Kuala Lumpur — a large national petroleum exhibition and conference that is held only once every four years.

After ASCOPE, the mission proceeds to Bandar Seri Begawan, the capital of Brunei, and then to Jakarta, Indonesia. At each destination, the Canadian companies will participate in a series of matchmaking and networking events and meetings with key local officials and Canadians with experience in the market.

This mission offers a variety of opportunities:

- **MALAYSIA** (Nov 4-10) has proven

gas reserves of 81.7 trillion cubic feet, with planned investments of over US\$13 billion in the oil and gas industry in 1998-2003.

conversion and transmission, and plans exist to construct a pipeline through Southeast Asia to supply China and India.

Oil and gas

Trade mission to Southeast Asia

- **BRUNEI** (Nov 11-12) has two Canadian oil and gas joint ventures already operational. Opportunities exist for downstream processing of oil and gas products and sales of oil production equipment and machinery.
- **INDONESIA** (Nov 13-16) requires technologies for natural gas

For more information or to find out about financial assistance that may be available, contact Barbara Tink, Trade Commissioner, Southeast Asia Division, DFAIT, tel.: (613) 992-0959, fax: (613) 944-1604, e-mail: barbara.tink@dfait-maeci.gc.ca Web site: <http://infoexport.gc.ca/> ★

Trade mission to India — *Continued from page 1*

Energy: oil and gas; hydro

Recently, NOVA Chemicals of Calgary entered into new technology licensing agreements with Reliance Industries and the Gas Authority of India Ltd., collectively worth upward of US\$50 million. In addition to a \$3.2 million contract with the Gas Authority of India Limited (GAIL) in 1997, Calgary-based Global Thermoelectric Inc. was awarded a follow-on contract with GAIL valued in excess of \$19 million. SNC-Lavalin, a long-time participant in the Indian power sector, continues to actively pursue hydro projects as do GE Hydro of Montreal and Foundation Company of Scarborough. Collectively, Canadian companies account for 10 percent of installed hydro-electric capacity in India.

Transportation and infrastructure International Road Dynamics of Saskatoon, a producer of traffic management and monitoring systems, has secured contracts for automated toll audit systems. While Dynaire of Richmond B.C. is pursuing equipment

sales related to the construction of highways in India, Mississauga-based Chalmers Suspension International Inc. and Jaycee Coach Builders Ltd. of Chandigarh have formed a joint venture to manufacture hi-tech rubber spring suspensions systems. CANAC of Montreal is pursuing the Indian railway safety market.

Environment

R.V. Anderson Associates Limited of Toronto has been awarded an \$8 million World Bank funded contract to undertake a two-and-a-half-year study of the sewage operation and maintenance system of Mumbai. Approximately twenty other Canadian companies, such as Vaughan Engineering of Halifax and ADI Engineering of Fredericton, have ongoing or completed environment projects in India. The total market for environmental products is estimated at US\$ 3.1 billion and is expected to increase to US\$ 7 billion by 2010.

And so much more...
Opportunities in India far exceed

the priority sectors listed above and are often realized through joint ventures, with initial introductions frequently made through the Commercial Counsellor at the Canadian High Commission.

This mission is an excellent opportunity to introduce participants to the vibrant Indian market while promoting Canadian products, services and technologies. Members of the business delegation will have the opportunity to strengthen local business partnerships, meet new clients, enhance their companies' overall visibility in India and bring business agreements to fruition.

For more information, visit: www.tcm-mec.gc.ca or call (613) 995-2194. ★



Secretary of State (Asia Pacific) Dr. Rey Pagtakhan invites Canadian franchisers to participate in a franchising trade mission to Southeast Asia which he will lead from September 12-21, 2001.

franchising events: Franchise Asia 2001 in Manila from September 12-16 and Global Franchising 2001 in Singapore from September 19-21. The dovetailing of these two trade shows will give participants an oppor-

The Canadian Embassy in Manila has prioritized this sector because of the potential for Canadian companies.

Singapore's franchising market also reflects this phenomenal growth and provides the additional benefit of attracting franchisees from Indonesia and Malaysia. The Canadian High Commission is ensuring that the mission participants lock into the sectoral growth in the region.

The Department of Foreign Affairs and International Trade (DFAIT) and Agriculture and Agri-Food Canada (AAFC) have organized Canada Pavilions at both trade events to showcase Canadian participants and are fully committed to supporting this mission.

More information about the trade shows is available at Franchise Asia 2001/Manila: www.franchiseasia2001.com and Global Franchising 2001/Singapore: www.gfranchising.com

For more information, contact Jai Mathu, Senior Trade Commissioner, Southeast Asia Division, DFAIT, tel.: (613) 995-7659, fax: (613) 944-1604, e-mail: jai.mathu@dfait-maeci.gc.ca *

Franchising trade mission to the Philippines and Singapore

Canada is a global franchising player, second only to the United States. Canadian franchisers have found a firm and lucrative foothold in Southeast Asia, and companies like Beavertails, Saint Cinnamon, Cinzeo, Yogenfruz and Country Style Donuts are already reaping the rewards of their vision.

Participants in the mission will take part in Asia's two major international

tunity to assess the Southeast Asian market and to develop regional market knowledge and contacts, potentially forming partnerships in the regional business community.

Franchising in Southeast Asia is taking off. In the Philippines alone, the number of franchises has expanded from around 50 in 1994 to over 500 today. A quarter million visitors are expected to visit Franchise Asia 2001.

Export Awards — Continued from page 1

"This year's finalists are certainly continuing this tradition, having distinguished themselves in the knowledge-technology, food, manufacturing and service industries."

Minister Pettigrew also acknowledged the involvement of sponsors in the 2001 Canada Export Awards. "The sponsors' commitment enables us to celebrate the achievements of our exporters and to further encourage Canadian firms to expand their activities on export markets," said Mr. Pettigrew.

The following sponsors will join the Department of Foreign Affairs and International Trade in celebrating the success of Canadian firms: Export Development Corporation (EDC), Pratt & Whitney, Canada Economic Development for Quebec Regions, Sun Life Financial, the National Post, and

Canadian Manufacturers & Exporters.

The finalists for 2001 from East to West are:

NEWFOUNDLAND

- Grand Atlantic Seafoods, St. John's

NOVA-SCOTIA

- Mermaid Theatre of Nova Scotia, Windsor
- The Shaw Group Limited, Halifax

NEW BRUNSWICK

- Spielo Gaming International, Dieppe

QUEBEC

- Accessair Systems Inc., Ste. Catherine
- Fieldturf Inc., Montreal
- Groupe ADF Inc., Terrebonne
- LAUZON, Distinctive Hardwood Flooring, Papineauville
- R/D Tech Inc., Quebec City
- Thorburn Equipment Inc., Pointe-Claire
- VisuAide Inc., Longueuil

ONTARIO

- Entrust Technologies Inc., Ottawa
- Lakefield Research Limited, Lakefield
- Normerica Inc., Toronto
- Northern Digital Inc., Waterloo
- Open Text Corporation, Waterloo
- Teknion Corporation, Toronto
- The Pressure Pipe Inspection Company Ltd., Mississauga
- Wescam, Burlington

SASKATCHEWAN

- Kitsaki Meats Limited Partnership, La Ronge

ALBERTA

- Alterna Technologies Group Inc., Calgary
- Global Thermoelectric Inc., Calgary
- Matrikon Inc., Edmonton
- SMART Technologies Inc., Calgary

BRITISH COLUMBIA

- Fincentric Corporation, Richmond

For more information on the 2001 Canada Export Awards, visit: www.infoexport.gc.ca/awards-prix *

Upcoming trade shows and conferences

For the full details on the following events, see *Canadexport* on-line at www.infoexport.gc.ca/canadexport and click on either "Trade Fairs and Missions" or "Conferences/Seminars/Meetings."

TORONTO, ONTARIO — September 19, 2001 — The second **Canada-Colombia Business Forum**, hosted by the Canadian Council for the Americas and the Canada-Colombia Chamber of Commerce, is a follow-up to last year's highly successful event held in Bogotá. The Canadian and Colombian Ministers for International Trade are scheduled to attend.

VANCOUVER, B.C. — October 11-12, 2001 — The second annual **Asia Pacific Summit**, organized by the Asia Pacific Foundation of Canada, will offer insights into the challenges of doing business in Asia and the best strategies for this dynamic region. On hand will be business leaders, senior policy makers, ambassadors and research experts from both sides of the Pacific.

BEIRUT, LEBANON — October 13-17, 2001 — The **Eighth Business Forum** to precede the **Summit of the Heads of State of La Francophonie** will bring together 800 business people from over 55 countries in the Francophone economic sphere.

LEIPZIG, GERMANY — October 24-28, 2001 — The **Leipzig Construction Fair (BauFach)** is one of Europe's leading building shows and covers the entire range of products, technologies, and services involved in residential, commercial and industrial construction. Germany accounts for over 25% of European construction volume, making it Europe's largest market for housing and building products. (For a detailed list of trade shows in Germany until 2002, see www.infoexport.gc.ca/canadexport)

HAVANA, CUBA — October 28-November 4, 2001 — Cuba's largest trade fair, the **Havana International Trade Fair (FIHAV)**, is multisectoral and includes the tourism; power and electricity;

transportation; agriculture and food sectors. Last year's event attracted 1,400 exhibitors from 62 countries and 200,000 visitors.

CAIRO, EGYPT — November 6-9, 2001 — The **Middle East Power and Energy Exhibition and Conference (ELECTRIX)** is the leading annual electrotechnical, power, solar and renewable energy event in the Middle East and North Africa.

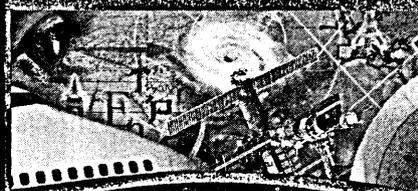
CHICAGO, ILLINOIS — November 11-13, 2001 — The **Private Label Manufacturers Association (PLMA) Show** is the premier annual exhibition for North America's private label grocery products trade.

ANTOFAGASTA, CHILE — November 20-24, 2001 — **Exponor 2001**, a major international mining trade show, will take place in the heart of Chile's mining region.

PADOVA, ITALY — November 28-December 1, 2001 — **Bionova** is the only Italian exhibition dedicated to health-related biotechnology and bioengineering. The Canadian Consulate General in Milan is planning a number of activities to promote partnering of Canadian and Italian and international biotech companies. **Deadline for registration: September 30.**

ROTORUA, NEW ZEALAND — March 12-16, 2002 — The **Forest Industries International Conference and Exhibition** is New Zealand's largest forest industry event. New Zealand is becoming an international leader in plantation forestry, and the industry will need to invest heavily in new processing facilities, which means opportunities for Canadian manufacturers of forestry and wood processing machinery.

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For more information, contact Mark Richardson at (613) 996-3644 or e-mail AIAC@dfait-maeci.gc.ca

Access our aerospace industry market reports and network of professionals at:

www.infoexport.gc.ca

TORONTO, ONTARIO — April 17-19, 2002 — The **Chinese Business Expo and Conference**, the first such trade event in Canada, is a follow-up to the 2001 Team Canada mission to China, and will highlight opportunities for trade with China and for investment or business development in Canada. ★

Upcoming cultural events

VISUAL ARTS

BERLIN, GERMANY — October 3-7, 2001 — Art Forum Berlin is one of the most avant-garde international art fairs.

TORONTO, ONTARIO — October 11-15, 2001 — The Toronto International Art Fair will feature Impressionist art as well as focus on the latest developments in the international art scene.

FILM, VIDEO, TELEVISION AND BROADCASTING

TORONTO, ONTARIO — September 6-15, 2001 — The Toronto International Film Festival and Trade Forum is the second largest film festival in the world, rivalled only by Cannes, and draws decision makers from around the world.

HALIFAX, NOVA SCOTIA — September 14-22, 2001 — The Atlantic Film Festival showcases a collection of short and feature length Canadian and international films. This year, the Strategic Partners Conference (September 15-17) will focus on Spain and Latin America.

CANNES, FRANCE — October 8-12, 2001 — The International Film and Program Market for TV, Video, Cable and Satellite (MIPCOM) features content for the television industry.

MONTREAL, QUEBEC — October 11-21, 2001 — The Montreal International Festival of New Cinema and New Media is a unique event showcasing *cinéma d'auteur* and digital creations.

VANCOUVER, BRITISH COLUMBIA — September 26 - October 12, 2001 — The 16th Annual Vancouver International Film Festival and Trade Forum attracts some of the world's leading experts on film and television. 135,000 people are expected to attend 400 screenings of 300 films from over 50 countries.

CONTEMPORARY CRAFTS

CHICAGO, ILLINOIS — October 4-7, 2001 — SOFA Chicago is one of the finest international exhibitions dedicated to contemporary decorative and fine art.

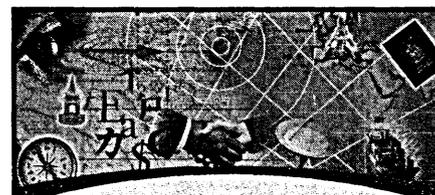
MULTIMEDIA

MONTREAL, QUEBEC — October 3-5, 2001 — At the 8th Marché International du Multimédia (MIM), IT professionals and policy makers can learn about the latest technologies, build strategic alliances, meet investors and establish international contacts.

BADDECK, NOVA SCOTIA — October 10-13, 2001 — The Baddeck International New Media Festival draws a wide range of creators, buyers and sellers of new media content for a weekend in the beautiful resort town of Baddeck.

BOOK PUBLISHING

FRANKFURT, GERMANY — October 10-15, 2001 — The annual Frankfurt Book Fair is the largest and most important event in the publishing industry, particularly for international rights and licences. Over 120 Canadian publishers and agents will attend.



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(See the PEMD announcements in the July 3 and July 16, 2001, issues of *CanadExport*.)

GUADALAJARA, MEXICO — November 24-December 2, 2001 — The Guadalajara International Book Fair (FIL) is the leading publishing event in South and Central America and a cultural highlight of Western Mexico.

For more information, contact the Arts and Cultural Industries Promotion division, DFAIT, tel.: (613) 944-ARTS, Web site: www.dfait-maeci.gc.ca/arts ✪

Enquiries Service

DFAIT's Enquiries Service provides counselling, publications, and referral services to Canadian exporters. Trade-related information can be obtained by calling 1-800-267-8376 (Ottawa region: 944-4000) or by fax at (613) 996-9709; by calling the Enquiries Service FaxLink (from a fax machine) at (613) 944-4500; or by accessing the DFAIT Internet site at www.dfait-maeci.gc.ca

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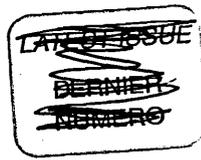
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The table is set for next March

FOODEX Japan

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Japan is by far the world's largest net importer of agri-food and fish products, and represents Canada's second-largest agri-food and fish export market. Canadian exports to Japan, particularly processed food products, are expected to continue to grow.



near Tokyo at the Nippon Convention Centre (Makuhari Messe). DFAIT and Agriculture and Agri-Food Canada will be co-ordinating a Canadian pavilion at FOODEX 2002 for the 21st year. Canadian companies are invited to join Canada's team at this exciting promotional event — Canada's national stand was sold out last year!

FOODEX is Japan's premier annual food promotion event and the largest food trade fair in Asia. At FOODEX 2001, 2,375 exhibitors from 67 countries exhibited their products and services to 93,637 industrial professionals representing Japan's and Asia's major food and beverage industry players. Exhibitors in the Canadian pavilion reported excellent results.

For more information on exhibiting (deadline October 19) or attending, contact Rob Lazariuk, Trade Commissioner, DFAIT, tel.: (613) 992-6185, fax: (613) 944-2397, e-mail: robert.lazariuk@dfait-maeci.gc.ca or check out the information on DFAIT's Ni-Ka Web site: www.dfait-maeci.gc.ca/ni-ka (click on "Business Development" and scroll half-way down to "Agriculture and Agri-Food"). *

The 27th International FOODEX will be held March 12-15, 2002,

New Asia Pacific Business Network APBN on a membership drive



The Asia Pacific Business Network (APBN) is going on a membership drive. An initiative of the Asia Pacific Foundation of Canada (APF Canada), the recently formed APBN is offering Canadian companies one-stop access to three major international Asia-Pacific business networks, as well as to APF Canada's own expertise and business intelligence. APF Canada invites Canadian businesses active in the

region to join this high-powered umbrella network, designed to give them a competitive edge in the fast-changing Asia-Pacific region.

Based in Vancouver, APF Canada is an independent, not-for-profit organization that is Canada's only private-sector think tank on Asia and Canada-Asia relations. The Foundation also

Continued on page 3 - The Asia Pacific

Vol. 19, No. 15 -
September 17, 2001

SUCCESS IN THE CULTURAL SECTOR
(See insert.)



Department of Foreign Affairs and International Trade

Ministère des Affaires étrangères et du Commerce international

Canada

Message from the Director General

Dear readers:

I am delighted to announce that Suzanne Lalonde-Gaëtan has been appointed Editor-in-Chief of CanadExport. She succeeds Bertrand Desjardins, who has accepted the position of Commercial Counsellor at the Canadian Embassy in Cairo. She has varied experience in international trade, as well as in other sectors of activity of the Department of Foreign Affairs and International Trade both in Ottawa and abroad. I am confident that her enthusiasm to carry on Bertrand's initiatives will help us continue the tradition of excellence of CanadExport.

I would like to take this opportunity to thank you, our readers, for your ongoing interest in CanadExport. For many years now, our Department has undertaken to provide you with useful information on foreign markets and our trade development activities. Your comments are important to us; we want this newsletter to fully meet your expectations.

I invite you to consult canadexport on-line, our electronic newsletter launched in October 2000, at www.infoexport.gc.ca/canadexport. It gives you quick access to information and offers an even wider selection of articles.

I am pleased as well to include highlights of our recent readership survey (see below). For a more detailed report of the survey, visit the above Web site. The results are highly encouraging but there is still room for improvement. We look forward to your input.

Richard Lecoq
Director General
Communications Bureau, DFAIT

CanadExport readership survey highlights

Key publication results

- The majority of survey participants consider the publication useful and a strong majority would recommend it to their business colleagues (92%).
- Strong usefulness ratings for most of the publication's content, including content focusing on specific geographic areas or industry sectors.
- Quality of writing, ease of understanding and publication format received "excellent" ratings.
- Lower satisfaction with "average lead time being offered."
- Most encourage continued complete funding of the publication by DFAIT (65%).
- The majority prefer to receive a hard copy of the publication through the mail (73%).

Key Web site results

- Nearly half of survey participants access canadexport on-line:
 - △ The majority consider the Web site useful.
 - △ 94% would recommend it to their business colleagues.
- Very high usefulness ratings for most of the Web site content evaluated in the survey.
- Relatively lower usefulness for PDF files and longer versions of articles (but still high)!
- The majority of users consider the Web site and search engine easy to use.
- 1 in 4 users spend more time on the Web site than in using the publication. ✪

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— Continued from page 1

acts as the Canadian Secretariat for the top three multilateral business networks covering 26 Pacific economies: the Pacific Basin Economic Council (PBEC), the Pacific Economic Cooperation Council (PECC), and the APEC Business Advisory Council (ABAC).

To simplify what APBN Director Sue Hooper calls the "alphabet soup" of these Asia-Pacific organizations — of which only PBEC is business-membership-based — APF Canada launched the APBN umbrella network in April. [See *CanadExport* vol. 19, no. 10, p. 14] Providing access to PBEC, PECC and ABAC, the network offers Canadian businesses a rich source of information, expertise and contacts, as well as a voice in multilateral policy issues at the World Trade Organization (WTO) and Asia-Pacific Economic Co-operation (APEC) levels.

One-stop access

"We're the only Asia-Pacific economy to offer one-stop access to these

three organizations through an umbrella network," says Hooper, stressing that the umbrella network is more than a business networking entity. "The APBN is also about getting the Canadian view heard at the WTO and APEC levels, so it tends to

Council (ABAC). "We are essentially giving APBN members a voice in APEC through the ABAC members, who are discussing high-level issues with APEC leaders," Hooper explains.

In addition, APF Canada arranges for members to have policy consul-

The Asia Pacific Business Network

be more appropriate to medium-sized and larger companies that have the resources to dedicate to multilateral issues.

The APBN, which currently has 50 members and anticipates doubling that number through its current recruitment drive, offers three levels of membership: Corporate, Small Business and Chairman's Circle.



tations with the Minister of International Trade and senior officials from other federal departments. "We see the APBN as a channel to government on pan-Pacific policy issues," says Hooper.

For Chairman's Circle members, APF Canada arranges three or four private roundtable meetings with Asian and Canadian business and government

leaders, and gives one annual pre-departure briefing.

Wealth of business intelligence

APF Canada, a source of Canada-Asia economic and political policy expertise, also provides APBN members with up-to-the-minute business intelligence, including its Weekly News Analysis and Quarterly Economic and Political Outlook. The Foundation can also provide members with the letters of introduction that are so important in Asia-Pacific countries

For more information, contact Sue Hooper, Director, tel.: (604) 641-1203, fax: (604) 681-1370, e-mail: sue.hooper@apfc.apfnet.org

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Business chambers/Associations")

Myriad member benefits

The benefits to members at every level are numerous. All APBN members receive automatic membership in PBEC (an association of 1,100 senior business leaders of major corporations throughout the Pacific Rim) and PECC (a partnership of business, government and academia focusing on trade, investment and economic development policy issues).

"Our members also participate on the working committees of these organizations and are therefore meeting their peers in an international setting, not to mention having a say in the APEC regional economic policy process," explains Hooper.

High-level policy consultations

APBN members also receive unique opportunities for ongoing policy consultations with Canada's three senior business executives who sit on the APEC Business Advisory

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Over 30,000 companies are registered members of WIN. Are you? WIN is a commercially confidential database of Canadian exporters and their capabilities. WIN is used by trade commissioners in Canada and abroad to help members to succeed in international markets. To become a registered member of WIN, call 1-888-811-1119. Or go to www.infoexport.gc.ca and register on line.

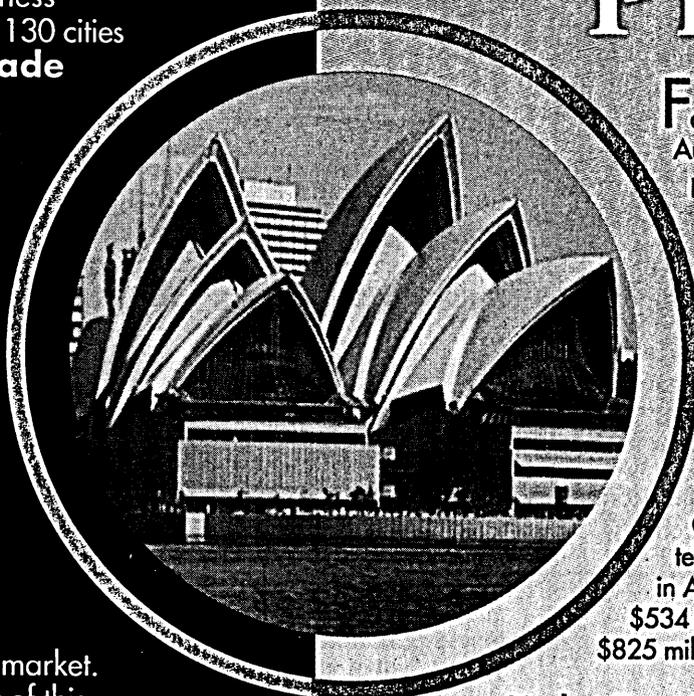
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AUSTRALIA

With a team of 500 business professionals in more than 130 cities around the world, the **Trade Commissioner Service** has the market knowledge you need to succeed in your target market. Our Market Research Centre and our offices abroad have prepared over 600 market studies available for free on our Web site. These studies will help you identify foreign business opportunities and learn more about your target market.

This is an overview of the market. For a more in-depth study of this market and for other studies, visit our Web site. When you are prepared to do business abroad, you can use our Web site to get in touch with our offices around the world and request personalized services electronically.

www.infoexport.gc.ca



The Film Production

Favourable conditions in Australia's film and television production market are drawing worldwide attention. The success of Australian-made blockbusters like *The Matrix* and *Moulin Rouge*, the country's desirability as a cost-efficient film location, and new pay TV legislation have triggered the spotlight. According to the Australian Film Commission (AFC), film and television production activity in Australia jumped 54%, from \$534 million in 1996/1997 to \$825 million in 1999/2000.

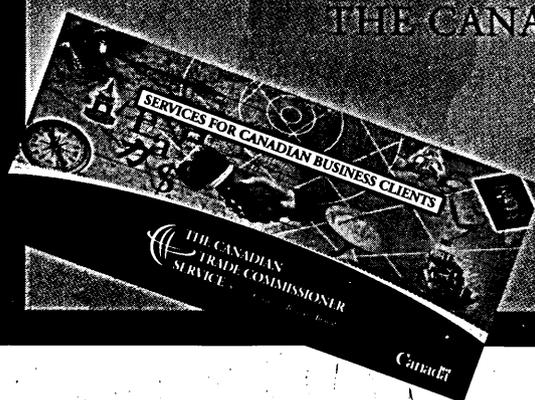
Market Overview

Australia ranks 16th in the world's top feature-film producing countries and relies on government support to maintain current production levels. Foreign producers are attracted by the high quality of Australian crews, technicians, actors and easily accessible film locations, from desert to rainforest. The significant increase in the number of foreign films and television programs shot in

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World Television Production Market



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Australia is also attributed to the country's studio facilities. Two major studio complexes, Warner Roadshow Movie World Studios in Queensland and the new Fox Studios in Sydney, handle most of the higher budget foreign productions. The Fox studio facility is expected to contribute an additional \$103.8 million in film production and provide 6,900 jobs in its first few years.

Although the total number of films screened annually in Australian cinemas has decreased slightly, Australians frequent the cinemas more often than Canadians and watch mostly American movies. In 1999, close to 70% of all new movies released in Australia originated in the U.S. with Australian films accounting for 9%. Instead of satiating the demand, the introduction of pay TV in 1995 and digital TV in 2000 is expected to stimulate demand for more film and video production. Australian pay TV legislation specifies only 10% local content, which leaves 90% of programming commercially available for income.



Canada-Australia Co-production

In 1990, the governments of Australia and Canada signed a Films Co-production Agreement. Canadian producers engaged in an Australian co-production are eligible for benefits such as investment by the AFC, income tax concessions, temporary

residence status, and exemption from import duties and taxes on cinematographic equipment. Some Canada-Australia co-productions to date include *The Black Robe*, *Beastmaster*, *The Lost World* and *Map of the Human Heart*.

Broadcasting

The country has five free-to-air television networks. Two are publicly-owned national services, the Australian Broadcasting Corporation (ABC) and the Special Broadcasting service (SBC), and three are privately-owned commercial networks. In addition, there are three pay-TV services and a variety of community-based services including Impartji, an Aboriginal service. Canada's CanWest Global Communications Corp. owns Australia's Network Ten, and Alliance Atlantis has a regional office in Sydney.

Opportunities

Demand for productions featuring multimedia and computer animation is expanding so quickly that the Australian market has been unable to meet it. Besides animation and feature films, opportunities in this market are predominantly

co-productions in series, serials, and TV dramas.

A trade mission to Australia and New Zealand set for November 2001 has been organized for Canadian producers and key policy makers.

See Potential?

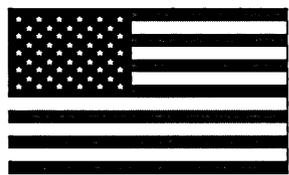
To learn more about this market, read *The Film and Television Production Market in Australia* prepared by the Market Research Centre. You can access this report and hundreds of others free at the Trade Commissioner Service Web site:
www.infoexport.gc.ca

www.infoexport.gc.ca

Could this be your market?
Complete report at
www.infoexport.gc.ca

The Film and Television
Production Market

Access our market studies



The U.S. Connection

The U.S. Connection is produced in co-operation with DFAIT's U.S. Business Development Division. For information about articles on this page, fax (613) 944-9119 or e-mail commerce@dfait-maeci.gc.ca For all other export enquiries, call the Team Canada Inc Export Info Service toll-free at 1-888-811-1119.

Canada at BIO2001

Canada took San Diego by storm in June, with hundreds of delegates, dozens of booths and frequent events held throughout BIO2001 (www.bio.org/) — the International Biotechnology Exhibition and Convention. The offices of the Canadian Trade Commissioner Service (TCS) played a key role in our government's hosting of a series of business networking opportunities during the show. Canada is looking forward, building toward BIO2002 in Toronto.

Billed as the world's largest biotech event, the theme of BIO2001 was "Partnering for Life". More than 300 Canadian organizations were in attendance — government, non-governmental organizations, economic development agencies and private sector companies — as well as over 80 companies and research organizations that were exhibiting at the Canadian Pavilion. In total, there were more than 600 Canadian delegates at BIO2001.

Peter Harder, Deputy Minister of Industry Canada (www.ic.gc.ca) and a BIO2001 attendee, said Canada is committed to expanding biotech. He cited such funding measures as \$300 million for genomic research and nearly \$1 billion to endow additional chairs at universities, raising the number from the current 169 to 2,000.

"We've had tremendous growth," said Harder. "Two years ago biotech companies reported revenues of just under \$2 billion; we're projecting \$5 billion this year". This sector's R&D expenditures have also grown from \$850 million to \$1.5 billion.

Canadian-led programs

The Department of Foreign Affairs and International Trade, working closely with Trade Team Canada Bio-Industries and other sponsors, hosted a variety of programs and events. Included among them were the Client Management Initiative (CMI), a reception, a Venture Capital dinner, the Canadian Springboard event as well as Israeli and Australia/New Zealand partnering events, all of which were rated very highly by participants.

The Client Management Initiative paired U.S. Business Development Officers with particular Canadian companies in the biotechnology field, an effort that was welcomed by industry representatives. Companies attending BIO2001 that are already doing business in the U.S. marketplace, or that expect to be in the near future, will most likely focus on R&D collaborations and joint ventures.

The CMI gave smaller companies personalized attention and opportunities, allowing them to make the most of this international venue. Companies on the receiving end

of this attention remarked that the lists and profiles of potential partners in the U.S. were extremely valuable to them. For smaller companies in particular, being provided with such a rich source of contacts and information at no cost is a terrific benefit in a fiercely competitive market.

The Canadian Springboard Program assisted newer companies with their business case presentations before they met with potential partners at other events. Aimed at encouraging and supporting young companies at the trade show, Springboard was hosted by the Canadian Consulate General in Los Angeles and the Canadian Consulate in San Francisco, in partnership with the University of California at San Diego's UCSD CONNECT (www.connect.org/) program. Participants later said it was an "extremely valuable tool for Canadian companies seeking to improve their message to potential funders".

Rick Savone, Business Development Officer with the Canadian Trade Office in Princeton, New Jersey, commented: "Not only do major events such as BIO give officers the opportunity to have partners from both sides of the border in the same room, but we are able to capitalize on a particular readiness that has companies preparing for match-making at this special event."

Over 80% of international exhibitors polled already plan to attend BIO2002 in Toronto, bringing a world of opportunity to the doorsteps of Canadian business.

Continued on page 7

CanadExport September 17, 2001
www.infoexport.gc.ca/canadexport

Check the Business Section of the Canada-U.S. Relations Web site at www.can-am.gc.ca ... for valuable information on doing business in and with the United States.

THE U.S. CONNECTION

There are thirteen U.S. offices with Trade Commissioners working in the biotechnology sector. In the past year alone, officers fielded requests for market information and intelligence, offered general advice, provided trade lead referrals and helped organize promotional events. These offices also help attract foreign investment to Canada, help Canadians form alliances with foreign companies and assist with access to R&D opportunities. Finding local agents, importers and distributors, addressing trade barriers and resolving trade disputes also count among their services provided.

Polling the show

An electronic poll of Canadian exhibitors and visitors to the Canada Pavilion was conducted during the show.

Exhibitors were overwhelmingly pleased with the identification of new markets and sales leads, with the new information obtained and with their presence and visibility at the event. Most companies credited their attendance at BIO2001 with providing them a greater potential for sales, partnering or entering a business relationship during the event and over the coming year.

Visitors to the pavilion came looking for industry information, for a strategic alliance or partnership, to learn more about Canada and our business capabilities, and to see new R&D. Three quarters of the visitors worked in the biotechnology industry

and were from small- and medium-sized companies, and most of these were from the R&D, consulting and manufacturing fields.

BIO2002

Feedback from participants indicated an eye toward the future and specifically BIO2002 in Toronto.

This gives Canadian exhibitors and attendees an extra sense of long-term

vision, appreciating that contacts made in San Diego can lead to further success stories in Toronto. You can expect to see the stars of BIO2001, those "eye-catching" Mounties in full-dress uniform, when BIO comes to Toronto.

For more information, contact Diana Nichols Nelson, U.S. Business Development Division, DFAIT, tel.: (613) 944-5912, e-mail: diana.nicholsnelson@dfait-maeci.gc.ca *

BIO2001

Exhibitors <i>[83.3% from companies with <150 staff]</i>	% of those polled
Export Involvement:	
Not Currently Exporting	60
Exports < 50% of sales	35
U.S. Marketplace Involvement:	
R&D Collaboration	58.3
Joint Ventures	48.3
Visitors to Canadian Pavilion	
Country of Origin:	
U.S.	55
Western Europe	18
Canada	11
Australia/New Zealand	5

E-health partnering opportunity

Informed Care, a Florida-based firm, is seeking strategic partners. This company provides services and software applications for e-health education and delivery worldwide. It has partnered with NGOs and government organizations in the areas of telemedicine, distance consulting, disease management, and conversion of existing knowledge and training material into digital format for distribution on CD-ROM and over the Internet.

Informed Care's Client Server Network will add value and competitive advantage to Canadian companies working with CIDA or in the private sector to do the following:

- Assist in the design and adaptation of technology to meet educational and care-giving goals within the limitations of the infrastructure at the point of care.

- Implement the program and coordinate all necessary resources to meet the objectives of training and care-giving.
- Supply appropriate software for multimedia medical records, distance consultation, capture of medical data, training for protocols and analysis of results.

For more information, contact Landon Hendricks, Vice-President, Marketing, Informed Care, tel.: (407) 865-7134, Web site: www.informedcare.com

Please copy all correspondence to Steve Flamm, Business Development Officer, Canadian Consulate General, Atlanta, tel.: (404) 532-2018, fax: (404) 532-2050, e-mail: steve.flamm@dfait-maeci.gc.ca Web site: www.can-am.gc.ca/atlanta *

DOING BUSINESS WITH THE U.S. FEDERAL GOVERNMENT?

Find out more from the Canadian Embassy in Washington, D.C. (www.canadianembassy.org) under "Business Opportunities: U.S. Government Procurement."

Log onto opportunities via the General Services Administration (www.gsa.gov), which facilitates purchases by the U.S. government — the world's largest consumer — and the Electronic Posting System site (www.eps.gov).

When you're ready to pursue these opportunities, the Canadian Commercial Corporation (www.ccc.ca) can assist you with the interpretation of the U.S. procurement system or ensure that as a Canadian company, you are eligible to participate.

Soucy International Inc. is a world leader in continuous rubber track systems for recreational, industrial, agricultural and military vehicles. The company's "seamless" technology also makes an appropriate

those risks; that was a key point in our getting the contract. CCC flies the Canadian flag and we benefit from standing under it."

For the last two years, Soucy has chosen to stand under CCC's Canadian

Continuous track of teamwork with CCC Soucy International Inc.

metaphor for its relationship with the Canadian Commercial Corporation (CCC). Not only is Soucy choosing CCC as prime contractor for all its international contracts — including a recent \$2.2-million basic ordering agreement with a Swedish vehicle manufacturer — the Drummondville, Quebec-based company is also involving the Corporation in the agreements behind the agreements. The result is a continuous track of teamwork creating ever-increasing business opportunities for this pioneering technology firm.

Established in 1978, Soucy International started out as a manufacturer of rubber tracks for the snowmobile industry. In the late 1980s, the 300-employee, 100%-owned subsidiary of Soucy Holding Inc. diversified into industrial and military markets and now exports its SoucytrackR System and other innovative products from rubber, metal and moulded plastic to 15 countries around the world. One complete rubber band, the SoucytrackR System has a performance advantage over traditional metal tracks, which are linked by steel pins.

CCC flies Canadian flag

Soucy first approached CCC in 1994 to help finalize a contract in Singapore. "For a government-owned company to purchase from a small foreign company poses a lot of risks," explains Jack Jennings, Vice-President of Business Development. "In their presentation to be prime contractor and to provide contract guarantees, CCC eliminated

flag for all its international contracts. Its five-year basic ordering agreement (BOA) with Hagglunds Vehicle A.B. of Sweden is no exception.

Hagglunds is producing a new family of all-terrain armoured articulated vehicles for the British Ministry



National Defence Canada BV 206 vehicle equipped with SoucytrackR System.

of Defence (MoD). The BOA, signed in November 2000, calls for Soucy to provide its SoucytrackR System for 110 vehicles, with an option to provide the system for 150 more, should the MoD's requirements with Hagglunds increase. The opportunities for future sales are even larger, given the interest other potential military customers are demonstrating in the new vehicle.

Benefits include legal advice

Acting as prime contractor, CCC was involved in the project right from the lead stage. "Soucy looks to us for business guidance, through all the stages of a contract, and we're happy to provide it," says CCC Senior Project Manager Shirley Marion. "I have only good things to say about this company; they're growing tremendously."

SHAPING TRADE SOLUTIONS FOR OUR EXPORTERS



Canadian Commercial Corporation

The Canadian Commercial Corporation (CCC) is an export sales agency of the Government of Canada providing special access to the U.S. defence and aerospace markets and specializing in sales to foreign governments.

Canadian exporters can gain greater access to government and other markets, as well as a competitive advantage, through CCC's contracting expertise and unique government-backed guarantee of contract performance.

CCC can facilitate export sales that often result in the waiving of performance bonds, advanced payment arrangements and generally better project terms.

When requested, CCC acts as prime contractor for government-to-government transactions and provides access to preshipment export financing from commercial sources.

For more information, contact CCC, tel: (613) 996-0034, toll-free in Canada: (800) 748-8191, fax: (613) 947-3903, e-mail: Info@ccc.ca Web site: www.ccc.ca

Soucy appreciates the many services it receives from CCC, including ironing out negotiation difficulties. "We've been ready to throw in the towel but CCC has been ready to keep going," says Jennings, whose long list of CCC benefits also includes legal advice, since Soucy has no internal legal services.

Marion, who has been working with Soucy since 1998, sums up the working relationship. "I consider us a team — CCC and Soucy working together. It's not always you get that sense from a company. It's an indication of how strong our relationship is. We've built that trust and confidence in each other over the years."

Teamwork behind teaming agreements

This teamwork approach is amply demonstrated by Soucy's inclusion and involvement of the Corporation in various teaming agreements it has for further developing its technology — including one with a U.S. vehicle developer and manufacturer for producing a new military tracking
Continued on page 9 — Soucy International

Success in the Cultural Sector



Minister Pettigrew with Pat Ferns, President and CEO of the Banff Television Festival

In this issue...

We are pleased to present you with this supplement, which provides a glimpse of some outstanding Canadian companies in the cultural sector, and indicates how the support of the Department of Foreign Affairs and International Trade (DFAIT) has contributed to many of their successes. We want to share their stories and celebrate with you their achievements abroad.

The cultural sector has a significant impact on the Canadian economy. In 2000, cultural exports in Canada were in excess of \$1 billion. Since 1996, export of cultural products and services has increased 39 percent.

In recognition of this sector's importance to our economic prosperity, DFAIT aims to promote the Canadian cultural sector through our Arts and Cultural Industries Promotion Division (ACA). The Division is comprised of trade commissioners and arts sector specialists who are dedicated to ensuring that Canada is visible in international markets and on the world stage. We are pleased to work with other departments of government in areas of shared jurisdiction, through Team Canada Inc.

This June, we were pleased that Minister Pettigrew attended the 2001 Banff Television Festival. The Minister participated in several events, including a panel discussion with Minister Copps, entitled "The March on Cultural Diversity." Trade events like Banff provide opportunities to meet key international industry players and explore potential business partnerships.

We invite you to read this supplement to further your appreciation of the many international business successes of Canadian companies in the cultural sector. You may also be interested in the features on the Venice Biennale and the Banff Television Festival, and the Events Calendar. We hope these stories will inspire you to pursue your international business goals.

Curtis Barlow
Director
Arts and Cultural Industries Promotion Division

Discover the **Big** Picture! Tune into the World!

Canada's cultural sector is a vital part of our national identity. And our economy. As such, the Department of Foreign Affairs and International Trade (DFAIT) aims to promote the Canadian cultural sector—its capabilities and successes around the world. Dedicated specialists at the Arts and Cultural Industries Promotion Division (ACA) provide assistance to the cultural sector through its grant program and its international business development program.

Our Division promotes activities in **Aboriginal cultural industries; book publishing and literature; contemporary crafts; media arts; film and television; multimedia; performing arts; sound recording and visual arts.**

Through our **grant program**, we promote Canadian culture internationally by providing financial support to professional artists and cultural organizations to showcase their work abroad. We provide policy guidance to the Department, including Canadian missions abroad, to maximize the impact of Canadian cultural events in foreign countries and also to help Canadian artists to pursue their international initiatives.

Through the **international business development program**, we assist associations and individuals with their international marketing efforts by providing them with market information, intelligence, trade-development tools and missions. Trade commissioners in ACA also work with the cultural sector to develop export strategies, and to build and consolidate global networks.

In addition, our Division has recently developed a staff-training program entitled "Promoting the Canadian Cultural Sector" for the "Virtual Campus," which is accessible by departmental employees in Canada and abroad. On completion of the course, candidates will be better able to service cultural exporters attempting to access new markets and increase their international presence.

Another key tool provided to Canadian companies is foreign market studies specific to the cultural sector. Recently published studies include *The Film and Television Production Market in New Zealand* and *The Film and Television Production Market in Australia*. (This edition of *CanadExport* includes a summary of the Australian study.) Upcoming studies

Prepared by the Arts and Cultural Industries Promotion Division





are: *The Music Industry in Australia, The Aboriginal Arts and Crafts of the Pacific Northwestern United States, Aboriginal Cultural Industries in Australia and The Visual Arts Market in Germany.*

For the cultural sector, we also manage the Program for Export Market Development (PEMD) for trade associations. The PEMD aims to increase export sales of Canadian goods and services by sharing the costs of international marketing activities with industry associations, thereby reducing risks involved in entering a new market. Currently, we assist the Canadian Film and Television Production Association and the Association for the Export of Canadian Books. Examples of cost-shared initiatives are the development of promotional material, the provision of market intelligence, industry representation at international trade events, incoming foreign buyers' missions and mentorship programs.

The Department provides a wide range of programs and services to these exporters and companies like them, through our network of embassies, high commissions, consulates, and the Arts and Cultural Industries Promotion Division. By ensuring Canadian representation at international events, the Department promotes Canadian capabilities, facilitates networking opportunities and provides export advice to companies. For example, we supported export development events at the Cannes Film Festival, the Banff Television Festival, MIDEF and the Venice Biennale. The following stories will give you a glimpse of Canada's talented exporters and the roles they play on the world stage.

For more information, please visit the **Arts and Cultural Industries Promotion Division Web site at**
www.dfait-maeci.gc.ca/arts



Film, Video, Television and Broadcasting

MINDS EYE ON THE WORLD

Minds Eye Pictures is unique in that they are a vertically integrated, full-service motion picture entity based in modest Regina, Saskatchewan. Since 1986, they have grown into one of the largest privately held production companies in Canada with offices in Edmonton, Vancouver and Los Angeles. Their current catalogue consists primarily of children's programs, television movies and lifestyle series that are seen in countries such as the United Kingdom, Germany, Switzerland, Latin America, Japan and Australia.

Minds Eye's latest project is *My Global Adventure*, a documentary series and a new concept in reality-based entertainment. Adventure-packed stories combined with viewer interaction over the Internet are sure to make this series a hit. Camera crews are following Asia Nelson, a 24-year-old Canadian, documenting her trials and tribulations as she travels through 24 countries in eight months. These stories will then be made into 26 half-hour episodes, to air on Canada's Life Network and stations around the world, beginning in January 2002. Viewers can also interact with Asia, reading her diary entries, choosing some of her upcoming activities, and participating in live chat sessions on <http://www.myglobaladventure.com>

Another runaway success is the show *Incredible Story Studio*. It is presently in its 5th season and can be seen on stations in North America, Europe, the Middle East, Africa and Asia. The Ireland/Canada co-production with Verite Films was devel-

oped to bring life to the short stories submitted by children across Canada and all around the world. *Incredible Story Studio* won a Gemini award in 2000 for Best Children's or Youth Program, and received the 1999 Children's Choice Award by the Alliance for Children and Television.

Minds Eye is also predicting popularity for its new live action adventure series, *MythQuest*, based on myths from around the world. It is a VIP/VIF III International Films and Minds Eye Pictures co-production (Germany/Canada) in association with TIME Film Production and David Braun Productions. Myths such as the Minotaur, Orpheus and Minokichi add an educational quality to the program, giving it mass international appeal. As a result, broadcasters such as PBS, CBC and Showcase have picked up the series.

As for the future of Minds Eye Pictures, CEO, Kevin DeWalt, plans to "export, export, export!" Attending television markets such as MIP TV, MIPCOM and NATPE helped Minds Eye to be more visible to foreign companies and has established them as players on the international television scene. He also explains that to be successful in the television market, you have to "keep quality consistent, because quality sells!"

Visit: <http://www.mindseyepictures.com>

CANNES SALUTES CANADA'S NORTHERN STAR

Atanarjuat was recognized as the Best First Feature Film at the Cannes Film Festival this May. Not only is this the first Canadian feature film completely rendered in the Inuktituk language, it is also the first Canadian film to win the *Caméra d'Or* in its 22 years of existence. Although Director Zacharias Kunuk considers the fact that the local Igloolik community appreciated his film *Atanarjuat* (or *Fast Runner*) as prize enough, winning at the Cannes Film festival has certainly brought more recognition to his work than he could have ever imagined.

Atanarjuat brings to life an Inuit tale that has been passed on for thousands of years through their oral tradition. A community is divided when an evil shaman upsets its balance and sets off a feud between two families. *Atanarjuat*, or the 'Fast Runner,' wins the hand of the lovely Atuat away from the boastful son of the camp leader, Oki, who vows to get even. Oki then ambushes *Atanarjuat* and his brother in their sleep, killing the brother, as *Atanarjuat* miraculously escapes running naked over the spring ice.

Local Inuit talent wrote, directed and acted in *Atanarjuat*, and played a significant role in the production as well, with some help from a team of southern industry professionals. The community in the film echoes many of the values that were essential during the production—teamwork, patience and a spirit of flexible co-operation. Many of the cast members had never acted before, but were devoted to the undertaking. Another unique feature of the project was that it was shot entirely in digital video format. A modest budget of \$1.9 million and extreme arctic conditions were hurdles to overcome, but Kunuk's company, Igloolik Isuma Productions Inc., was up to the challenge with over 10 years of experience in film and television production.

Winning the *Caméra d'Or* has exposed the world to Kunuk's distinctive style of film making, which, in keeping with the Inuit storytelling tradition, places more importance on telling an aesthetic story than on being didactic. As part of the *Caméra d'Or* award, the film received a \$65,000 cash prize from Kodak, and \$165,000 in services from an advertising agency to promote the film in five European countries. The production company is also currently negotiating Canadian and worldwide distribution rights. With such a brilliant achievement at the largest annual film industry event, the rest of the world must be eagerly awaiting their local premiere of *Atanarjuat*.

Visit: <http://www.atanarjuat.com>

BANFF: A NATURAL FOR TELEVISION

Every June, industry professionals from around the world gather in Banff to attend one of Canada's major cultural events, the **Banff Television Festival**. This year, DFAIT continued to bring an international presence to the festival. With an increased financial commitment and an unprecedented number of DFAIT representatives in attendance, it was clear to the industry that the Department considers film and television to be a priority sector.

A highlight of this year's festival was the presence of Minister Pettigrew who participated in a number of events, including a panel discussion with Minister Copps entitled "The March on Cultural Diversity." This event, organized by the Canadian Association of Broadcasters, provided a unique opportunity to explore cultural diversity and trade in culture. Minister Pettigrew also gave some opening remarks at "Breakfast with Asia." This DFAIT-sponsored event kicked off the festival's special focus on Asia. There was a record number of Asian television professionals in attendance with representatives from the People's Republic of China, India, Indonesia, Japan, Korea, Singapore and Taiwan.

Another DFAIT-sponsored event was the "Tribute Hour," which included a homage to France, Canada's most significant co-production partner. Canada-France co-productions are valued at \$328 million, but there is room for greater collaboration. The festival provided an ideal forum for the exchange of ideas and the fostering of contacts, so that more co-productions may be possible in the future.

The festival was able to invite foreign buyers from Japan, China, Singapore and France through the Department's grant program administered by the Arts and Cultural Industries Promotion Division. Assistance was also provided by a number of Canadian missions abroad whose officers provided useful local contacts, company information and pre-trip briefings. At the festival, there were representatives from Beijing, Paris and Los Angeles, including the Consul General to Los Angeles, Colin Robertson, and Curtis Barlow, Director of the Arts and Cultural Industries Promotion Division.

Visit: <http://www.banff2001.com>



From left to right: Colin Robertson, Consul General to Los Angeles; Minister Pettigrew; Michael McCabe, President and CEO of the Canadian Association of Broadcasters; and Curtis Barlow, Director of the Arts and Cultural Industries Promotion Division.



Contemporary Crafts

THE SWEET SOUNDS OF SUCCESS

In the early 1980s, only five artisans in the world produced and sold copies of 18th century instruments. Their five-year waiting period prompted **Jean-Luc Boudreau**, a recent music graduate, to make his own flute. The finished product inspired him to invest \$6000 for wood and tools to begin producing hand-made flutes and recorders.

Since the Canadian market for this product was very limited, he soon realized that he had to expand internationally. In 1984, his first venture abroad to a music festival in Bruges, Belgium, was a resounding success, as he sold many of his instruments to some very well-known musicians. To convince Europeans that they would receive follow-up and repairs even though they had purchased a Canadian instrument, Boudreau ensured that every customer was satisfied: "I would rather replace the instrument or reimburse the client, instead of having a dissatisfied customer."

Following this event, Boudreau stopped playing his own music and devoted himself completely to his craft. His attendance at trade shows in such cities as Paris, London and Amsterdam, permitted him to meet and mingle with key contacts in the business. Boudreau says that "the trick was to have instruments at the shows that clients could buy. People were not used

to that." It was then the exception to sell instruments on site; now it is the norm.

By 1985, Boudreau was able to support himself from the sale of his instruments, and by 1990, he had developed a limited series of high-quality but less expensive recorders under the name *Aesthé*. Today, Boudreau estimates that 95 percent of his business is international, with clients as far afield as Europe, Japan, the United States, the Netherlands and Taiwan. In the past year, he has started working with new materials to add stability to his finished products and to find a new range of tones. He is also completing, in partnership with the world-renowned designer, Michel Dallaire, a prototype of a metal recorder that will be used to perform pop, rock, jazz and acoustical music.

Jean-Luc Boudreau was a pioneer in this industry, and, although his company remains quite small, he is content to be serving a market that values his unique, hand-made instruments.

Visit: <http://www.boudreau-flutes.ca>

Multimedia

NEW MEDIA FOR THE MODERN WOMAN

Women Wise, a Toronto-based company, wants to encourage women to use and create new media with a female perspective. The CEO, Anne-Marie Huurre, has found that, "technology is changing our future, especially for women, and no one is tapping into that very lucrative market." The company came on the new media scene when it published *The Legend of Lotus Spring*, the first CD-ROM game specifically marketed to women. Given a steadily increasing interest, within the next year Women Wise will be exporting it to Germany, France, the Netherlands, the United Kingdom and South Korea, with an accompanying ebook novella and a wireless version.

So far, the company's biggest challenge has been finding investors. They have attracted several venture capitalists, and Huurre has also persuaded knowledgeable and reliable partners to give their time and expertise in return for equity.

Attendance at trade shows in the United States and overseas has put Women Wise on the global map and given the company

credibility. Women Wise is now being recognized as a company with a universal message—empowering women with new media. To beat the competition, Huurre has concentrated on exporting: "By having our products distributed globally, we will strengthen our 'brand.' Our new partners here and abroad appreciate the value of a brand and its special appeal to women."

One of the company's long-term goals is to achieve export sales amounting to 80 percent of the company's total. Due to the abundance of both talent and products in Canada, Huurre's motto to "produce locally, export globally" has worked well. "Canadians are quite well-received in the rest of the world," she says, "and in the cultural and entertainment industries, there are quite a lot of opportunities for exporting."

The most rewarding part of Anne-Marie's work is the overwhelming response that she has received from both men and women: "as a promotional tool, the Web site has been phe-

nomenal. Even before registering the Web site with a search engine, we have been receiving over 2000 e-mails a week." However, she insists that the Web site is only one of the tools that will promote the Women Wise brand.

Women Wise will likely catch the attention of many driven career women with their newest endeavour, aptly named the *Million Dollar Golfer* (TM). Not only is it a CD-ROM that encour-

ages women to use golf as a business and social networking tool, it also includes a campaign of events using the Internet, wireless technologies, print and television.

Visit: <http://www.women-wise.com>

Performing Arts

A YOUNG CIRCUS BRINGS POETRY TO LIFE

Cirque Éloize has had a brilliant evolution since its modest beginnings, bringing modern circus to the furthest corners of the world. The key to their success is simple: the young company, based in Montreal, fuses artistic virtuosity with compassion, resulting in a highly impressive performance that never fails to move its audience.

Jeannot Painchaud, current Artistic Director and Director General of the company, co-founded Cirque Éloize in 1993 with the goal of creating an unique circus. The shows are performed in indoor theatres rather than under tents and do not use animals. Importance is placed on the artists' agility in conveying the subtleties of a story, while fusing poetry, circus acts, theatre and music.

Trade fairs have been proven to be the company's best promotional tool over the years. Performing showcases in the United States resulted in the circus performing 125 shows in the United States in their second season alone! Another key event they attended was the Edinburgh International Festival in 1999. This allowed them to expand their European market enormously, especially in the United Kingdom, Germany, Scandinavia and Spain. Exports currently make up 80 to 85 percent of their income.

To help with the high cost of international touring, the Circus has received grants from DFAIT as well as the Conseil des Arts et des Lettres du Québec. The circus also works closely with Canadian embassies and consulates abroad. "It is clear that the embassy staff are an invaluable resource, because they're familiar with the market and can put us in touch with key contacts," says Julie Hamelin, Associate Director General and Business Development Director.

Although they have performed in countless theatres around the world, Cirque Éloize is by no means slowing down. They plan to tackle the Asian and Latin American markets in the next few years, while continuing to develop their current preferred markets: Europe and the United States. They are also in the process of developing a new show, scheduled to begin next year at the end of the *Cirque Orchestra* tour.

Mr. Painchaud explains the company's evolution: "As we realize our goals and dreams, we continue to grow, and then we have new desires to fulfil." With all this rapid expansion, Ms. Hamelin states that one of the Circus' most important goals is to "retain the humanism in our shows throughout the inevitable growth of the company." It is this that initially made them so popular, and they have no intention of changing such a pivotal factor in their success.

Visit: <http://www.cirque-eloize.com>



Sound Recording

UNIQUE SOUND MAKES BIG WAVES

The members of **Grand Dérangement** always expected to have an international following, but they never anticipated such astounding popularity in English-speaking countries. They identify themselves as Francophone Acadian musicians who incorporate Celtic influences and traces of modern rock into their music. Thus, they expected to thrive in Francophone markets, but have since discovered that language has not been a barrier to their success.

The band was formed as accompaniment for violinist Daniel LeBlanc in 1998, when he was preparing to release his first solo album. These musicians from St. Mary's Bay in Nova Scotia were so well received locally that they decided to stay together. To prove that young Francophone musicians from Nova Scotia could bring Acadian culture to the world, they began attending trade fairs in Canada and abroad. While attending U.S. trade fairs in 1999, the group found a booking agent to manage their U.S. performances. As a result, they performed over 100 shows or 80 percent of their concerts in the 2000-01 season in the United States. When asked to explain this success, Ms. Dugas, co-ordinator for the group, responds that their music "... is not common in the United States. You won't often find a Francophone group with the theatrical aspect that Grand Dérangement offers."

The band has received even warmer welcomes in other countries. "People were climbing up onto the stage... the fans welcomed the band as if they were the Beatles," says Ms. Dugas of the group's performance in Sibiu. This was the result of a Romanian distributor going to Moncton's Franco-fête in 1999. He was immediately taken with the band and invited them to participate in the Sibiu International Festival in May of 2000. The members of the group were moved by the audience's response.

To help with the high cost of attending fairs and touring, the group has received grants and support from several groups and institutions, including DFAIT. The group is certainly not at a loss for a way to invest this money, with numerous specific plans for future development, namely entering the European market through France and continuing to perform in the United States.

When asked what essential elements have held the group together, Ms. Dugas answered that the band shared the same focus, and never shied away from hard work to achieve their goals. Ms. Dugas explains "We come from a small region, but we have never let that hinder our dreams. We have always thought big." If they continue to act on their dreams, this band is sure to cause a 'Grand Dérangement' in the international music industry!

Visit: <http://www.grandderangement.com>

CANADA'S MUSIC NETWORK

GOES GLOBAL

In the early 1980s, Mark Jowett and Terry McBride had no success promoting their record to major and independent labels, so they decided to distribute their music through their own independent label: **Nettwerk**.

Today, this Vancouver label is one of the most admired independents in Canada. Owners Jowett and McBride, plus Ric Arboit who joined in 1985, have set out to reach an international audience. Catherine McLaren, Vice-President of International Marketing, states: "If you look at artists in Canada, there are only a small number that are able to sustain themselves here. One of Nettwerk's goals is to enable our artists to be successful enough to make a living and to pay their bills."

Nettwerk is now an umbrella company, having expanded into some interesting complimentary businesses. Nettwerk Management manages international artists like Dido and Coldplay, as well as Canadian acts like the Barenaked Ladies and Sarah McLachlan. Net Media is an Internet Web design company that, among other things, created David Bowie's Web site. In addition, they have a merchandising company called AMP and a publisher named Madrigal Press. Between the offices in Vancouver, Los Angeles, New York and London, there are approximately 140 employees working for Nettwerk.

One of the company's recent successes has been *Delerium*, a Vancouver-based dance duo formed by Bill Leeb and Rhys Fulber. Their most recognized track is *Silence*, which features Sarah McLachlan vocals. In 2000, a remix of this song became a huge U.K. club hit, number one in Ireland and double platinum in Australia. Of this tremendous success abroad, McLaren says: "It is strange to make a hit somewhere else and then bring it back to Canada..." Following this trend, their latest album, *Poem*, is being released internationally.

Over the years, Nettwerk has received funding from the Foundation to Assist Canadian Talent on Record (FACTOR) to send various artists on tour abroad, to pay for artists' videos and to attend trade shows such as MIDEM in Cannes.

McLaren credits much of Nettwerk's success to their ability to release music that they love and to take projects one step at a time: "This has been a problem with many record companies. They come out with a big bang, spend a lot of money on one or two projects, and when things don't turn out as they had planned, then they are in a lot of trouble."

Nettwerk continues to increase exports of their artists' music. Although they have recently expanded their presence in Southeast Asia, their current targets are Brazil, Argentina and Chile.

Visit: <http://www.nettwerk.com>

Visual Arts

CUTTS: A CUT ABOVE THE REST

After 15 years, the **Christopher Cutts Gallery** has established a name for itself as a leading gallery in contemporary Canadian art. Located in Toronto, it carries works of both established and emerging artists, including painting, photo-based work, sculpture and mixed media. Cutts began by representing some members of the Painters Eleven, a group of Canadian abstract artists formed in 1953. This was a coup for a young gallery. "It's because of Canada that I have the opportunity to work with these senior artists. The demographics here can't support the artists," says Cutts.

The company began exporting "for the obvious reasons. Canada is a fabulous country, but there are only 30 million of us. There's a big world out there." His first international venture in October of 1997 was an exhibition at the William Turner Gallery in Los Angeles. He then participated in the 1999 Los Angeles Biennial, during which the Frumkin Duvall Gallery in Santa Monica hosted an exhibition of his artists. He has also participated in the fair, Art Forum Berlin, every year since 1998. As a result, two of his artists were shown at the Galerie Helm/Reiswig in Stuttgart in the spring of 2001, and he has made connections with New York galleries to do exchange shows. Cutts participated in the Toronto International Art Fair as well. "You'd think, why would you do your hometown art fair? But it was a great thing to do internationally." The gallery sold the most artwork to U.S. citizens due to the quality of the work and the favourable exchange rate.

Cutts advises: "I can't stress enough the importance of consistency. It's like advertising. You can't put out one advertisement and expect to create a presence." "Out of sight, out of mind," reiterates Cutts. He uses print materials, catalogues and records to disseminate information, and ensures that the artwork displayed in all fair booths creates the best possible presentation. To help with the cost of attending fairs, the gallery has received grants from the Canada Council for the Arts and support from DFAIT.

"Selling internationally is important, and I am doing more of that now than I ever have." Christopher Cutts plans to continue attending art fairs, and sees vast potential in the U.S. market. Cutts truly seems to have a passion for his work, which is why he has been able to persevere all these years.

Visit: <http://www.cuttsgallery.com>

Bravissimo Canada!

The **Venice Biennale** is, arguably, the most prestigious international art fair in the world. Held biannually in one of the planet's most beautiful cities, the Biennale draws close to 200,000 visitors and also attracts a "who's who" of the international art set—artists, dealers, agents, collectors, sponsors and the



George Bures Miller and Janet Cardiff Win at the Biennale

art press. Canada, one of the countries to have a permanent pavilion on the grounds of the Giardini, the principal site of the art fair, has been participating for over 50 years. The artists chosen to represent Canada each year are selected from all the applicants by representatives from the three federal funding bodies: The Canada Council for the Arts, the National Gallery of Canada and the Department of Foreign Affairs and International Trade (ACA Division). This year, for the first time, the two Canadian artists who officially represented Canada, Janet Cardiff and George Bures Miller, won one of three prestigious First Special Prizes for artistic achievement.

The work created by these two Canadian artistic talents was composed of a powerful and inventive cinematographic audiovisual experience set in a mock movie theatre. Cardiff and Miller were also awarded the \$12,500 Benesse Corporation Prize from the Benesse Foundation of Japan, which also commissioned a new work from them.

In another "first," the Governor General of Canada, Her Excellency The Right Honourable Adrienne Clarkson, accompanied by His Excellency, John Ralston Saul, officially opened the Canadian exhibition and celebrated the outstanding work with about 300 Canadian art professionals and a large cross-section of the international art world. The show itself and the prizes it received, attracted a staggering amount of very positive attention to the artists, the Canadian art world and to Canada itself as a centre of excellence. The Department, in association with its two federal partners, contributed significant financial resources to this high profile international success.

In addition to the official Canadian entry, five other Canadian artists participated with exhibitions of their work at the invitation of the Biennale. These were Jeff Wall, Stan Douglas and Ken Lum of Vancouver, and Atom Egoyan and Max Déan of Toronto. Winnipeg artist Wanda Koop was also featured in Venice, with support from DFAIT (ACA) at the Thetis Foundation, located a short distance from the Biennale venue.

In summary, it was a high profile and very successful year for Canada at the Venice Biennale.

Events Calendar

Aboriginal Cultural Industries

October 20-21, 2001 - Phoenix
Fall Wholesale Indian Arts and Crafts Market
<http://www.iaca.com/update/markets.htm>

November 21-24, 2001 - Toronto
Imagine Native
<http://www.aboriginalmedia.org>

July 12-21, 2002 - Inuvik
Great Northern Art Festival
<http://www.greatart.nt.ca>

Book Publishing

November 24-December 2, 2001 - Guadalajara
15th Guadalajara International Book Fair
http://www.fil.com.mx/mexplaza_e.html

March 17-19, 2002 - London, England
London Book Fair
<http://www.lbf-virtual.com/page.cfm/NewSection=Yes>

April 10-13, 2002 - Bologna
Bologna Children's Book Fair
<http://www.bolognafiere.it/BookFair>

May 1-5, 2002 - New York
BookExpo America
<http://www.bookexpoamerica.com/mainmenu.asp>

Contemporary Crafts

October 4-7, 2001 - Chicago
SOFA Chicago
<http://www.sofaexpo.com>

February 15-18 and July 19-21, 2002 - Philadelphia
Philadelphia Buyers Market
http://www.americancraft.com/buyers_market/introduction.html

March 13-16, 2002 - Kansas City
National Council on Education for the Ceramic Arts (NCECA)
<http://www.nceca.net>

May 29-June 3, 2002 - New York
SOFA New York
<http://www.sofaexpo.com>

May 30-June 2, 2002 - Amsterdam
Glass Art Society
<http://www.glassart.org>

Film, Video, Television and Broadcasting

September 14-22, 2001 - Halifax
Atlantic Film Festival
<http://www.atlanticfilm.com>

September 26-October 12, 2001 - Vancouver
Vancouver International Film Festival/Trade Forum
<http://www.viff.org>

October 8-12, 2001 - Cannes
MIPCOM (International Film and Program Market for TV, Video, Cable and Satellite)
<http://www.mipcom.com>

October 28-30, 2001 - Montreal
Montreal International Festival of New Cinema and New Media
<http://www.fanm.com>

January 21-24, 2002 - Las Vegas
NATPE (National Association of TV Programming Executives)
<http://www.afma.com>

February 6-17, 2002 - Berlin
Berlinale
<http://www.berlinale.de>

February 20-27, 2002 - Santa Monica
American Film Market
<http://www.afma.com>

April 2002 - Cannes
MIPTV and MIPDOC
<http://www.miptv.com>

April 26-May 5, 2002 - Toronto
HOT DOCS
<http://www.hotdocs.ca>

May 2002 - Cannes
Cannes Film Festival
<http://www.festival-cannes.fr>

June 9-14, 2002 - Banff
Banff Television Festival
<http://www.banff2001.com>

August-September, 2002 - Montreal
Le festival des films du monde
<http://www.ffm-montreal.org>

September 5-14, 2002 - Toronto
Toronto International Film Festival/Trade Forum
<http://www.e.bell.ca/filmfest>

Multimedia

October 3-5, 2001 - Montreal
MIM
<http://www.mim.qc.ca>

October 10-13, 2001 - Baddeck
Baddeck International New Media Festival
<http://www.baddeckfest.com>

January 9-12, 2002 - London, England
BETT
<http://www.education-net.co.uk>

February 4-8, 2002 - Cannes
MILIA
<http://www.milia.com>

May 23-25, 2002 - Los Angeles
E3
<http://www.e3expo.com>

June 18-21, 2002 - Singapore
Communic Asia
<http://www.communicasia.com>

September, 2002 - London, England
ECTS
<http://www.ects.com>

Performing Arts

September 19-October 10, 2001 - Montreal
Festival International de nouvelle danse (FIND)
<http://www.festivalnouvelledanse.ca>

January 12-15, 2002 - New York
Association of Performing Arts Presenters
<http://www.artspresenters.org>

April 2002 - Toronto
World Stages Festival
<http://www.harbourfront.on.ca>

May 27-June 2, 2002 - Vancouver
Vancouver International Children's Festival
<http://www.vancouverchildrensfestival.ca>

June 2002 - Ottawa
Canada Dance Festival
<http://www.candance.ca/common/cdf.htm>

June-July 2002 - Montreal
Montreal International Jazz Festival
<http://www.montrealjazzfest.com>

Sound Recording

September 27-30, 2001 - Edmonton
Prairie Music Week
<http://www.chartattack.com/damn/2001/05/3106.cfm>

January 20-24, 2002 - Cannes
Midem
<http://www.midem.com/index02.html>

January 31-February 3, 2002 - Saint John
East Coast Music Awards
<http://www.ecma.com>

February 28-March 3, 2002 - Toronto
Canadian Music Week
<http://www.cmw.net>

May 8-12, 2002 - Vancouver
New Music West
<http://www.newmusicwest.com>

June 13-15, 2002 - Toronto
North by Northeast Music Festival and Conference
<http://www.nxne.com/index2.html>

Visual Arts

October 3-7, 2001 - Berlin
Art Forum
<http://www.art-forum-berlin.de>

October 11-15, 2001 - Toronto
Toronto International Art Fair
<http://www.tiafair.com>

February 6-10, 2002 - New York
Armory Show
<http://www.gallerynow.com/armoryshow/index.html>

May 1-31, 2002 - Toronto
Contact Photography
<http://www.contactphoto.com>

May 10-13, 2002 - Chicago
Art Chicago
<http://www.artchicago.com>

September 26-November 3, 2002 - Montreal
Biennale de Montréal
<http://www.ciac.ca/biennale2002/en/information.htm>

It is the end of summer and a good time to do a little reflecting, to think about the big picture instead of focusing on the myriad small issues involved in running a business. That is what I have been doing, in any event. And one thing I have been mulling over is how much the first impression potential clients in the global marketplace have of a Canadian company is shaped by the perceptions they have of Canada.

Of course, first impressions count for a lot in any business. But when you have to cross cultural barriers, not just vast distances but great divides in the way things are perceived, then the first take can all too easily become the last.

From my perspective as President and CEO of Northstar Trade Finance Inc., I know that Prime Minister Chrétien was onto something when he said that all too often he encounters among world leaders a very basic misunderstanding of Canadians. The idea persists out there that we are "still hewers of wood and drawers of water."

That is a perception that can put any Canadian manufacturer of high value-added equipment or products

at a crucial marketing handicap, slow down the sales pitch before it even gets started.

Getting across the right message
So we all have a stake in re-branding Canada, in getting some key messages out there.

Branding businesses Canadian, eh!

Xport files revisited

What kind of messages? The kind that will kindle curiosity about this country, create an appetite for learning more by letting the global business community know about some of the unusual achievements and accomplishments that are everywhere to be found in Canada.

Sure, we are known around the world for having abundant natural resources, and the reputation is fully justified.

But how much is known about our people, or quality of life?

Do global traders know that last year, for the seventh year in a row, Canada was ranked by the United Nations as the country with the best quality of life in the world? That is worth telling people about. So is the fact that for the fourth year in a row, Canada ranked first on the Gender Development Index. This measures women's progress in achieving the same levels of literacy, education, life expectancy at birth, and income as men. Underlying that achievement is the fact that the percentage of Canadian women who are professional and technical workers increased from 51.1% to 52.2%.

A knowledge-based economy
We have embraced the knowledge economy and globalization. In the parlance of industry, we have re-engineered and retooled. The result

is that the Canadian economy has moved away from its former reliance on commodities. As a share of exports, commodities fell from almost 60% in 1980 to about 30% in 1999.

Last year more than two thirds of Canada's exports were machinery, equipment and other high value-

added products. Further, knowledge-based services represent one of the fastest growing areas in our export mix.



Scott Shepherd,
President and Chief
Executive Officer,
Northstar

My company is in a specialized business, providing medium-term financing in the \$100,000 to \$5 million range to foreign buyers of Canadian, and floor plan financing.

But we have partners that span the country: Bank of Montreal, Royal Bank of Canada, HSBC Bank Canada, National Bank of Canada and

CDP Capital International. The Government of British Columbia is also a shareholder. And all Northstar loans are insured by Export Development Corporation.

And maybe that's why I feel so strongly we can all benefit from talking up Canada, in markets around the world.

For more information on Northstar, contact Scott Shepherd, tel.: 1-800-663-9288, e-mail: s.shepherd@northstar.ca
Web site: www.northstar.ca *

Soucy International

— Continued from page 8

vehicle, now in the final testing/commercialization stages. "CCC assisted us in the legal terms of the teaming agreement itself and in reviewing the agreement," explains Jennings. "We also had them include a clause stating that they will be involved as prime contractor in the event of a sale."

With such teamwork — and Soucy's continuing technological development and innovation — Soucy and CCC are right on track for continuous international business.

For more information, contact Jack Jennings, Vice-President, Business Development, tel.: (819) 474-6666, fax: (819) 477-9423, e-mail: jack.jennings@soucy-group.com Web site: www.soucy-group.com *

An expanding market

ICT in Slovakia

At US\$800 million, Slovakia's ICT market may indeed be smaller than that of the Czech Republic (see previous issue), but with annual growth at 16% and per capita spending in 2000 reaching US\$130, it's clear the market in this population of 5 million is catching up fast.

Market overview

Competition appears to be the new watchword, starting in 2000 with the acquisition of Slovak Telecom (ST) by Deutsche Telekom and the subsequent introduction of Integrated Services Digital Networks (ISDN) lines. In 2001, British Telecom BT and Irish E-Tel both launched operations in Slovakia focusing on data transfer and Internet services. With the end of ST's fixed-line monopoly on the horizon (2002), the state is setting up Energotel, a new company that will be using the existing network of optical cable along oil/gas pipelines to compete with ST. Energotel will likely be sold to a strategic investor.

Voice/data transfer — Despite the fact that fixed-line penetration is only 30%, the number of users for ISDN services has been growing quickly.

The state recently sold three operating licences for 26 GHz Fixed Wireless Access (FWA) /Point-to-Multipoint, a radio-based alternative to fixed-line high-speed data transfer. Holders of licences are Callino (www.callino.sk), GiTyCom Slovakia (www.gity.sk) and Nextra (www.nextra.sk). Tenders for 3.5 GHz FWA will be called later in 2001.

Internet/e-commerce/hardware/software — ICT hardware continues to be the big seller, despite the growing focus on solution development among users. In 2000, basic hardware accounted for 54% of the overall ICT expenditures, followed by services (31%) and software (15%). The share of software and services is expected to expand.

In 2000, Slovaks spent US\$106 million buying 156,000 PC computers (18% increase). They also purchased 88,000 printers (60% ink-jet; 28% laser, representing a 17% increase), 8,100 PC notebooks and 2,600 PC-type servers.

Although the number of Internet users has doubled each year, only 24% of Slovaks log on regularly, far behind Western rates. High fees,



both ISP and telecom, are to blame, however this situation is expected to ease when ST's monopoly ends — and competition increases — at the end of 2002. Major Internet service providers are ST, Nextra, Euroweb, Slovanet, Sanet and Eurotel.

Regardless of the increase in general Internet access, e-commerce in Slovakia remains stalled. Low Internet penetration and weak income levels kept the value of on-line transactions to a mere US\$3 million this year. On the other hand, electronic finance and business-to-business (B2B) applications, used by a number of Western firms and strong local companies in the region, appear more promising. Half of all Internet users do their banking on-line.

Mobile telephony — Predictions are that, by the end of 2001, 30% of Slovaks will own mobile phones. Indeed, the GSM 900/1800 MHz mobile telecom sector is the broadest in the country. The two mobile

network operators are Globtel (57%) and Eurotel (43%), with a tender planned for UMTS licences in 2002.

Opportunities

Although the U.S., Germany, France, the U.K. and Scandinavia already have a presence in Slovakia, the Internet boom, and the associated expansion in infrastructure, presents a number of opportunities for Canadian firms:

- The rising trend to share business resources over networks will spur the growth of B2B and the requirement for packaged application solutions. Banks are currently struggling to upgrade their retail networks and improve their e-finance technologies.
- Liberalization of the fixed-line market at the end of 2002 will generate a demand for technologies and encourage foreign investment in upgrades to the telecommunication and data communication infrastructure. Already, the market for imported equipment is estimated at US\$120 million (telephony), US\$50 million (radio transmission), US\$130 million (receivers) and US\$12 million (insulated optical fibre cable).
- Canadian companies may be interested in purchasing Energotel or acting as suppliers to the buyer.
- Canadian companies can participate in building the FWA networks by supplying equipment and technology to licence holders.
- Canadian investors may bid for the 3.5 GHz FWA Licences.

Market access

Choosing a local partner is as important in Slovakia as it is in the Czech Republic.

Useful Web sites

- Major ICT Trade Fair in Slovakia COFAX: www.cofax.sk

Continued on page 11 – Slovakia's

First quarter results for 2001 clearly show that while infrastructure and engineering projects are the keystone of the Czech construction sector, more support for basic housing construction is needed.

Market overview

According to the Q1 results, both construction output and productivity were up, 11% and 15.8% respectively, largely attributable to the flurry of transportation and development projects undertaken by Czech companies. The proportion of exported construction work rose as well. Supporting the sector's growth were construction companies and companies involved in infrastructure and engineering projects — especially railways and city bypasses — with the value of such projects 31% higher than Q1 last year.

Foreign direct investment (FDI) almost doubled between 1998 and 1999, reaching US\$5.1 billion, the second-highest level in Central Europe after Poland. More than 25% was invested in construction projects for shopping centres, supermarket chains and hypermarkets.

At odds with this boom in mega-construction is the Czech housing shortage and the poor quality of home construction — typically panel block. Both quality and availability of housing in EU countries is better, with 460 dwellings per thousand people in 1999, compared to 365 per thousand in the Czech Republic. The Czech housing construction/GDP ratio is 1.6%, compared to an average 4.5% in the EU.

Housing policies are changing, but slowly, making it likely that the

average Czech citizen will be forced to endure the situation for the next few years. Government support is vital: several incentives, such as the Housing Fund for municipalities, have been launched to encourage investment. Other priorities include build-

Building materials in the Czech Republic

ing societies, mortgage loans, interest-free loans, and the repair and reconstruction of old panel blocks. Banks have recently responded to the demand for affordable mortgages with interest rates as low as 4.5%.

Opportunities and access

Key growth areas include wooden building materials, construction of supermarket chains, shopping centres and family homes and the renovation of older panel block homes. Interested Canadian firms are advised to choose a local partner, one who knows the ropes and can navigate Czech business practices, market characteristics and strategies, as well as the legal, financial and import procedures.

At present, Canadian investment is primarily through the Four Seasons Group, which opened a hotel in February 2001, and Trizec Hahn (TriGranit), which built shopping / multi-complex centres in both the Slovak and the Czech republics.

Major competition

Over 50% of the construction industry market derives from market capitalization of the following four companies: Skanska, Stavby Silnica Zeleznic (SSZ), Metrostav, ZS Brno and Vodni Stavby Bohemia (VSB).

Useful links

- Czech Invest: www.czechinvest.org
- Czech Trade: www.czechtrade.cz
- Ministry of Industry and Trade: www.mpostav.cz
- ABF (foundation for architecture and construction development): www.abf.cz
- Czech Statistical Office: www.czso.cz
- IKAS (information office for construction): ikas@ikas-praha.cz

For more information, contact Ella Stenroos, Commercial Officer, Canadian Embassy, Prague, tel.: (011-42-2) 7210-1862, fax: (011-42-2) 7210-1894, e-mail: ella.stenroos@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/~prague *

Slovakia's expanding ICT market

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- Slovak Telecom Authority: www.teleoff.gov.sk
- Ministry of Transport and Telecom: www.telecom.gov.sk
- Slovak E-commerce Association: www.saec.sk

For more information, contact Milan Harustiak, Commercial Officer, Office of the Canadian Embassy, Bratislava, tel.: (011-421-2) 5244-2175, fax: (011-421-2) 5249-9995, e-mail: harustiak@canemb.sk Web site: www.dfait-maeci.gc.ca/~prague *



Intelligent Transport Systems (ITS) are the key to efficient traffic management. Many ITS have been deployed in Hong Kong, including an Area Traffic Control System, traffic control and surveillance equipment, an automated toll collection system, a red light camera system, electronic parking payment systems, and the Octopus card system.

new system will serve as a platform for facilitating the development of various ITS applications, such as public transportation inquiry systems, vehicle navigation and fleet management. The initial budget is \$19 million; the system is scheduled to start operation in 2003.

Another ambitious plan is to establish a state-of-the-art Traffic Manage-

firms are looking for similar systems for fleet management purposes.

The Highways Department has been allocated \$40 million for installation of traffic control and surveillance systems on new and existing highways.

Awarding contracts

All Hong Kong government projects will be implemented under tenders covered by the Agreement on Govern-

Intelligent Transport Systems for Hong Kong



The Hong Kong government is committed to ITS. In a forum on the topic last year, Transport Commissioner Robert Footman unveiled a strategy for facilitating the development of Hong Kong's ITS. The aim is to ensure the compatibility and inter-operability of different systems. In the next three years, the government will invest \$800 million in ITS-related projects.

Projects

The first project to be implemented is a Transport Information System, based on a Geographical Information System and Internet technologies. The

ment and Information Centre (TMIC) by 2005. The TMIC will place under one umbrella traffic surveillance and management, incident management of the Strategic Road Network, and the dissemination of traveller information to the public.

The Fire Services Department will implement a \$133 million project to develop a Third Generation Mobilization System with vehicle tracking capability.

The Police Department will invest \$172 million to renew its fleet management system. Other government departments and public transportation

ment Procurement of the World Trade Organization.

Qualified bidders will be selected through the tender pre-qualification procedures. Winners will be required to provide services for design, supply, equipment installation and even system commissioning. Canadian firms are strongly advised to team up with a local partner.

For more information, contact Endy Chung, Commercial Officer, Canadian Consulate General, Hong Kong, fax: (011-852) 2847-7441, e-mail: endy.chung@dfait-maeci.gc.ca Web site: www.hongkong.gc.ca ★

Wireless mission to Southeast Asia

BANGKOK, THAILAND — February 21-March 5, 2002 — CommunicThailand (February 21-23, 2002) will be the first stop of a Trade Team Canada Inc. (www.exportsource.gc.ca) mission to Southeast Asia early next year. Organized by DFAIT and Industry Canada, the mission will visit Thailand, the Philippines, Brunei, Indonesia and Singapore.

CommunicThailand is an ideal venue for suppliers of ICT products and services to Thailand and all of Indochina. Here and throughout Asia Pacific, the mobile sector is growing rapidly, presenting excellent oppor-

tunities for Canadian firms. At each stop on the trade mission, major activities are planned to highlight Canadian technology in the wireless sector. The firms showcased will include equipment and systems suppliers, applications developers and component suppliers.

For details on the mission, visit http://ttcinfotech.ic.gc.ca/ict/ict-ttcs.nsf/vHTML/mission_e.html

To register on-line for the mission, go to: http://strategis.ic.gc.ca/cgi-bin/sc_mangb/evnt/program/search.pl Under "Event Name," enter Wireless Mission to Southeast Asia

To book space in the Canadian pavilion at CommunicThailand, contact the show's representative in Canada, UNILINK, tel.: (613) 549-0404, fax: (613) 549-2528, e-mail: info@unilinkfairs.com Web sites: www.unilinkfairs.com/flyers/comthaiform.pdf and www.unilinkfairs.com/flyers/broadthaiform.pdf

For more information, contact Michael Cleary, Senior Trade Officer, Industry Canada, tel.: (613) 991-4903, fax: (613) 990-4215, e-mail: cleary.michael@ic.gc.ca Web site: www.ic.gc.ca or Nancy Bernard, Trade Commissioner, Southeast Asia Division, DFAIT, tel.: (613) 995-7662, fax: (613) 944-1604, e-mail: nancy.bernard@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/bangkok ★

NEW DELHI and MUMBAI (formerly Bombay), INDIA — October 7-12, 2001 — International Trade Minister Pierre Pettigrew is leading a Canadian trade mission to India's two most influential business centres. The mission features a tailored business program including seminars and workshops, hospitality events, and networking opportunities.

For more information, visit the Team Canada Web site (www.tcm-mec.gc.ca) or telephone (613) 995-2194.

To help Canadian firms explore and take advantage of India's vast export market, DFAIT's Trade Commissioner Service (www.infoexport.gc.ca) has four offices in India. Located in New Delhi, Chandigarh, Mumbai and Bangalore, they offer services such as key contact searches, visit information, market prospect assessment, face-to-face briefing, local company information and troubleshooting.

The following federal organizations also help Canadian businesses to become export-ready:

- Canada Business Service Centres (www.cbcs.org) are located in every province and territory. They offer access to government export services and expertise. For export information, sources or contacts, telephone 1-888-811-1119 toll-free.
- The Canadian Commercial Corporation (CCC) (www.ccc.ca) helps Canadian exporters win sales in government and private-sector markets through government-backed guarantees of contract performance. CCC provides a range of export sales and contracting services for Canadian exporters,

enhancing their access to market opportunities.

- The Canadian International Development Agency (www.acdi-cida.gc.ca) has an Industrial Co-operation Program that supports Canadian

market entry support and trade financing. IC's Strategis (strategis.gc.ca) is Canada's largest business Internet site. It contains over 800,000 pages of business information and trade data to help

TRADE MISSION TO INDIA

businesses pursuing activities in developing countries. The program aims to reduce risks associated with setting up a business or pursuing a contractual undertaking in a Third World country.

- Export Development Corporation (EDC) (www.edc-see.ca), Canada's official export credit agency, actively supports exports to India. Since 1990, EDC has successfully concluded over \$2.5 billion in financing and insurance support for Canadian goods and services sold to India, including \$1.3 billion over the past five years.
- The International Business Opportunities Centre (www.e-leads.ca) works with Canada's Trade Commissioners abroad to connect Canadian companies with business opportunities worldwide.
- International Trade Centres (www.intracen.org) are located across Canada. They assist with research and recommendations of appropriate government export programs and services.
- Industry Canada (IC) (www.ic.gc.ca) services include export counselling,

Canadian enterprises identify new markets, explore opportunities for growth, find partners, form alliances, discover and develop new technologies or processes, or assess the risk of new ventures.

- The Office of Liaison with International Financial Institutions (www.canadianembassy.org/olifi) is Canada's international support structure for companies and consultants pursuing opportunities with international financial institutions in developing countries. Available free of charge, its core services include market prospects, key contact searches, local company information, visit information, face-to-face briefing and troubleshooting.
- Team Canada Inc (TCI) (www.exportsource.ca) is the first stop for information, counselling, market intelligence, financial assistance and on-the-ground support. This single window for Canadian exporters streamlines services to the Canadian business community. TCI can help you make the most of Canada's trade missions. ✪

Women's trade mission to Atlanta and OWIT Woman of the Year Award

ATLANTA, GEORGIA — October 4-6, 2001 — This year's annual conference of the Organization of Women in International Trade (OWIT) (www.owit.org) has a special significance for Canadians. Coinciding with it is a trade mission

for Canadian women business owners, and at the conference OWIT will present its Woman of the Year Award to Astrid Pregel, Canada's Consul General in Atlanta (www.can-am.gc.ca/atlanta).

The award recognizes women who have furthered international trade through excellence and innovation, and who, as a result, have enhanced the status of women in international trade. Pregel is the first Canadian to receive this honour. Her pioneering work on behalf of women's international business development via trade missions has

Continued on page 14 - Woman

A Canadian Embassy initiative in Tehran, in partnership with an Iranian strategic consulting firm, Atieh Bahar, resulted in an exciting two-day workshop series May 5-6, 2001, involving sixty dynamic businesswomen.

very positive impact on the outcome. As Laya Royaie, one of the established businesswomen said, "I have attended many meetings and conferences in my professional life, but this was distinctly different."

Lifting the veil on Iran

They met to network, mentor each other, promote women in business and encourage stronger trade links with Canada. Said Laraine Kaminsky, President of Ottawa-based MALKAM Consulting, "Before coming to Iran I had no idea what to expect or that I would find such independent, active businesswomen and such warm hospitality."

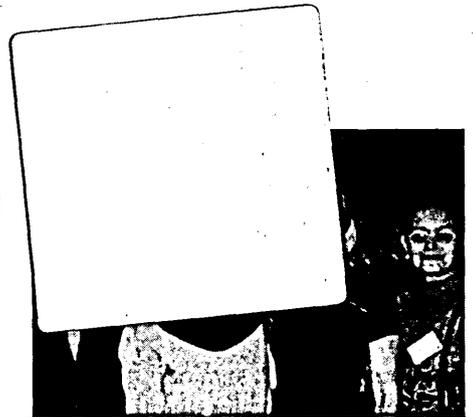
In contrast to public perceptions, women are a significant portion of the workforce in Iran, and in the year 2000, women comprised over half of university entrants for the first time in the country's history. The credentials of the workshop participants were impressive. They were drawn from a variety of sectors including manufacturing, advertising, import/export and the high-tech industry, and among them were owners, presidents and managing directors.

Ms. Kaminsky led the workshops on Cross-Cultural Communication and Networking. She was joined by fellow Canadian, Dr. Kian Fadaie, Technology Advisor for Natural Resources Canada. Dr. Fadaie, a veteran traveller to Iran, took the lead on the Technology workshop. The fourth topic in the series was Financial Management and Assistance.

The greatest strength of the series came from the pairing of experienced and emerging businesswomen. The concept of mentoring in a business context is unfamiliar to many Iranians and was one of the most important Canadian contributions to the series. The networking tips and participatory approach of Ms. Kaminsky, as well as the icebreaking and teambuilding exercises built into the program, had a

The enthusiastic participation of a contingent of young women entrepreneurs who represent the future of Iran added to the success of the event. An example is two twenty-year-old university students who have launched a Web page design company with a virtual office and have captured several important contracts.

Emerging from the series is a Steering Committee of dedicated businesswomen who will be working to develop the entrepreneurial capacity of women in Iran. Ms. Kaminsky is



From left to right, Ambassador Terence W. Colfer; Bibi Seyedeh Eshaghzadeh, Central Bank of Iran, Manpower Planning and Training Manager; Laraine Kaminsky, Malkam Cross-Cultural Training; Rana Haidar, the Bangladesh Ambassador's wife.

already pursuing two opportunities in Iran and is offering assistance to several Iranian businesswomen seeking to expand their international markets in Canada.

For more information, contact Azar Zanganeh, Commercial Officer, Canadian Embassy, Tehran, fax: (011-98-21) 873-3202, e-mail: azar.zanganeh@dfait-maeci.gc.ca ✪

Woman of the Year Award — Continued from page 13

opened the doors for more women to do business across more borders.

In 1997, as Minister Counsellor for International Business Development at the Canadian Embassy in Washington, D.C., Astrid Pregel spearheaded the first Canadian Businesswomen's Trade Mission to Washington. That event led to the first Canada-U.S. Businesswomen's Trade Summit in 1999, during which the U.S. Secretary of State and Canada's International Trade Minister signed a declaration committing both countries to focus on women's businesses and their contributions to international trade, and on issues that affect them.

With its headquarters in the United States, OWIT has chapters around the world, including Women in International Trade — Ontario (WITO). OWIT members are women exporters and importers, service providers and government officers working in all facets of international trade. They

join OWIT to share international trade information and establish global business contacts.

Astrid Pregel was in Toronto on August 30 to address a WITO meeting on cultural differences between the United States and Canada, and to discuss the fall trade mission for Canadian women entrepreneurs. For details on the meeting, contact Candice Rice, tel.: (416) 974-5157, e-mail: rice.candice@ic.gc.ca

For details on the October trade mission to Atlanta, contact Sandra Anstey, President, Women in International Trade — Ontario, tel.: (416) 929-3890, e-mail: anstey@istar.ca ✪



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Upcoming trade shows and conferences

For the full details on the following events, see Canadexport on-line at www.infoexport.gc.ca/canadexport and click on either "Trade Fairs and Missions" or "Conferences/Seminars/Meetings."

VANCOUVER, B.C. — October 11-12, 2001 — The second annual **Asia Pacific Summit**, organized by the Asia Pacific Foundation of Canada, will offer insights into the challenges of doing business in Asia and the best strategies for this dynamic region.

BEIRUT, LEBANON — October 13-17, 2001 — The **Eighth Business Forum** to precede the Summit of the Heads of State of La Francophonie will bring together 800 business people from over 55 countries in the Francophone economic sphere.

LEIPZIG, GERMANY — October 24-28, 2001 — The **Leipzig Construction Fair (BauFach)** is one of Europe's leading building shows and covers the entire range of products, technologies, and services involved in residential, commercial and industrial construction. (For a complete list of trade shows in Germany until 2002, see www.infoexport.gc.ca/canadexport)

BAHRAIN — October 29-31, 2001 — **Petrotech 2001** is an exhibition and conference that attracts petroleum engineers, refinery managers, geologists and geophysicists and other decision makers from all over the region. The Canadian Embassy will have an information booth promoting Canadian companies.

HAVANA, CUBA — October 28-November 4, 2001 — Cuba's largest trade fair, the **Havana International Trade Fair (FIHAV)** is multisectoral and includes the tourism; power and electricity; transportation; agriculture and food sectors. Last year's event attracted 1,400 exhibitors from 62 countries and 200,000 visitors.

CAIRO, EGYPT — November 6-9, 2001 — The **Middle East Power and**

Energy Exhibition and Conference (ELECTRIX) is the leading annual electrotechnical, power, solar and renewable energy event in the Middle East and North Africa.

CHICAGO, ILLINOIS — November 11-13, 2001 — The **Private Label Manufacturers Association (PLMA) Show** is the premier annual exhibition for North America's private label grocery products trade.

NAMUR, BELGIUM — November 21-23, 2001 — **BEST** is an environmental and energy conference and trade show held every two years. **BEST 2001** will feature a partnering event with more than 100 European companies seeking transnational cooperation agreements.

BANGKOK, THAILAND — November 28-December 1, 2001 — **Asia Automotive 2001** is the ideal venue to promote the latest automotive products and technologies to key Southeast Asian buyers.

PADOVA, ITALY — November 28-December 1, 2001 — **Bionova** is the only Italian exhibition dedicated to health-related biotechnology and bioengineering. The Canadian Consulate General in Milan is planning a number of activities to promote partnering of Canadian and Italian and international biotech companies. **Deadline for registration: September 30.**

BAHRAIN — January 14-17, 2002 — The **Bahrain Naval & Maritime 2002** is the first dedicated international naval and maritime exhibition and conference in the Middle East, complementing the air and land defence exhibitions already established in the Gulf region.

Canadian Machine Tool and Factory Automation Show



THE CANADIAN
TRADE COMMISSIONER
SERVICE

TORONTO — October 15-18, 2001 — Representatives of the Canadian Trade Commissioner Service abroad will attend the **Canadian Machine Tool and Factory Automation Show (CMTS)** at Toronto's National Trade Centre where leading national and international manufacturers and distributors will be featuring their product lines.

Companies are invited to participate in Canada's largest exhibition of the latest manufacturing equipment, plant floor automation technology and support products, an event which has a proven record of attracting a large contingent of both Canadian and foreign exhibitors and visitors.

Consult the Canadian Trade Commissioner Service Web site and access market studies in the **Advanced Manufacturing Technologies** sector at www.infoexport.gc.ca

For more information, contact Daniel White, Trade Commissioner, DFAIT, tel.: (613) 996-0688, fax: (613) 996-1267, e-mail: daniel.white@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca

To register, contact Robert Mathieu, Reed Exhibitions, tel.: (416) 491-7565, fax: (416) 491-5088, e-mail: rmathieu@reedexpo.com Web site: www.reedexpo.com/data_sheets.asp?ShowCode=518

ROTORUA, NEW ZEALAND — March 12-16, 2002 — The **Forest Industries International Conference and Exhibition** is New Zealand's largest forest industry event. New Zealand is becoming an international forestry

Continued on page 16 — Upcoming

HACE 2001

CAIRO, EGYPT — October 30-November 2, 2001 — The International Hotel Supplies and Catering Equipment Exhibition (HACE) (http://awex.wallonie.be/new/afpmo_art_eg_hace2001.htm) is the largest trade show of its kind in the Middle East. Last year nearly 500 companies participated from Egypt and 17 other countries and the event drew close to 20,000 visitors.

This year, Canadian Export Development Inc. is helping organize a trade mission to Cairo that will overlap with the show. The mission is scheduled for October 26 to November 6. Participants will be able to display their products and services in the Canadian pavilion at HACE 2001, and they will have the opportunity to make contacts, generate new sales and initiate business relationships.

The Commercial Section of the Canadian Embassy in Cairo is supportive of the mission and will

organize a briefing session upon arrival. Arrangements can be made for one-on-one meetings upon request.

Participating companies may be eligible for financial assistance from the federal Program for Export Market Development, up to a maximum of 50% of costs. For details, contact the International Trade Centre in your region. For a list of Centres and their location, visit the Web site <http://strategis.ic.gc.ca/SSG/ig00008e.html>

For more information about HACE 2001 and the trade mission, contact Robert Grison, Canadian Export Development Inc., tel.: (613) 825-9916, fax: (613) 825-7108, e-mail: cced@sympatico.ca

For more information about this business sector in Egypt, contact Tarek Abdel Meguid, Commercial Officer, Canadian Embassy, Cairo, tel.: (011-20-2) 794-3110, fax: (011-20-2) 794-7659, e-mail: tarek.meguid@dfait-maeci.gc.ca Web site: www.canada-eg.com *

UPCOMING TRADE FAIRS

— Continued from page 15

leader and will need to invest heavily in new processing facilities, which means opportunities for Canadian manufacturers of forestry and wood processing machinery.

SEOUL, KOREA — March 18-19, 2002 — Organized jointly by Australia, Canada, New Zealand and the United States, Food Showcase Korea will occur the week following Foodex 2002 in Japan, and is the major venue to promote food products to Korean importers. Korea is one of the most dynamic Asian economies.

TORONTO, ONTARIO — April 17-19, 2002 — The Chinese Business Expo and Conference, the first such trade event in Canada, is a follow-up to the 2001 Team Canada mission to China, and will highlight opportunities for trade with China and for investment or business development in Canada.

MELBOURNE, AUSTRALIA — June 2-5, 2002 — Following the success of the 2001 show, held in Sydney, Canadian exporters will have the opportunity to participate in the Canadian pavilion at Interbuild Australia 2002, Australia's largest building exhibition, which showcases the latest in building products and technology for residential, commercial and industrial construction. *

Double your trade show results

Now in its 14th year, Canada's only comprehensive full-day workshop, "Making Trade Shows Work," with Barry Siskind, will be offered this fall in several cities:

- TORONTO — October 11
- OTTAWA — October 30
- CALGARY — November 7

- MONTREAL — November 20
- RICHMOND HILL — December 13

To register or for more information, call 1-800-358-6079 or visit www.siskindtraining.com *

Enquiries Service

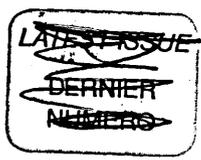
DFAIT's Enquiries Service provides counselling, publications, and referral services to Canadian exporters. Trade-related information can be obtained by calling 1-800-267-8376 (Ottawa region: 944-4000) or by fax at (613) 996-9709; by calling the Enquiries Service FaxLink (from a fax machine) at (613) 944-4500; or by accessing the DFAIT Internet site at www.dfait-maeci.gc.ca

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A new and improved way CCC: Doing business

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It's time to let you know that the professionals at the Canadian Commercial Corporation (CCC) want to help more exporters win more sales in more world markets. Sure, they're happy with the \$30 billion in export deals CCC has made over the years. But they know there are a lot more sales out there. After all, there's a worldwide multi-trillion-dollar public-sector procurement market just waiting to be tapped. That's why CCC has realigned its business strategy and significantly shifted the way it does business.



CCC Executive Vice-President Hugh O'Donnell.

"CCC needed a proactive approach to increasing business growth," says CCC Executive Vice-President Hugh O'Donnell. "By sharpening and refocusing the allocation of our resources, we could grow exports more rapidly and maximize benefits to Canadian exporters."

Over the years, CCC's business development approach was largely based on projects brought in by Canadian exporters who appreciated CCC's value in landing contracts and improving contract terms. Business focused on the U.S. military and aerospace market (through the Defence Production Sharing Agreement), and outside the U.S. in over 60 countries worldwide.

Enter realignment

This year, CCC realigned its business strategy, concentrating on the following sectors where Canadian exporters have a competitive advantage: aerospace and defence; environmental services, technologies and equipment; information and communication technologies; natural resources; housing construction; transportation and machinery; consumer goods; agri-food equipment and technology; and health care products and services.

Continued on page 7 - CCC

An excellent building block Interbuild Australia

At the 15th Australian International Building Materials and Equipment Exhibition (Interbuild Australia), which took place in Sydney, Australia from June 3-6, 2001, Canadian firms had the opportunity to reach out to a dynamic market where they have a distinct advantage.



The Canadian Pavilion at Interbuild Australia 2001.

"Australia is an excellent choice for the new or near-new exporter," says Kevin Skauge, Business

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CANADIAN TRADE REVIEW
(See insert.)



Department of Foreign Affairs and International Trade

Ministère des Affaires étrangères et du Commerce international

Canada

— Continued from page 1

Development Manager at the Canadian Consulate General in Sydney (www.canada.org.au). "Its culture and method of doing business are so much like Canada's; there's just a little water dividing these friends."

Interbuild Australia

The Canadian Pavilion at Interbuild helped bridge that divide. Australia's largest building exhibition, the show is held in alternate years in Sydney and Melbourne. This year it drew some 16,000 visitors, all of them professionals in the field. They came to discover the latest in building products and technology for residential, commercial and industrial construction.

Organized by Canadian Export Development Inc. (CED), the Pavilion provided booths for seven Canadian companies — and in an eighth booth the Consulate General displayed information on other firms. It also gave support to Canadian participants during the show, hosted a reception and facilitated one-on-one meetings.

Participation a building block for success

Taking part for the second year in a row was Azar Group International (www.azargroup.com) of Windsor, Ontario. "We started out in 1987 building homes," says its president, Tony Azar, "and then moved into related fields, including construction products." One such product is the revolutionary Azar Block™. Dry-stacked, the block creates a concrete shell form that requires only a concrete fill or surface bonding. "It's an advance on conventional wall building techniques," says Azar, "but the weight makes it prohibitively expensive to export. So we were interested in setting up licensing agreements with producers abroad."

Family connections made him look to Australia, and in 2000 he

attended his first Interbuild show. There, with the help of the Consulate General, he established contacts with Boral (www.boral.com.au), one of Australia's largest construction companies. "After the show we kept in touch," says Azar, "and when I

returned for Interbuild 2001 we were ready to take the next step. We now have an agreement in principle for Boral to produce the Azar Block in Australia. And I was able to hand Boral a list of around 350 businesses that had expressed interest in the product at this year's show."



President of Azar Group, Tony Azar (centre) at Interbuild Australia 2001.

Canadian Consulate support
Tony Azar speaks enthusiastically about the support provided by the Consulate General: "They were there almost 24 hours a day, making sure we had everything we needed. I'm proud and grateful that our government will do so much to help Canadian businesses get their foot in the door abroad."

To other firms looking to start exporting, he recommends, "Work with staff at Canadian missions in the country you target. Listen to them; they know the country and the market. You still have to sell your own business but the staff can point you in the right direction and give you the key contacts."

Space has already been booked for a Canadian presence at next year's show in Melbourne, which has

been renamed Designbuild (www.ausexhibit.com.au/designbuild). Once again the Consulate General will be on hand.

For information on participating in the Canadian Pavilion at Designbuild 2002, contact Robert Grison, Director, Canadian Export Development Inc., tel.: (613) 825-9916, fax: (613) 825-7108, e-mail: ccd@sympatico.ca

For more information on opportunities in the Building Products sector in Australia, contact Kevin Skauge, Business Development Manager, tel.: (011-61-2) 9364-3049, e-mail: kevin.skauge@dfait-maeci.gc.ca or Peter Moore, Business Development Assistant, tel.: (011-61-2) 9364-3048, e-mail: peter.moore@dfait-maeci.gc.ca, Canadian Consulate General, Sydney, fax: (011-61-2) 9364-3097, Web site: www.canada.org.au ★

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CanadExport

Canary Wharf, the new 95-acre business and residential centre in London, England's historic Docklands district, has gained a well deserved reputation as the Financial Centre of London. The challenge of helping 30,000 workers, residents and visitors — a projected 100,000 by 2010 — to find their way around the new complex was presented to a Toronto company with its own reputation. Muller Design Group, a design team that has extensive wayfinding experience in Canada, planned, designed and implemented a comprehensive — and award-winning — wayfinding and signage program for Canary Wharf, augmenting the reputations of both organizations.

Since its formation in 1967, the eight-employee Muller Design Group has completed international projects of distinction in the areas of education, health care, consumer products and the environment.

International projects, which constitute 40% of company sales, have been an integral part of the business since the beginning. "We were exporting by 1968," explains Muller Design Group co-founder and president Keith Muller. "If you're investing in product development, you have to think about exports, because the markets here are relatively small compared with global markets."

Government assistance lays foundation

Participation in a promotional event in New York in 1969, sponsored by the then Department of External Affairs, helped give the company its international boost. "That event gave us a great deal of exposure," says Muller, who continues to use the services of the Canadian Trade Offices in his offshore work.

The company has completed projects for clients in various U.S. states, Bermuda, Belgium and Pakistan and is currently pursuing a lead in Singapore, facilitated by the Canadian High Commission. Among Muller's many and varied achievements are

specialized furnishings and products for hospitals and health care clinics in both Canada and the United States; automated banking machines for the Bank of Nova Scotia and CIBC; and the signage and wayfinding systems for Toronto's Underground City and Vancouver's GM Place.

program to enhance the wayfinding system is also largely completed. However, with ongoing development of the complex goes ongoing signage creation and modification, giving Muller work for several years to come.

The Canary Wharf contract, which

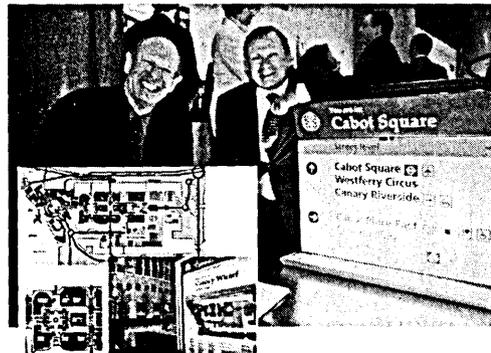
Finding the way at Canary Wharf

Muller Design Group

Specializing in problem solving

With such prominent examples of the company's work, it's not surprising that when the management of Canary Wharf realized that they had a problem with their current signage system, they contacted Muller Design Group.

is generating significant revenues for Muller Design Group, is also generating work for other Canadian companies. Muller has employed the support services of a local Toronto interior designer, lighting company and several electronic photo finishers and fabricators to expedite the work on the project.



Muller Design Group President Keith Muller (left) and Tony Partington, Canary Wharf, with Canary Wharf signage. Inset: Muller-designed map of Canary Wharf.

"The whole concept of wayfinding has become huge business," says Muller. "There are few experts capable of fixing the problem of wayfinding comprehensively."

Muller Design Group happens to be one of the experts; it rationalized the various existing systems into one comprehensive solution for Canary Wharf.

Signs point to ongoing work

The company started work in 1998 and had most of it completed by December 2000. An add-on contract to develop a public information kiosk

Ample evidence of "great work"

Muller's advice to other Canadian exporters is simple and to the point: "Do great work!"

There's no question he follows his own advice. This past February, Muller Design Group won an award sponsored by Toronto's Design Exchange and The National Post for its Canary Wharf signage and wayfinding

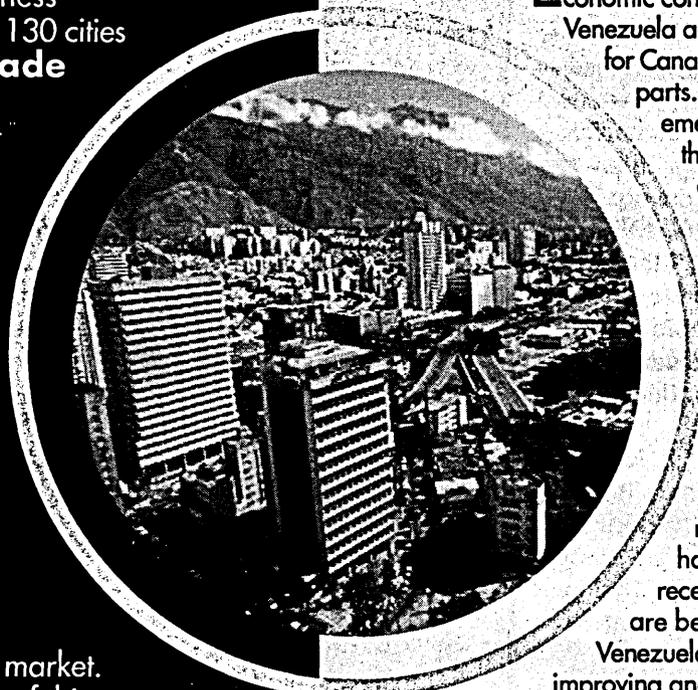
program. Even more potent proof lies in the calls the firm has received from other potential U.K. and North American clients who have seen the Muller signage and wayfinding program at work in Canary Wharf.

For more information, contact Keith Muller, President, tel.: (416) 362-6446, fax: (416) 362-5124, e-mail: k.muller@mullerdesigngroup.com Web site: www.mullerdesigngroup.com

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Sharing Trade Secrets".)

VENEZUELA The Automobile

With a team of 500 business professionals in more than 130 cities around the world, the **Trade Commissioner Service** has the market knowledge you need to succeed in your target market. Our Market Research Centre and our offices abroad have prepared over 600 market studies available for free on our Web site. These studies will help you identify foreign business opportunities and learn more about your target market.



This is an overview of the market. For a more in-depth study of this market and for other studies, visit our Web site. When you are prepared to do business abroad, you can use our Web site to get in touch with our offices around the world and request personalized services electronically.
www.infoexport.gc.ca

Economic conditions have made Venezuela an ideal export destination for Canadian automotive aftermarket parts. The country is slowly emerging from a recession that has made new vehicle ownership unaffordable for many drivers. Venezuelans are holding onto their existing vehicles for much longer boosting demand for aftermarket parts to keep their cars on the road.

Market Overview

In 1998, Venezuela had almost 2.4 million registered motor vehicles. This figure has increased steadily in recent years as fewer used cars are being scrapped. Although Venezuela's economic conditions are improving and expected to spur modest new vehicle sales growth, the average age of passenger cars is now over 12 years.

New car sales in Venezuela fluctuated dramatically in the 1990s, plunging nearly 60% in 1999. Nevertheless, it appears that the automobile industry is improving due to a series of government-led strategies designed to jumpstart the market.

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See insert for your Automotive Industry contacts in Latin America and the Caribbean.



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ive Aftermarket

In the automotive parts industry, local manufacturing fell 16% in 1998 and a further 14% in 1999. However, the market for aftermarket parts has not suffered as much as the original equipment parts sector.

Competitive Environment

There is a strong foreign presence, particularly from the U.S., in Venezuela's automotive industry, including many of the world's leading automobile and parts manufacturers.

distribution of aftermarket products in Venezuela involves various types of wholesale and retail channels. Foreign exporters will usually deal with a commissioned sales agent to distribute their aftermarket product in Venezuela. If there are many potential customers - wholesalers and retailers - the use of a sales agent who has access to all of them is usually the most practical and efficient means of covering the market.

See Potential?

To learn more about these market opportunities, the competitive environment, and market entry strategies, read *The Automotive Aftermarket in Venezuela*. This report and hundreds of others, prepared by the Market Research Centre of the Trade Commissioner Service, are available on-line at www.infoexport.gc.ca

Top Five Passenger Car Sales by Manufacturer, 1998-2002*

Manufacturer	1998	1999	2000	2001	2002
GM	21,302	11,000	12,090	14,579	17,396
Toyota	16,887	8,635	9,610	11,413	13,757
MMC	13,463	5,995	6,634	7,879	9,497
Fiat	13,092	6,875	7,688	9,130	11,006
Ford	11,163	5,830	6,634	7,879	9,497
Others	32,452	38,335	42,656	50,880	61,153
Total	108,359	55,000	62,000	74,000	90,000

* Figures for 1999-2002 are estimates.

Source: CAVENEZ, Economist Intelligence Unit, 1999

Opportunities

Domestic producers in Venezuela tend to focus on generic aftermarket parts (suitable for all model cars) such as pumps, condensers, spark plugs, distributors and caps, starter motors, alternators, belts, hoses and shock absorbers.



However, the demand for such products cannot be filled entirely by the local industry. This is particularly the case for parts for older cars. Venezuela is also relatively weak in the production of "branded" aftermarket parts. As a result, there may be opportunities for Canadian manufacturers and exporters to supply both generic and branded aftermarket products.

However, Canadian exporters have the advantage of extensive experience providing aftermarket parts for U.S. models. Canadian companies have already achieved good success in Venezuela.

Market Entry Considerations

Import duties for automotive parts range from 5% to 15%, and 35% for automobiles. Besides tariffs, a 15.5% value-added tax is added to both domestic and foreign manufactured equipment. The

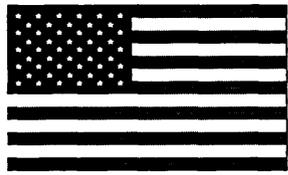
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Aboriginal export trade mission to the United States

HINCKLEY, MINNESOTA — August 12-14, 2001 — Some 34 Canadian Aboriginal companies and organizations participated in a three-day trade mission to the United States coinciding with the Native American Business Alliance (www.native-american-bus.org) (NABA) 2001 Convention. Organized by the Canadian Consulate General in Minneapolis (www.can-am.gc.ca/minneapolis), the mission was designed for Aboriginal-owned companies and economic development organizations wishing to pursue business opportunities in the United States.

The mission began with a presentation by an officer from the U.S. Immigration and Naturalization Service on the Jay Treaty of 1794. He covered the section relating to entitlements of Aboriginal people from Canada and how they may qualify to work, reside and study in the United States. Participants then joined the NABA Convention, where delegates included at least a dozen other First Nations business and tribal leaders from Canada. The program began with seminars on e-commerce, economic development, and joint ventures and strategic alliances. Next came "long-table networking" — one-on-one meetings with over 25 top Fortune 500 com-

panies, as well as prominent Aboriginal-owned businesses and large tribal organizations.

The convention featured "talking circles" on topics such as minority supplier certification, Native American language and spirituality, developing



Bob Dickson (left) of Niigon Technologies Ltd., McTier, Ontario during long-table networking.

a marketing plan, and e-commerce. Another topic discussed was the creation of a National American Indian Chamber of Commerce.

Participants expressed high praise for the mission. Many plan to attend next year's NABA Convention. Here are some of their comments:

McTier, Ontario-based Niigon Technologies Ltd., Bob Dickson, General Manager: "We are a world-class, state-of-the-art injection moulding facility, wholly owned by the Moose Deer Point First Nation.

For us, the trade mission paid off. When we returned home, we entered into a serious discussion with a prominent U.S. manufacturing company."

Tom Ferguson, Manager, Awazibi Pure Maple Syrup, Maniwaki, Quebec: "I was so impressed with the contacts we made at this event that as soon as I got home I made an application to join the NABA. I made very good contacts throughout the convention and especially during the one-on-one networking session. I feel that as a result I will make good sales. For example, I met with big companies such as General Mills, Phillip Morris and Nestlé who were very interested in our syrup, as well as a new product we are developing. I would recommend for any Aboriginal company to participate in this event."

Robin Wortman, Managing Director, National Aboriginal Business Association, Calgary: "I found it encouraging to hear that Native American business communities face the same issues and challenges in getting organized nationally as we do. At the NABA Convention, I found that they keenly want to work with us to improve business and investment between the two countries. The corporate networking long table session was absolutely fabulous and I learned a lot from the Americans on networking techniques that can be used in Canada. This mission has opened my organization's eyes to the benefit of being part of a national Aboriginal business association network, and we signed up as one of

Continued on page 9 — Aboriginal

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Then, CCC identified four target markets with significant potential for large export sales — markets where Canadian industry has the knowledge and technology to compete favourably and where CCC's involvement is critical to success.

CCC: Doing business

In addition to CCC's United States aerospace and defence activity, the Corporation is actively pursuing business with U.S. civilian agencies. Outside of the U.S., the United Kingdom and Europe are promising markets for Canadian aerospace and defence companies as a result of the U.S.-led Joint Striker Fighter program, a US\$300-billion multinational program to build the next generation fighter aircraft. CCC is also targeting Latin American markets such as Mexico and Chile and is working on a number of projects in Ecuador.

Of course, CCC won't ignore promising leads in other markets. And their core U.S. Operations remains unchanged. But now, CCC is positioned to build on its effectiveness and increase efficiencies. It just needed a strategic team of people knowledgeable in sectors and markets to set things in motion.

DOING BUSINESS WITH THE U.S. FEDERAL GOVERNMENT?

Find out more from the Canadian Embassy in Washington, D.C. (www.canadianembassy.org) under "Business Opportunities: U.S. Government Procurement."

Log onto opportunities via the General Services Administration (www.gsa.gov), which facilitates purchases by the U.S. government — the world's largest consumer — and the Electronic Posting System site (www.eps.gov).

When you're ready to pursue these opportunities, the Canadian Commercial Corporation (www.ccc.ca) can assist you with the interpretation of the U.S. procurement system or ensure that as a Canadian company, you are eligible to participate.

Meet the MOD Squad

They're tenacious. They're proactive. And they mean business — a lot of it. The Market Opportunity Development (MOD) unit was created to develop business strategically and effectively. Their mission: undertake specific initiatives leading to sustained growth

in business and increase the number of clients contracting through CCC. Simply put, MOD generates leads.

MOD focuses on government procurement markets. They're also generating business opportunities by setting up strategic alliances with other Canadian government departments, agencies and professional associations.

On the road again...and again

MOD is everywhere. Right now, they're pounding the pavement in Washington to establish relationships with U.S. civilian agencies. And U.S. representatives will be doing the same in Canada to make Canadian firms aware of the opportunities that exist in the non-Department of Defense U.S. market.

From November 5 to 8, the MOD Squad will be stopping in four major Canadian cities — Halifax (November 5), Toronto (November 6), Montreal (November 7), Calgary (November 8) — to inform exporters about a pipeline to U.S. non-defence procurement agencies. They will be joined by representatives from major U.S. buying entities, such as General Services Administration (GSA), Veterans Affairs, and the Federal Aviation Administration (FAA). (Please refer to the CCC Web site www.ccc.ca for seminar registration and program information.)

"If Canadian firms qualify and register their targeted commercial products and offerings through CCC, these would be available to U.S. government buyers," says O'Donnell. "This is an exciting opportunity to make Canadian firms aware of this \$40-billion market and encourage them to work with CCC."

SHAPING TRADE SOLUTIONS FOR OUR EXPORTERS



Canadian Commercial Corporation

The Canadian Commercial Corporation (CCC) is an export sales agency of the Government of Canada providing special access to the U.S. defence and aerospace markets and specializing in sales to foreign governments.

Canadian exporters can gain greater access to government and other markets, as well as a competitive advantage, through CCC's contracting expertise and unique government-backed guarantee of contract performance.

CCC can facilitate export sales that often result in the waiving of performance bonds, advanced payment arrangements and generally better project terms.

When requested, CCC acts as prime contractor for government-to-government transactions and provides access to pre-shipment export financing from commercial sources.

For more information, contact CCC, tel.: (613) 996-0034, toll-free in Canada: (800) 748-8191, fax: (613) 947-3903, e-mail: info@ccc.ca Web site: www.ccc.ca

CCC and its regional operations are working together to meet aggressive business goals and significantly grow exports and maximize benefits to Canadian exporters.

And it's working. "We're already ahead of last year," says O'Donnell, "and the future looks very promising."

For more information, contact Hugh O'Donnell, Executive Vice-President, Business Development and Operations, tel.: (613) 996-0263, e-mail: jhod@ccc.ca; Renato Tavares, Manager International Business, Consumer Goods, IT, Health, Environment, Natural Resources, tel.: (613) 995-3284, e-mail: renato@ccc.ca; Sherri Lilloco, Manager International Business, Aerospace and Defence Products/Transport and Machinery, tel.: (613) 996-2138, e-mail: sherri@ccc.ca; Robert Ryan, Manager United States Business, tel.: (613) 995-4658, e-mail: rryan@ccc.ca; Tom DeWolf, Manager Market Opportunity Development, tel.: (613) 992-3082, e-mail: tdewolf@ccc.ca; Alex Papadakis, Manager of Regional Operations, tel.: (613) 995-0300, e-mail: alex@ccc.ca ✽

It all began about a year ago, with a meltdown in stock prices and an abrupt slowdown in the global technology/media/telecommunications (TMT) sector, centred in the U.S. The TMT sector constitutes only about 5% of the global economy, but the shock waves of its implosion have spread everywhere.

When will the world emerge?

The tech hangover

by Stephen S. Poloz, Vice-President and Chief Economist, Export Development Corporation

Gradually, it seems, the entire world is being drawn in, so this global slowdown could prove to be the first coordinated one since the mid-1970s. Asian producers of electronic equipment — particularly Singapore, Taiwan, South Korea and the Philippines — have been hit hard. Japan is sliding back into recession, and the associated global retrenchment in capital spending is hurting Europe's exports as well. Latin America is dealing with its own internal stresses. On top of all



Stephen S. Poloz

this, the tragic terrorist attacks of September 11 have made the world economic outlook even more uncertain. The world lacks a growth locomotive, and Canada's export markets have weakened significantly.

The best chance of a global growth rebound still lies with the original source of the TMT shock, the U.S. economy. The U.S. Federal

Reserve has aggressively lowered interest rates in order to cushion the economy, and the U.S. government has enacted significant tax cuts to the same end. More will probably be done on both fronts in the next few months, given the new uncertainties raised by the terrorist attacks. The problem is that policymakers are aiming at a moving target — not knowing how much of a downturn would have emerged without official intervention, the net outcome of these policy changes cannot be known.

On the positive side, the U.S. manufacturing slowdown due to the TMT shock appears to have run its course. Inventories have been slashed, and business sentiment, as reflected in the survey of the National Association of Purchasing Managers, has turned up sharply this summer. Producers seem to be ready to resume operations, but now they face a second round of uncertainty — will consumers retrench in response to the events of September 11, especially in light of the recent deterioration in the labour market? It is impossible to quantify the effects of the terrorist attacks on confidence

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and spending. However, with regard to the rising unemployment rate, virtually every slowdown in history has seen the labour market consequences emerge last in the down cycle. Indeed, the unemployment rate can continue to rise even after the economic recovery has begun, as companies react cautiously to the upturn and workers re-enter the workforce.

The bottom line? History shows that economic upturns are just as unpredictable as downturns, so continued caution is warranted, particularly given the current high level of uncertainty. The ingredients of a rebound in the U.S. economy are gradually coming together, increasing the odds that a U-shaped rebound will emerge late this year and into 2002. However, arguing against such an upturn emerging soon is the possibility that the terrorist attacks will cause consumer confidence to retreat, with a new downturn in spending. There is no way to forecast this effect, for it depends entirely on human nature. Either way, it will probably take all of next year, and possibly longer, for the world to emerge from its tech hangover. ★



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Canadian firms specializing in networking technologies, multimedia and computer hardware are invited to participate in the Japan ICT Business Forum, to be held November 7, 2001 in Toronto (Nov. 5 in Montreal, Nov. 8 in Calgary, Nov. 9 in Vancouver). The Forum's schedule is designed to help Canadian ICT companies meet potential Japanese business partners and become part of one of the world's largest ICT markets.

The Canada-Japan Industrial Cooperation Forum (ICF) invites Canadian ICT firms to participate in networking, presentations and trade fair displays with the Japanese ICT delegates to Canada. The Forum is designed to facilitate partnerships between Canadian and Japanese ICT specialists.

Japan is a gigantic ICT market — the world's second largest — worth an estimated US\$158 billion. The software market alone is estimated at US\$16 billion, with software imports accounting for US\$3.6 billion in 1995.



JETRO Toronto Business Forum details

The Japan External Trade Organization (JETRO), Toronto — an ICF member — and its Forum co-sponsors have planned business-matching events,

Become a part

Japan's ICT revolution

all free of charge. The Japanese delegation will pre-select 14 Canadian companies to deliver 20-minute corporate presentations, with an option to participate in a table-top trade fair to be held concurrently. Everyone is invited to the networking luncheon.

As numbers are limited, Canadian IT companies interested in meeting the Japanese delegation are encouraged to apply early for space at the table-top fair. Fourteen out of the thirty available spaces are already reserved for the companies giving presentations.

Each local office has planned its

own separate event and schedule. For contacts see below.

Come and join a growing number of Canadian IT companies that are already part of the information and technology revolution in Japan!

How to apply for the Toronto table-top event

Fax a completed application form and company profile — available at www.canada.jetro.org/toronto/newsroom/contents/seminars/mission_2001_announcement_website.html — as soon as possible to the contact below.

For more information (Toronto and Calgary events), contact Kristi Skocic, Assistant Director, Industrial Cooperation, tel.: (416) 861-0000 ext. 231, fax: (416) 861-9666, e-mail: skocick@jetro.go.jp Web site: www.canada.jetro.org/toronto/ For JETRO Montréal, tel.: (514) 879-5617; for JETRO Vancouver, tel.: (604) 684-4174. ✪

Aboriginal export trade mission to the U.S.

— Continued from page 6

the supporters of the newly formed American Indian Chamber of Commerce. We will continue to partner in as many initiatives as possible."

Thunderbay-based J/D Video, and Red Sky Fire Fighting Services, John Zupan, Owner: "I can't say enough about how thrilled I am with the contacts I made during this trade mission. It was a tremendous learning experience and I'm looking forward to the next one. With our video production business we were able to impress upon the Americans that our equipment is the same but our location is in Canada. And because of the exchange rate, we can do the same work for less; all they need to do is call

us. We also want to be able to fight fires in the U.S.A. The immigration session organized by the Consulate was extremely helpful and the speaker gave us the right contact in the Immigration Service. We can now take our Canadian firefighters into the U.S.A., which opens up a whole new market for us.

"The Fortune 500 representatives were well-connected and informed, and we were surprised how enthusiastic and helpful they were. They genuinely wanted to help small and minority business, matching our business with other minority suppliers. I also managed to find other business opportunities for my community and have already passed them on.

"I'm now thinking of expanding my business into the U.S.A. and signing up as a minority supplier."

For more information, contact:

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- Rosi Niedermayer, Aboriginal Portfolio, Export Services — Small and Medium-Sized Enterprises Division, DFAIT, tel.: (613) 944-0634, fax: (613) 996-9265, e-mail: rosi.niedermayer@dfait-maeci.gc.ca Web site: www.infoexport.gc.ca ✪
(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "The U.S. Connection.")

Food aid delivered to Russia to compensate for shortages in the wake of the August 1998 financial crisis had a drastic effect on that country's 1999 agri-food import market. But since 2000, this market has been returning to pre-crisis levels.

Russian agri-food imports growing

Market overview

The year 1999 was not a bumper year for the Russian agri-food import market. That was the year the European Union and the U.S. sent \$1.48 billion worth of food aid to Russia to make up for grain and meat shortages following the financial crisis of August 1998. While food aid meat was exempt from import duties and value-added tax (VAT), commercial shipments were subject to import duties of 15% and a 20% VAT. With food aid feeding the market, Canadian agri-food exports to Russia plummeted.

By 2000, however, import statistics showed that commercial trade was rebounding: Russians imported foodstuffs worth approximately \$10.9 billion that year.

In 2001, the Russian demand for agri-food imports is returning to pre-crisis levels, with a shift towards products that have remained in short supply.

Opportunities

Canadian suppliers in the following agricultural sectors will find opportunities in Russia.

Agri-food — beef and pork cuts, by-products and edible offal; mechanically deboned meat (MDM) poultry; frozen and canned fruits and vegetables; frozen fish and seafood; cheese; breeding-poultry eggs; high-quality durum wheat and flour; spring barley, soya beans, corn; malt; and pet food.

Agricultural machinery — hog equipment; harvesting equipment;

incubators. Russian farmers purchased 11,000 tractors, 4,600 combines and 510 harvesters in 2000; in 2001, the demand for new equipment has been three times as great. In order to harvest the crop in Krasnodar, one of the largest grain-producing regions in

southern Russia, 6,700 combines are needed; only 5,400 are available, 70% of which are obsolete. Maintaining such out-dated equipment cost the local agri-food industry US\$1.2 billion last year.

Technology — breeding stocks (poultry, cattle, swine); plant varieties; scientific methodologies and expertise.



Market access issues

Working with a Russian partner is not essential, but exporters considering the Russian market should be aware of a number of issues.

The Russian market has been hindered by the devalued ruble, which has depressed consumer purchasing power. With consumer spending down, prices must be competitive.

Offering a high-quality, value-added product is no guarantee of success. Exporters must abide by import rules and regulations, must adhere to safety and labelling requirements and must pay very high tariffs and import duties — ranging from 0% to 20%. Canadian meat processing and fish processing plants must be certified, and new plant varieties must be field tested and registered.

Government bodies, including the All-Russia Institute for Nutrition, the Ministry of Agriculture and Food and the Ministry of Health, are also impor-

tant when doing business in Russia.

Domestic groups are lobbying the Russian government to protect local food processors by preventing the importation of foreign food products.

Major competition

Russia has imported large quantities of Canadian foodstuffs indirectly via traders in the U.S. and Europe. Local buyers are reluctant to offer payments in advance, an arrangement preferred by Canadian exporters, but American and European traders offer flexible financial terms. Lobster, shrimp and herring are imported via Danish, French, German and Polish companies into the European and the Far Eastern parts of Russia. Canadian meat is typically imported via South Korea.

Within the last decade, a number of companies have been successful in the Russian market: John Deere, Case and Caterpillar from the U.S., KLAAS (Germany), New Holland (Netherlands), FIAT-Agri (Italy) and other smaller companies, mainly from Europe. Between 1994 and 2000, John Deere sold machinery and equipment worth US\$1 billion to member countries of the Confederation of Independent States.

The German companies Lemken, Rauch, Riela, Stoll and Schliesser have teamed up to establish Deutsche Agrar Gruppe, an agricultural equipment production and marketing business. In 2001, the company provided US\$5 million worth of used equipment, technical support and maintenance and training services in Russia.

Useful links

- Ministry of Agriculture and Food of the Russian Federation (MoAF), Web site: www.aris.ru
- The State Customs Committee of RF, Web site: www.customs.ru
- Kompas Russia 2001 (Registry of Russian Industry and Commerce), Web site: www.kompass.ru

For more information, contact Marina Fomitcheva, Trade Commissioner, Canadian Embassy, Moscow, tel.: (011-7-095) 956-6666, fax: (011-7-095) 232-9949, e-mail: marina.fomitcheva@dfait-maeci.gc.ca *

Canadian Trade Review

A Quarterly Review of Canada's Trade Performance Second Quarter 2001

This trade and investment quarterly reports on Canada's economic growth in the second quarter of 2001, and highlights our trade and investment performance in key sectors and markets.

Decline in Canada's Exports Restrained Growth of Gross Domestic Product in Second Quarter of 2001

Continued slow growth, particularly in the U.S. economy, and sluggishness in the economic climates in Europe, Asia and Latin America, contributed to constrain the international demand for Canadian goods and services.

Canada's current dollar exports of goods and services experienced a decline of 5.5% (on an annual basis) in the second quarter of 2001. This was the first annual decline in exports registered in over four years and was mainly due to lower shipments to the United States. At the same time, reflecting the continued, albeit rapidly slowing, growth in the Canadian economy, imports of goods and services continued to increase at an annual rate of 3.8%, which led to a decline in the trade balance for goods and services in contrast to the upward trend experienced over the last year. The current account surplus for the second quarter was \$39.5 billion at a seasonally adjusted annual rate (s.a.a.r.)—substantially higher than the record high of \$26.9 billion for 2000 as a whole, though down from the record quarterly high of \$53.9 billion in the first quarter.

Combined with otherwise limited growth in consumer,

government and business spending, real gross domestic product (GDP) only increased at an annual rate of 0.4% in the second quarter—a marked deceleration from 2.0% in the preceding quarter.

Despite lay-offs in the high-tech sector, the job market reported a net increase of 40,000 jobs in the second quarter, up from 34,000 in the first quarter. Nevertheless, the average unemployment rate edged up to 7.0% from 6.9% in the previous quarter—slightly above the 26-year low of 6.8% experienced in 2000.

Table 1: Canada's Economic and Trade Indicators

Percent Change at Annual Rates Second Quarter 2001 over First Quarter 2001	
Real GDP	0.4
Employment (<i>quarterly increase, level</i>)	40,000
Rate of Unemployment (<i>second quarter average in percent</i>)	7.0
Consumer Price Index	
All Items	3.5
Core (<i>excludes food and energy</i>)	2.3
Canadian \$ in U.S. funds (<i>second quarter average</i>)	0.6489
Exports of Goods and Services (<i>based on current dollars</i>)	-5.5
Imports of Goods and Services (<i>based on current dollars</i>)	3.8

Source: Statistics Canada

¹ To make quarterly data comparable to annual data, the quarterly figures for trade in goods and services are adjusted for seasonality and are expressed at annual rates by raising them four times. These data are denoted by the abbreviation (s.a.a.r.)

Prepared by the Trade and Economic Analysis Division (EET)



Trade and Investment Highlights

Overall, inflation in the second quarter was 3.5%, whereas core inflation (excluding food and energy), at 2.3%, was within the target range of 1% to 3% that has been established by the Bank of Canada.

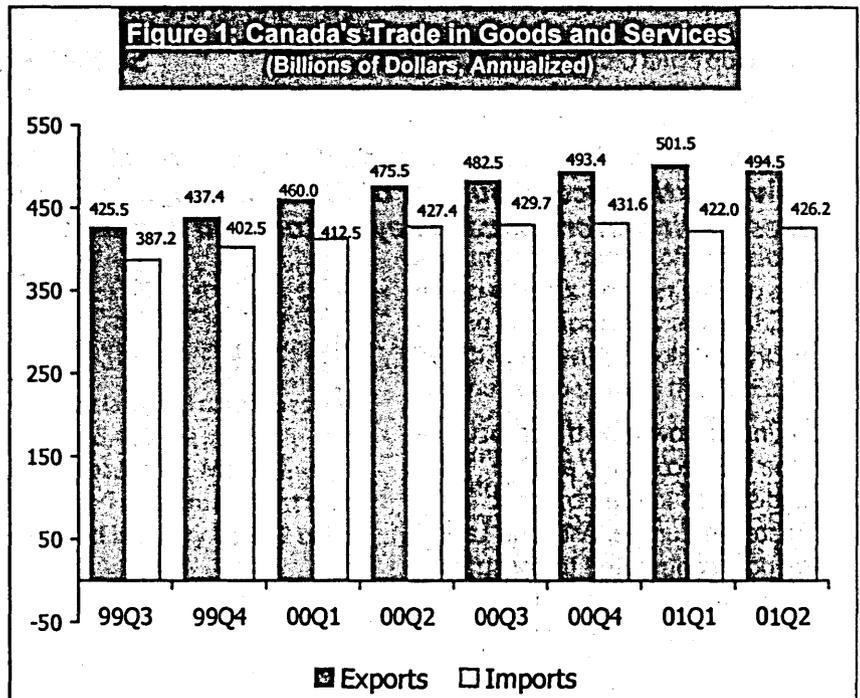
Despite a rebound toward the end of the quarter, the average U.S. dollar value of the Canadian dollar declined slightly in the second quarter to just below 65 cents (U.S.).

The drop in the current account surplus in the second quarter can be explained by a decline in the merchandise trade surplus combined with worsening deficits for direct and portfolio investment income transactions. On the other hand, the persistent deficit in the services trade was somewhat reduced, as the decline in imports of services in the second quarter was more pronounced than the decline in services exports.

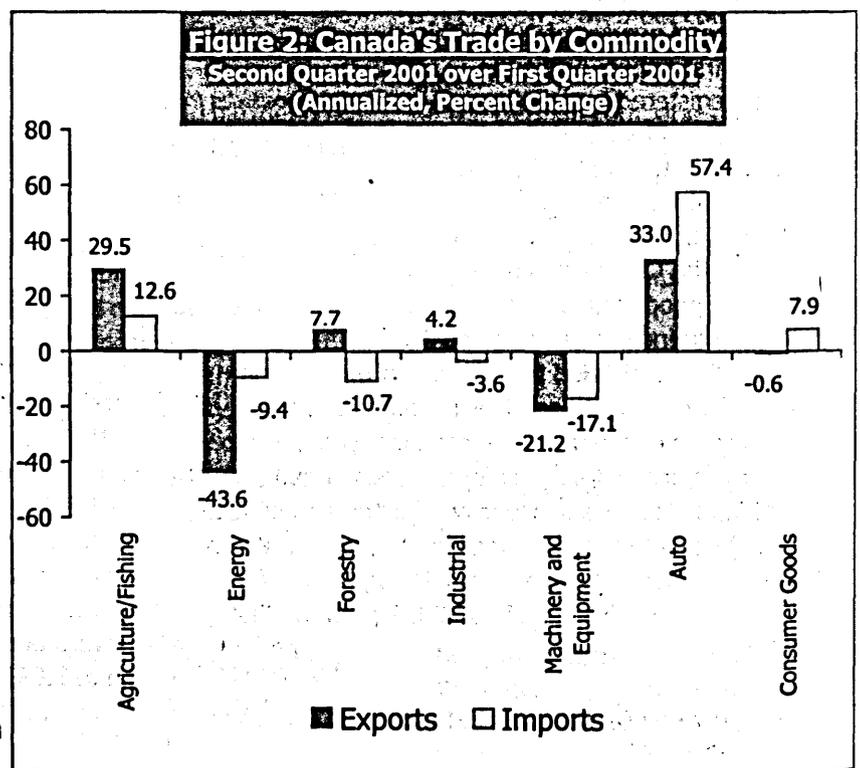
Both inward and outward investment increased in the second quarter. Outward investment expanded more rapidly than inward investment—both expanding at a slower rate than in the first quarter. The growth in both inward and outward investment was led by direct investment. On the portfolio side, both inward and outward investments were dominated by equity transactions. The flows of inward and outward portfolio investments in the second quarter were comparable to their respective levels in the first quarter.

The Slowdown in U.S. Economic Growth Limited Canada's Exports

Exports of goods and services were reduced to \$494.5 billion (s.a.a.r.) in the second quarter, compared to \$501.5 billion in the first quarter. Merchandise exports totalled \$438.1 billion in the second quarter compared to \$444.9 billion in

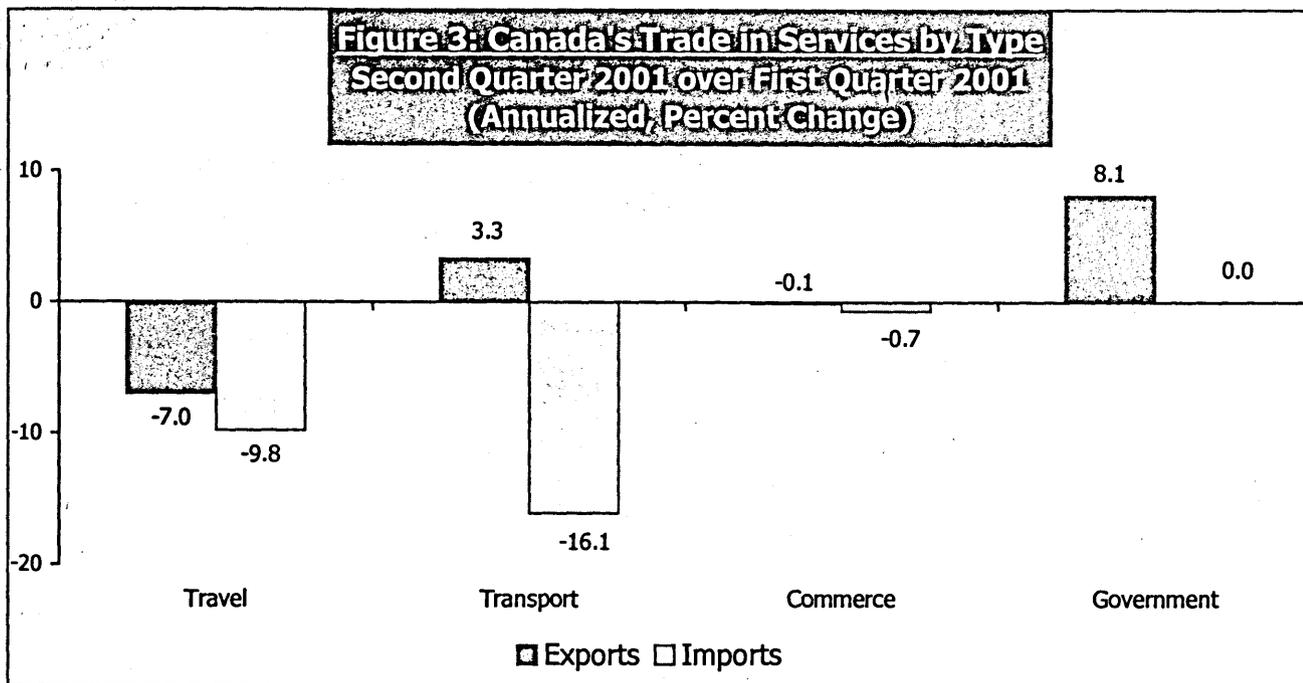


Source: Statistics Canada



Source: Statistics Canada

**Figure 3: Canada's Trade in Services by Type
Second Quarter 2001 over First Quarter 2001
(Annualized, Percent Change)**



Source: Statistics Canada

the previous quarter. The decline was led by a substantive drop in the value of energy exports, but was also accompanied by a decline in exports of machinery and equipment. On the other hand, export shipments of agriculture and automotive products recorded substantive increases in the second quarter, while forestry and industrial goods recorded more modest gains.

Imports of goods and services, in contrast to exports, increased from \$422.3 billion (s.a.a.r.) in the first quarter to \$426.2 billion in the second quarter. As well, merchandise imports similarly increased from \$358.3 billion to \$363.4 billion. Strong growth in the imports of automotive products, and to a lesser extent in imports of agricultural and consumer goods, offset a decline in imports of machinery and equipment.

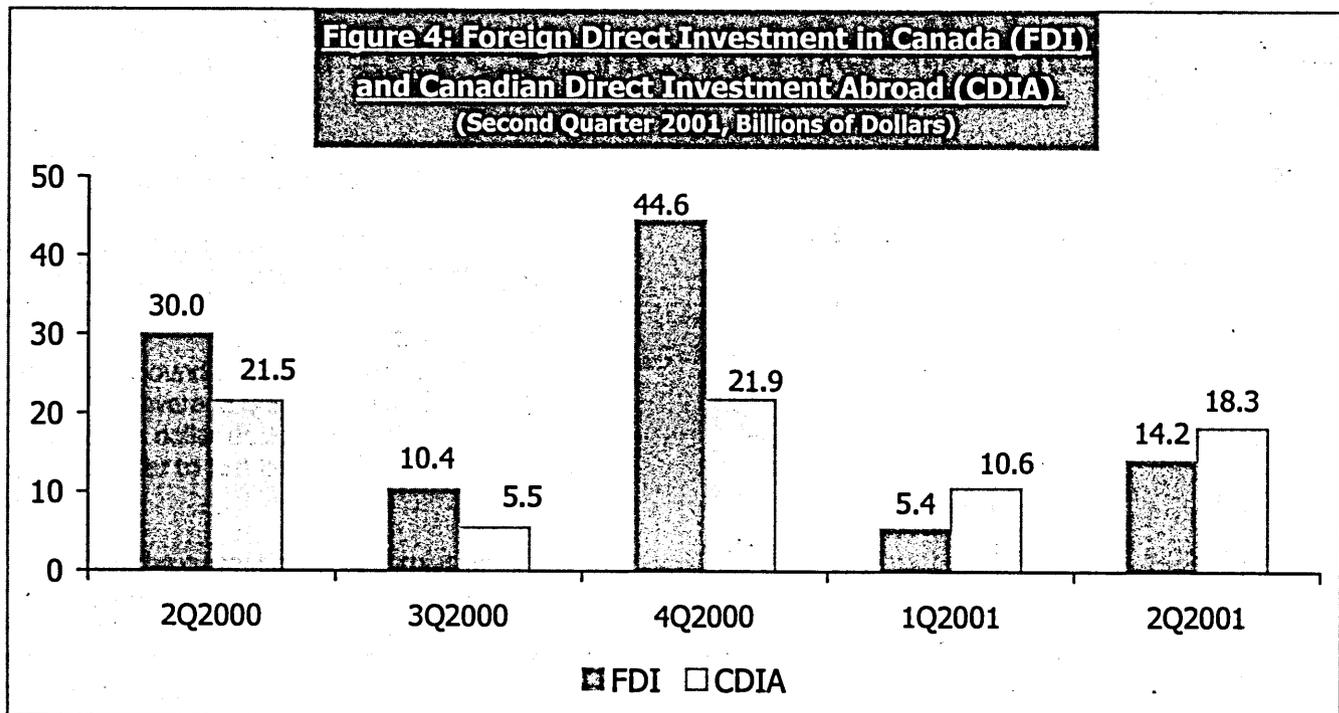
Despite improvements in the merchandise trade surplus for industrial, agricultural and forestry products, the overall merchandise trade surplus declined in the second quarter—primarily due to the dramatic \$10.6 billion (s.a.a.r.) decline in the value of energy exports.

As energy exports predominantly reflect shipments to the United States, the decline in the value of energy exports in the second quarter also had a negative impact on the overall trade balance with the United States. Canada experienced a trade deficit with all other

trading partners in the second quarter. Even the small trade surplus enjoyed with Japan in the first quarter turned into a small trade deficit in the second quarter.

Services Trade Deficit Continued to Decline

In this quarter, Canada's services exports and imports declined to \$56.4 billion (s.a.a.r.) and \$62.8 billion (s.a.a.r.) respectively, from \$56.6 billion for exports and \$64.0 billion for imports in the first quarter. The more rapid decline in services imports than services exports led to a reduction in the services trade deficit of \$968 million (s.a.a.r.). All categories of services contributed toward the improvement in the services trade balance. The largest improvement was made by the transport sector—a combination of slightly increased exports in the second quarter combined with a sharp reduction in imports. Exports and imports in commercial services, which account for about half of all imports and exports of services, remained virtually unchanged between the first and second quarter, and consequently contributed very marginally to improve the services trade balance. On the other hand, Canada's international travel deficit continued the downward trend started in the third quarter of 2000 to the lowest level recorded in over two years. The decline was primarily a result of a drop in Canadian spending on travel to the United States.



Source: Statistics Canada

On balance, the decline in the travel deficit with the United States outweighed the increase in the travel deficit with other countries.

Inward and Outward Foreign Direct Investment Increased

Both inward and outward direct investment flows rebounded sharply in the second quarter from the first quarter. Outward flows in the form of Canadian Direct Investment Abroad (CDIA) increased from \$10.6 billion in the first quarter to \$18.3 billion in the second quarter, whereas inflows increased from \$5.4 billion to \$14.2 billion in the same period. For CDIA, the finance and insurance sector was the most important sector of investment in the second quarter—its share of overall CDIA flows increased to represent more than half of CDIA in the second quarter. Similarly, CDIA in the energy sector experienced a revival in the second quarter after a slump in the first quarter. The United States resumed its role as the dominant destination for CDIA in the second quarter. As much as two thirds of CDIA was directed to the United States in the second quarter—up from one third in the previous quarter. As with CDIA, the energy sector also figured as a prominent sector for foreign direct investment into Canada in the second quarter. In terms of the source of

foreign direct investment, the United Kingdom re-emerged as an important source for foreign direct investment into Canada in the second quarter. As a consequence, the share of inward foreign direct investment from the United States declined from 90.0% in the first quarter to 49.4% in the second.

Canadian portfolio investments abroad increased at a slower rate in the second quarter, largely as a result of the decline in global equity markets compared to the euphoria experienced in 2000. Similarly, foreign portfolio investments in Canada increased in the second quarter, though at a less rapid rate than in the first. Foreign investors added \$1.5 billion to their portfolio of Canadian stocks following an increase of \$5.2 billion in the first quarter. After adding \$8.5 billion of Canadian bonds to their portfolios in the first quarter, they bought an additional \$6.2 billion in the second quarter.

Canada's Official International Reserves Experienced Little Change

Canada's official reserve assets declined by a marginal \$135 million in the second quarter—thereby reversing the trend of additions to the official reserves over the last three quarters.

Features Section

Canada's Direct Investment Position in a Global and Historical Context

Introduction

As foreign direct investment (FDI)² is an increasingly important complement to trade in commercial relations between Canada and the rest of the world, this section examines Canada's FDI performance in a global context. On a global scale, FDI has grown more rapidly than trade in the 1980 to 1999 period. Whereas world exports expanded 1.9 times at a rate of 5.7% per annum in this time period, world outward FDI expanded 8.1 times at a rate of 12.3% per annum.

FDI Developments 1980-99: Canada in a Global Context

World Inward FDI and Canada's Role

In 1980, the world total inward FDI stock stood at US\$495 billion and expanded to US\$4,772 billion in 1999. The share accounted for by the European Union (EU) was 37.5% in 1980, 41.1% in 1990, but had dropped to 34.6% in 1999. Similarly, the share accounted for by the North American Free Trade Agreement (NAFTA) had declined from 30.1% in 1990 to 27.8% in 1999.

In 1980 and in 1990, Canada ranked third among individual recipient nations for inward FDI.

Not surprisingly, China overtook Canada on the country ranking list in 1995, and, in line with increasing European integration, so too have Germany, France, the Netherlands and Belgium-Luxembourg. Thus, Canada ranked eighth in the world among individual recipient countries in 1999, ninth, if the EU is included in the ranking list.

While world inward FDI stocks measured in U.S. dollars have grown the equivalent of 12.7% per year since 1980, Canadian FDI stocks have grown less than half as quickly (6.1% per year), by far the slowest rate of growth among the top 15 nations/regions (the EU included). When viewed from 1990 to 1999, the compound annual growth rate of Canadian FDI was only 4.4%, a little more than one third of the growth rate of global FDI over the same period. Although increasing world FDI flows to developing countries and emerging markets have limited the share of world FDI accounted for by developed countries, Canada is the only developed country that has registered a decline in its share in each and every year from 1993 to 1999; Canada's share of world inward FDI declined from 6.4% to 3.5% in the 1990 to 1999 period.

World Outward FDI and Canada's Role

The picture for Canada in terms of outward stock is strikingly similar to

that for the stock of inward FDI. In 1980, Canada ranked fifth in the world, but was overtaken by France and Japan in the 1980s and by Switzerland in the mid-1990s to rank eighth in 1999. It is relevant to note that, between 1990 and 1999, of the top 10 nations, only Japan experienced a lower rate of annual growth of outward direct investment than did Canada. In fact, Canada and Japan were the only two nations to experience less than double-digit annual growth in investment over the 1990s. As a result, Canada's share of global outward FDI fell steadily by more than 3% per year after 1990, a rate of decline exceeded only by Japan. In fact, only three of the other top 10 countries besides Canada experienced declines in their shares.

In 1980, the EU accounted for 40.6% of total world outward FDI, which increased to 46.0% in 1990 and continued to grow to account for 49.1% in 1999. In comparison, the share accounted for by the United States continuously declined from 42.1% in 1980 to 25.1% in 1990 and further to 23.8% in 1999. The share accounted for by the NAFTA declined from 41.7% in 1985 to 30.1% in 1990 and further to 27.7% in 1999 reflecting the fact that the NAFTA outward FDI stocks have not grown as fast as world outward FDI stocks, largely due to the fast pace of cross-border FDI expansion in Europe and FDI in Asia.

² FDI refers to an investment that allows the investor a significant influence in the management of an enterprise internationally defined as an investment, where the investor obtains control of at least 10 percent of the voting equity in an (foreign) enterprise. Inward FDI refers to FDI received from other countries, and outward FDI refers to FDI investments made abroad. The FDI stock position refers to the accumulated value of FDI established by historical and current (annual) FDI flows between countries.

Table 2

Canada's Share and Ranking of Inward and Outward Foreign Direct Investment

INWARD FDI				OUTWARD FDI			
Canada as a Source of World Inward FDI				Canada as a Destination of World Outward FDI			
Rank	Year	Share (%)	Rank	Year	Share (%)	Rank	Year
3	1998	5.25	3	1988	5.75	5	1988
2	1999	1.98	7	1999	1.73	6	1999
3	2000	2.09	8	2000	n.a.	8	2000
Canada as a Source of Inward FDI into Major OECD Countries				Canada as a Destination of Outward FDI from Major OECD Countries			
Country	Year	Share (%)	Rank	Country	Year	Share (%)	Rank
U.K.	1988	6	8	U.K.	1988	4	8
	1999	5.25	8		1999	n.a.	n.a.
	2000	1.98	8		2000	n.a.	n.a.
France	1988	11 ¹	13	France	1988	9	10
	1999	0.57	0.53		1999	2.71	1.19
	2000	n.a.	n.a.		2000	n.a.	n.a.
Mexico	1988	7	5 ²	Mexico	1988	n.a.	n.a.
	1999	2.09	3.19		1999	n.a.	n.a.
	2000	n.a.	n.a.		2000	n.a.	n.a.
Emerging Economies: Canada as a Source of OECD FDI into Emerging Markets							
Country	Year	Share (%)	Rank	Country	Year	Share (%)	Rank
Chile	1988	4	2				
	1999	8.18	20.03				
	2000	n.a.	n.a.				
China	1988	7 ³	11				
	1999	0.49	0.77				
	2000	n.a.	n.a.				

Sources: World Investment Report 2000, UNCTAD, July 2000; Statistics Canada - Canadian FDI 1999/2000 International Direct Investment Report Statistics Yearbook - 2000, OECD, 2001; Direct Investment Positions for 2000, Survey of Current Business, July 2001, U.S. Bureau of Economic Analysis (BEA) - U.S. FDI 1999/2000

1 Data for inward FDI into France refers to 1989 rather than 1988.

2 Data for inward FDI into Mexico refers to 1997 rather than 1998.

3 Data for FDI into China from OECD countries refers to 1991 (the first year Canada reported a FDI position) rather than 1988. n.a. = not available

FDI as a Percent of Gross Domestic Product

The share of global inward FDI stock to world gross domestic product (GDP) increased from 4.9% in 1980 to 13.7% in 1998, largely driven by cross-border and merger activity.

In 1980, Canada's ratio of inward FDI to GDP was 20.6%, by far the largest among the major economies in the world, followed by Ireland (19.5%), Indonesia (14.2%) and the United Kingdom (11.7%). However, whereas Canada's ratio of inward FDI to GDP had increased to 23.9% in 1998, a number of other countries including Indonesia (77.3%), Belgium/Luxembourg (61.7%), Netherlands (48.0%), Chile (40.4%), Ireland (32.7%), Australia (28.1%), China (27.6%) and Switzerland (26.5%) had surpassed Canada with respect to the role of inward FDI in their economies.

In 1980, Canada's share of outward FDI to GDP was 9.0%, the fourth largest in the world following the Netherlands (24.5%), Switzerland (21.1%) and the United Kingdom (15.0%), but just ahead of the United States (8.1%). Although Canada increased its share of outward FDI to GDP to 26.9% in 1998, it had been surpassed by Belgium/Luxembourg (50.2%) and Sweden (41.3%) to rank sixth among major economies.

How Does Canada Rank within the Inward and Outward Direct Investment Balance Sheets of Other Major OECD Countries?

The United States is the most important partner country for Canadian FDI flows. From the perspective of the United States,

however, Canada has declined in importance. Whereas Canada ranked as the most important destination for outward FDI from the United States in 1988 (Canada accounting for 18.65%), it had been surpassed by the United Kingdom to rank second in 2000 (Canada accounting for 10.16%). Similarly, whereas Canada ranked as the fourth most important source for U.S. inward FDI in 1988 (Canada accounting for 8.44%), it had been surpassed by both Germany and France to rank sixth in 2000 (Canada accounting for 8.14%).

Canada accounted for 5.25% of inward FDI into the United Kingdom in 1988 to rank as the sixth largest source country, but its share had declined to 2.09% in 1999 for a ranking as the eighth largest source. With respect to outward U.K. FDI, Canada ranked as the fourth largest destination in 1988 (Canada accounting for 5.75%), but had been surpassed by France, Germany, Ireland and Hong Kong to rank eighth in 1999 (Canada accounting for 1.45%).

For FDI into Germany, Canada ranked as the twelfth largest source of FDI in 1988, but had been surpassed by Denmark to rank thirteenth in 1998. The share Canada accounted for declined from 0.93% to 0.61% in this period. With respect to FDI from Germany, Canada's share declined from 3.25% in 1988 to 1.39% in 1998, and, consequently, Canada's ranking fell from tenth to twelfth as the largest destination country.

Canada ranked eleventh as the supplier of inward FDI into France in 1989 (accounting for 0.57%), but this ranking fell to thirteenth in 1998, when Canada accounted for 0.53%. With respect to outward FDI from France, Canada ranked as the ninth largest destination in 1988 (accounting for 2.71%) and as the tenth largest in 1998 (accounting for 1.19%).

Canada was the seventh largest source of FDI into Japan in 1988 (accounting for 1.19%). In 1998, Canada accounted for 2.56% and had moved up to rank as the sixth largest source country. In the period from 1991 to 1994, CDIA to Japan reached a peak and Canada accounted for over 4% of total FDI into Japan in each of these years. For outward FDI from Japan, Canada ranked as the tenth largest destination in 1988 (accounting for 1.73%), but this ranking fell to fifteenth by 1998 (Canada accounting for 1.46%).

In 1988, Canada ranked as the seventh largest source of inward FDI to Mexico (accounting for 2.09%). This ranking was improved to fifth largest source country in 1997—jointly with the United Kingdom—when both countries accounted for 3.19%.

What Were the Sources of FDI into Canada, and Who Were the Recipients of Canadian Investment Abroad between 1980 and 2000?***Inward FDI***

The stock of FDI in Canada increased every year between 1980 and 2000 at an annual rate of 8.1%. Stated differently, the total stock of FDI in Canada in 2000 was 4.7 times what it was in 1980.

While the United States retains the largest share of the stock of FDI in Canada, at 63.9% in 2000, this is the lowest share observed since the 1980 high water mark of 79.0%. The EU is by far the second largest investor in Canada, with a share of 26.7% in 2000, greater by 10% than the share of the same group of nations in 1980. Recent merger and acquisition activity accounts for the

surge in share in 2000, and is reflected in a significant jump in France's share to 9.9% in 2000, in comparison with the previous high of 3.4% in 1994-95³. While the U.K. share also increased in 2000 over 1999, it had declined previously in all but two years between 1990 and 1999.

Outward FDI

As with FDI into Canada, Canadian Direct Investment Abroad (CDIA) has increased steadily over the last 20 years at a rate of 13.1% annually. As a result, CDIA in 2000 was at a level 3.4 times that achieved in 1989 compared with that of 2.4 times for inward FDI. In fact, CDIA has exceeded FDI into Canada since 1997.

Contrary to expectation, perhaps, the stock of CDIA in the United States has grown less rapidly than that held in the rest of the world since 1980. The United States is still the recipient of the dominant share of such investment at 51.1%, even though this share has declined in all but four years since 1980.

At 6.5% in 2000, the CDIA stock in Barbados (ranked third largest by recipient country) was up 16.1 times from 1989. The comparable figure for Ireland (fourth-ranked recipient in 2000) was 6.5 times, for the Netherlands (fifth-ranked recipient) 5.9 times, for Japan (seventh-ranked recipient) 9.9 times, for Chile (eighth-ranked recipient) 25.0 times and for Mexico (twelfth-ranked recipient) 12.7 times. The United States, by contrast, held a stock of CDIA in 2000 that was 2.7 times that held in 1989, while the equivalent figure for the United Kingdom was 2.3.

Canada's FDI into Emerging Markets

A notable feature of the development of FDI over the last two decades has been the increasingly important role played by a number of emerging markets, such as Argentina, Brazil, Chile and China. As a consequence, increases in the share of inward FDI to GDP over the last two decades have been more pronounced for developing countries than for developed countries.

Canada has increased its role as an Organization for Economic Co-operation and Development (OECD) source country for FDI into Argentina and Chile, but has seen its ranking decline in Brazil and China. Among the OECD countries, Canada ranked as the seventh largest source of FDI into Argentina in 1988 (accounting for 1.67%). This ranking increased to fourth position in 1998, when Canada accounted for 6.69% of FDI into Argentina from the OECD countries.

Canada ranked as the fourth largest source of OECD FDI into Chile in 1988 (accounting for 8.18% of OECD-sourced FDI). In 1998, however, Canada ranked second behind the United States and accounted for as much as 20.03% of OECD-sourced FDI.

In 1988, Canada ranked as the sixth largest OECD source for FDI into Brazil (accounting for 3.95% of OECD-sourced FDI), but the ranking had slipped to tenth position in 1998 (Canada accounting for 2.84% of OECD-sourced FDI).

Canada did not report any FDI into China until 1991, when it ranked as

the seventh largest OECD source country and accounted for 0.49% of OECD FDI into China. Despite increasing its share of OECD FDI into China to 0.77% in 1998, Canada's ranking fell to eleventh among the OECD countries. The most dramatic development with respect to OECD FDI into China is the steep decline in the share accounted for by Japan and the considerable expansion of FDI from Korea into China

What Can We Conclude?

As a result of the ongoing liberalization of trade and investment, global FDI flows surged in the last decade, in continuation of the secular pattern observed over the last three decades. In this environment, Canada's FDI flows also grew considerably, but less rapidly than most of the other major countries. In the 1990-99 period, annual growth of FDI in Canada was 4.4%, the lowest of all major countries, compared with 11.7% for the world. Similarly, CDIA grew annually by 8.6% in the same period, the lowest rate of growth in outward FDI among major economies, with the exception of Japan and Australia. As a consequence, Canada's share of both inward and outward world FDI has been declining over the last decade, especially for world inward investments. Canada has lost market share and/or ranking as both the source and destination of FDI among all the major OECD countries, except for CDIA into Japan and Mexico.

³ Prominent acquisitions in 2000 included the \$49.5-billion takeover of Seagram Co. by Vivendi SA of France, and the \$10.8-billion takeover of Newbridge Networks Corp. by Alcatel SA, also of France.

Privatization combined with increased foreign competition has been good news — and bad news — for the consumer goods sector in the Czech Republic.

Glass and ceramics

Glass, ceramics, and porcelain manufacturing have been part of the traditional Czech industrial scene since the beginning of the twentieth century.

Privatization in the 1990s has brought an infusion of foreign capital into engineering production. Revamped technology, dramatically altered business policies, and abolishment of foreign trade monopolies have all boosted productivity. Glass and ceramics are now mostly mass produced and enterprises have begun to develop their own corporate trademarks.

However, household porcelain and lighting glass are still primarily hand made because manufacturers lack sufficient capital to replace obsolete equipment.

While there are few export opportunities for glass and jewellery, Canadian firms seeking joint ventures and other types of partnerships are very welcome.

Textiles and clothing

This is one of the oldest and most important industrial sectors in the Czech Republic, employing 9.8% of the working population. In 2000, it accounted for 4.6% of processing industry revenues and 5.6% of value-added revenue.

The industry is a major exporter of innovative merchandise — and ideas. “Jet weaving” and “spindle-less spinning” are two revolutionary inventions that originated in the Czech Republic.

Exports, imports, labour productivity, average wages and production all rose during 2000, while unemployment fell. The growth in production was a result of the growing global demand for Czech goods. The domestic market remains very price-sensitive — attracting capital remains a problem — but

changes to the industry framework should improve productivity and competitiveness.

The Czech Republic is an excellent market for “second-hand” textiles and a good market for brand name products. The sector offers good

opportunities for joint ventures and partnerships.

Toys and games

Privatization has not been fun and games for the Czech toy industry. Toy production fell drastically after a number of large state-run enterprises, which had been turning out high-quality products, were dissolved.

Although their wooden, plush and textile toys and puppets are world renown, the Czech Republic has missed out on technical development and is therefore lagging in the manufacture of electronic and computer games.

The main obstacle to growth in the toy sector, however, is demographic. With the Czech population in decline, so are the numbers of potential customers — children. Czech families are following the European trend, opting to have only one or two children. It would seem the only hope for Czech toy manufacturers is to get their products into foreign markets with more promising birth rates.

Makers of high-tech toys, such as computer and electronic games, and educational computer programs will find the Czech market very receptive. Good market opportunities also exist for competitively priced baby toys and equipment. Because of Czech expertise in this

field, there is no market for wooden and textile toys.

Furniture

The Czech furniture industry is top-of-the-line, with select products enjoying a worldwide reputation for quality and design. But with the

Consumer goods in the Czech Republic

increase in global competition, maintaining its advantage in foreign markets is a challenge.

Canadian furniture makers specializing in high-tech or unusual designs can play a role in this relatively cash-poor sector by investing in new technologies, an upgraded production base and effective distribution networks. They can also get help introducing their products into the Eastern European market from Czech furniture makers, who know the market and understand the mentality of the people.

For more information, contact Jitka Hoskova, Commercial Officer, Canadian Embassy, Prague, tel.: (011-420-2) 7210-1863, fax: (011-420-2) 7210-1894, e-mail: jitka.hoskova@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/~prague *



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These are exciting times — our economy is being transformed from the industrial age to the information age. We receive a steady stream of articles and commentaries that try to define the critical success factors of our day, which use buzz-

Canadian IT excellence

Partnering with China

words such as "think global, act local" and "the borderless economy." There is one clear concept that ties these terms together, namely: partnerships — or more specifically, partnerships in this global world of information technologies.

Canada is a global force in the world of IT, and it is ready to partner with Chinese firms. Today, there are over 26,000 IT companies in Canada with annual revenues of over \$116 billion. These firms account for almost half of the total R&D undertaken in Canada — and these numbers just keep on growing!

Canadian excellence

In the past two years, Canadian IT firms have invested over \$100 billion in expansion and acquisition, and today can supply every facet of an IT infrastructure, from equipment design and manufacture, through advanced networking technology, to the software and services needed to run and maintain the infrastructure.

Canada is home to some of the world's greatest IT firms, such as Nortel Networks (www.nortelnetworks.com/index.html) the world's top company in the global telecommunications equipment market; JDS Uniphase (www.jdsuniphase.com/) the world's largest supplier of optical components; and PMC Sierra (www.pmc-sierra.com/) a leading broadband semiconductor technology provider.

Then there are the many Canadian multimedia firms, whose software products dominate the Hollywood special-effects industry, with an estimated 80% share of the animation software market. And these Canadian success stories are just the beginning.

Canadian presence in China

So what does this have to do with partnerships, and with China in particular?

Canada recognizes the importance of partnering with China, and wishes to build upon our long history of bilateral co-operation.



Indeed, over 400 Canadian firms now have an established presence in mainland China. Canada and China have undertaken a Memorandum of Understanding (MoU) for Co-operation in the Fields of Telecommunications and Information Technologies, under which we have successfully carried out a large number of co-operative activities with notable results.

In the past year, Trade Team Canada led successful delegations to the China High-Tech Fair, Expocomm Shanghai, Chinalnet, Hong Kong Information Infrastructure Expo and Conference, Asia Telecom 2000, InfoCom China West and on the Prime Minister's Team Canada Mission — and these participants went simply because they want to partner with China!

China is now in the midst of many very exciting developments — accession to the WTO, privatization of various state-owned enterprises, and market liberalization. These developments can only be expected to accelerate China's economic growth, which is already the envy of many nations.

For more information about opportunities to partner with Canadian and Chinese firms, contact :

- Rosaline Kwan, Trade Commissioner, Canadian Embassy in Beijing, tel.: (011-86-10) 6532-3536, fax: (011-86-10) 6532-4072, e-mail: rosaline.kwan@dfait-maeci.gc.ca
- Murray King, Trade Commissioner, Canadian Consulate General, Shanghai, tel.: (011-86-21) 6279-8400, fax: (011-86-21) 6279-8401, e-mail: murray.king@dfait-maeci.gc.ca
- Cathy Yao, Commercial Officer, Canadian Consulate General, Guangzhou, tel.: (011-86-20) 8666-0569, fax: (011-86-20) 8667-2401, e-mail: cathy.yao@dfait-maeci.gc.ca
- Brian Wong, Commercial Officer, Canadian Consulate General, Hong Kong, tel.: (011-852) 2847-7414, fax: (011-852) 2847-7441, e-mail: brian.wong@dfait-maeci.gc.ca
- Peter Liao, Commercial Officer, Canadian Consulate, Chongqing, tel.: (011-86-23) 6373-8007, fax: (011-86-23) 6373-8026, e-mail: peter.liao@dfait-maeci.gc.ca
- Marcel Belec, Trade Commissioner, China and Mongolia Division, DFAIT, tel.: (613) 995-6962, fax: (613) 943-1068, e-mail: marcel.belec@dfait-maeci.gc.ca
- Dale Forbes, Manager, China and Hong Kong, Industry Canada, tel.: (613) 990-9092, fax: (613) 990-4215, e-mail: forbes.dale@ic.gc.ca *



New service at Mexican border for Canadian agri-food exporters

A new service will make it easier to move food products into Mexico, one of the largest markets of Canada's agriculture and agri-food industry.

Mexico currently has a fairly complicated import regime and getting products (especially processed foods) across the border can be challenging. Part of the problem may be Canadian exporters' uncertainty about clearance requirements. In addition, exporters and Mexican officials sometimes interpret the requirements differently.

The new service is a joint pilot project of the federal government and the governments of Quebec, Ontario, Manitoba, Saskatchewan and Alberta. It provides a full-time resource person at the border, who will help ensure that companies involved are well prepared to meet Mexican requirements. Should any difficulties occur, the resource person will be available to see that they are resolved quickly. This should allow Canadian goods to move more smoothly across the border.

The resource person is Luis A. Pérez Benitez, a lawyer with extensive experience in consulting with Canadian companies that do business in Mexico. He will be stationed full-time at Nuevo Laredo, Mexico, the second busiest international border crossing in the Americas. Mr. Pérez will provide services and information as needed. For example, exporters can consult with

him before shipping to ensure that all their papers are in order, and he will be on site to troubleshoot any problems if a shipment is held up at the border.

Mr. Pérez will also develop strong working relationships with Mexican government and other border officials. The results should be more efficient communications and more on-the-spot resolutions of clearance problems for all Canadian agri-food exporters at Nuevo Laredo, as well as at other Mexican border crossings.

For further information, contact Luis A. Pérez, tel.: (011-528) 719-0003, cell: (1-956) 206-8771, fax: (011-528) 719-0764, e-mail: luispere@nlaredo.globalpc.net

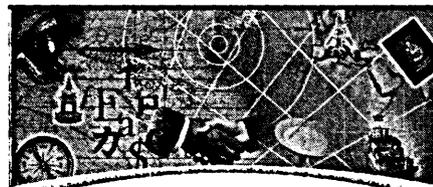
Information seminars on exporting agri-food products to Mexico
In the five provinces participating in the pilot project, information sessions scheduled for this fall will explain how to best utilize the new border service, and will offer other tips on exporting to Mexico.

The plan is to expand the pilot project in 2002/03, making the border service available to exporters across Canada.

Following is the schedule of information sessions:

WINNIPEG — October 22-23
SASKATOON — October 23-24
CALGARY — October 25-26
MONTREAL — November 20
TORONTO — November 21-22

- For more information, contact:
- Richard A. Clegg, Agriculture and Agri-Food Canada, tel.: (613) 759-7743, e-mail: cleggr@em.agr.ca
Web site: www.agr.ca
 - Lasby Lowes, Manitoba Agriculture and Food, tel.: (204) 945-4490, e-mail: lhowes@agr.gov.mb.ca
 - Chandra Mark, Saskatchewan Agriculture and Food, tel.: (306) 787-5966, e-mail: cmark@agr.gov.sk.ca
 - Marcy O'Connor, Alberta Economic Development, tel.: (780) 422-1762, e-mail: marcyoconnor@gov.ab.ca
 - Roxana Arriagada, Ministère de l'Agriculture, des Pêcheries et de l'Alimentation du Québec, tel.: (514) 873-4147, ext. 235, e-mail: roxana.arriagada@agr.gouv.qc.ca
 - Alan Crawley, Ontario Ministry of Agriculture, Food and Rural Affairs, tel.: (519) 826-3970, e-mail: acrawley@omafra.gov.on.ca ✽



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- P** EMD typically pays 50% of:
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Ineligible costs include salaries, commissions, entertainment, meals, accommodation and taxes.

For more information, contact the International Trade Centre (ITC) in your area or visit our Web site: www.infoexport.gc.ca/programs-e.asp

(See the other PEMD announcements in the July 3, July 16, and September 4, 2001, issues of *CanadExport*.)

New market reports

To access the following reports, see *canadexport* on-line at www.infoexport.gc.ca/canadexport and click on "Market Studies":

- *The New Zealand Hardware Market*
- *The World of Wireless: Present and Future Prospects in the Korean Market* ✽

Canadian Education Industry Summit 2001

TORONTO — October 10, 2001 — The Canadian Education Industry Summit is celebrating its fifth year of providing a platform for education industry leaders and the investment community to discuss unique opportunities in this emerging industry.

Expected to attract over 300 delegates from across Canada and the United States, this year's summit deals with the continued rapid growth of

the multi-billion-dollar global education industry. The one-day event examines the trends that will provide Canadian investors and operators with specific markets and opportunities for the year 2002 and beyond.

On the agenda: what's involved in going global; funding challenges; the World Wide Web of knowledge versus privatization; debt financing at the

Continued on page 16 - Education

International Development Days 2001

WINNIPEG — November 14-16, 2001 — International Development Days offers Canadian companies and agencies in all sectors the opportunity to promote their services and products and enhance their corporate profile. This year's event will feature the presentation of the 10th Annual Canadian Awards for International Co-operation by the Honourable Maria Minna, Minister for International Co-operation.

The event will include a variety of informative workshops that will explain how to win more work from the Canadian International Development Agency (CIDA) (www.acdi-cida.gc.ca), International Financial Institutions (IFIs) (www.infoexport.gc.ca/ifinet), the United Nations (UN) (www.un.org) and other agencies. Private one-on-one meetings with senior CIDA, IFI and UN officials will provide opportunities to discuss specific areas of expertise and interest. Companies may participate as a sponsor or an exhibitor.

For more information, or for an on-line registration form, visit the Web site at www.cme-mec.ca/national/events/IDD/index.htm

For more information, contact Langis Lagacé, CIDA, tel.: (819) 994-6206, e-mail: langis-lagace@acdi-cida.gc.ca Web site: www.acdi-cida.gc.ca or Treena Adhikari, Canadian Manufacturers & Exporters, tel.: (905) 568-8300, ext. 249, fax: (905) 568-8330, e-mail: treena.adhikari@cme-mec.ca Web site: www.cme-mec.ca *

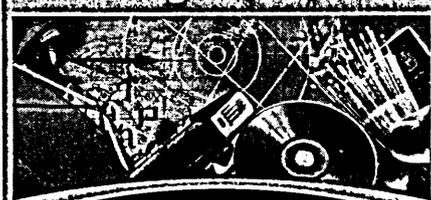
Telecom mission to Africa

SOUTH AFRICA, GHANA and NIGERIA — November 11-23, 2001 — The Department of Foreign Affairs and International Trade (DFAIT) and Industry Canada are organizing a trade mission to one of the world's last, vast, untapped markets for telecommunications products. The mission will include participation in ITU Telecom Africa 2001, the premier telecommunications event in Africa to be held in Johannesburg, South Africa, as well as customized programs in Ghana and Nigeria, two promising markets.

For more information, contact:

- Karra-Lee Gerrits, Trade Commissioner, Sub-Saharan Africa Trade, DFAIT, tel.: (613) 944-6575, fax: (613) 944-7437, e-mail: karra-lee.gerrits@dfait-maeci.gc.ca
- Ohannes Keuylian, Manager, Africa, Middle East, Central and Eastern Europe, and the Former Soviet Union, Industry Canada, tel.: (613) 998-0416 /cell: (613) 612-8094, fax: (613) 990-4215, e-mail: keuylian.ohannes@ic.gc.ca *

Information and Communications Technologies (ICT) Week



THE CANADIAN TRADE COMMISSIONER SERVICE

Approximately 40 members of the Canadian Trade Commissioner Service (TCS) will be at two major events during ICT Week in Canada. They can help Canadian companies registered at these events to find export opportunities.

VANCOUVER — November 4-6 — Softworld 2001 (www.softworld.org), the world's premier forum for technology companies to develop strategies and forge partnerships, will bring together over 800 senior-level executives from over 30 countries to connect with market leaders and emerging technology companies for the sole purpose of developing partnerships that lead to new markets, revenues and investments.

TORONTO — November 6-8 — Communications 2001 (www.communications2001.org) is Canada's communications showcase, drawing Canada's telecommunications, Internet and computing decision makers. The exhibition will feature manufacturers and distributors of infrastructure and hardware, content providers, application service providers (ASPs), software developers, and portal and service providers.

For more information or to set up a meeting with a Trade Commissioner, contact: Syed Hasan, Market Support Division, DFAIT, tel.: (613) 944-2543, e-mail: syed.hasan@dfait-maeci.gc.ca

Access the Trade Commissioner Service's ICT market reports and network of professionals at: www.infoexport.gc.ca

Upcoming trade shows and conferences

For the full details on the following events, see Canadexport on-line at www.infoexport.gc.ca/canadexport and click on either "Trade Fairs and Missions" or "Conferences/Seminars/Meetings."

MYRTLE BEACH, SOUTH CAROLINA — October 11-13, 2001 — The Canadian Consulate General/Atlanta is seeking Canadian manufacturers of telecommunications equipment and software and providers of telecom services to participate in the **2001 Carolinas Telephony and Technology Symposium**, an annual event which attracts telecommunications managers and decision makers from North and South Carolina.

BUENOS AIRES, ARGENTINA — October 21-25, 2001 — The world's premier energy event, the **18th triennial World Energy Congress** is being held for the first time in Latin America, along with the **Argentina Oil and Gas Expo**. Among the over 5,000 delegates will be government ministers and regulators, heads of major energy companies, academics and consultants, and representatives from 50 international organizations and financing institutions.

BAHRAIN — October 29-31, 2001 — **Petrotech 2001** is an exhibition and conference that attracts petroleum engineers, refinery managers, geologists and geophysicists and other decision makers from all over the region. The Canadian Embassy will have an information booth promoting Canadian companies.

HAVANA, CUBA — October 28-November 4, 2001 — Cuba's largest trade fair, the **Havana International Trade Fair (FIHAV)** is multisectoral and includes the tourism; power and electricity; transportation; agriculture and food sectors. Last year's event attracted 1,400 exhibitors from 62 countries and 200,000 visitors.

CAIRO, EGYPT — November 6-9, 2001 — **The Middle East Power and Energy**

Exhibition and Conference (ELECTRIX) is the leading annual electrotechnical, power, solar and renewable energy event in the Middle East and North Africa.

CHICAGO, ILLINOIS — November 11-13, 2001 — The **Private Label Manufacturers Association (PLMA) Show** is the premier annual exhibition for North America's private label grocery products trade.

NAMUR, BELGIUM — November 21-23, 2001 — **BEST** is an environmental and energy conference and trade show held every two years. **BEST 2001** will feature a partnering event with more than 100 European companies seeking transnational co-operation agreements.

BANGKOK, THAILAND — November 28-December 1, 2001 — **Asia Automotive 2001** is the venue to promote automotive products and the latest technologies to key Southeast Asian buyers.

PADOVA, ITALY — November 28-December 1, 2001 — **Bionova** is the only Italian exhibition dedicated to health-related biotechnology and bioengineering. The Canadian Consulate General in Milan is planning a number of activities to promote partnering of Canadian and Italian and international biotech companies.

LAS VEGAS, NEVADA — December 11-13, 2001 — **Power-Gen** is the largest international trade show and conference for power industry decision makers. This year, **Trade Team Canada-Electric Power Equipment and Services** will have a booth at the trade show with space for six Canadian companies.

TOKYO, JAPAN — December 13-15, 2001 — **Bio Fach Japan, International Organic Trade Fair** is the platform to enter a growing market. Japanese consumers are showing a trend toward natural products including organically grown and processed food, beverages and cosmetics.

BAHRAIN — January 14-17, 2002 — **The Bahrain Naval & Maritime 2002** is the first dedicated international naval and maritime exhibition and conference in the Middle East, complementing the air and land defence exhibitions already established in the Gulf region.

ROTORUA, NEW ZEALAND — March 12-16, 2002 — **The Forest Industries International Conference and Exhibition** is New Zealand's largest forest industry event. New Zealand is becoming an international forestry leader and will need to invest heavily in new processing facilities, which means opportunities for Canadian manufacturers of forestry and wood processing machinery.

SEOUL, KOREA — March 18-19, 2002 — **Food Showcase Korea** will occur the week following **Foodex** in Japan, and is the major venue to promote food products to Korean importers. Korea is one of the most dynamic Asian economies.

MELBOURNE, AUSTRALIA — June 2-5, 2002 — Following the success of the 2001 show, held in Sydney, Canadian exporters will be able to participate in **Interbuild Australia 2002**, Australia's largest building exhibition, which showcases the latest in building products and technology for residential, commercial and industrial construction. ❁



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Upcoming cultural events

FILM, VIDEO, TELEVISION AND BROADCASTING

MONTREAL, QUEBEC — October 11-21, 2001—The **Montreal International Festival of New Cinema and New Media** is a unique event showcasing *cinéma d'auteur* and digital creations.

LAS VEGAS, NEVADA— January 21-24, 2002—The **National Association of TV Programming Executives (NATPE)** is the largest programming market in North America, and includes panel discussions, media demonstrations, and networking opportunities.

BERLIN, GERMANY — February 6-17, 2002—**Berlinale** is one of the most important film festivals in Europe, and attracts producers and distributors as well as video and television sales and acquisitions representatives.

SANTA MONICA, CALIFORNIA — February 20-27, 2002—The **American Film Market** is the largest motion picture trade event in the world.

SOUND RECORDING

CANNES, FRANCE — January 20-24, 2002 — **Midem** is the premier event for independent companies and distributors.

SAINT JOHN, NEW BRUNSWICK — January 31-February 3, 2002 — The

East Coast Music Awards draw music industry professionals from the East Coast, across Canada, the United States and Europe.

TORONTO, ONTARIO — February 28-March 3, 2002—**Canadian Music Week** is Canada's leading sound recording industry event, and has increasing international participation.

VISUAL ARTS

NEW YORK, NEW YORK — February 6-10, 2002—The **Armory Show** is a continuing tradition commemorating the groundbreaking Armory Show of 1913.

TORONTO, ONTARIO — May 1-31, 2002 — **Contact** is a month-long annual festival celebrating Canadian and international photography through exhibition and dialogue.

CHICAGO, ILLINOIS — May 10-13, 2002 — **Art Chicago** is America's foremost international art show where over 200 galleries exhibit and sell the works of over 3,000 artists.

CONTEMPORARY CRAFTS

NEW YORK, NEW YORK — May 29-June 3, 2002—**SOFA New York** is one of the finest international exhibitions dedicated to bridging the worlds of contemporary decorative and fine art.

AMSTERDAM, HOLLAND — May 30-June 2, 2002—The **Annual Conference of the Glass Art Society** is an international forum for artists for the exchange of ideas and technical information.

MULTIMEDIA

LONDON, ENGLAND — January 9-12, 2002—**BETT** is the most comprehensive event in the U.K. education field, with sectors such as e-training and e-education becoming increasingly important.

CANNES, FRANCE — February 4-8, 2002—**MILIA** is the leading international exhibition and conference for next-generation interactive content across all delivery platforms.

LOS ANGELES, CALIFORNIA — May 23-25, 2002 — **E3** is the most important gaming conference in the world and addresses all the business needs of the video and computer game industry.

BOOK PUBLISHING

GUADALAJARA, MEXICO — November 24-December 2, 2001 — The **Guadalajara International Book Fair (FIL)** is the main publishing event in South and Central America.

LONDON, ENGLAND — March 17-19, 2002 — The **London Book Fair** is a major feature of the international publishing calendar, and attracts more exhibitors and visitors each year.

BOLOGNA, ITALY — April 10-13, 2002 — The **Bologna Children's Book Fair** is the major international event for children's publishing.

NEW YORK, NEW YORK — May 1-5, 2002 — **BookExpo America (BEA)**, formerly the American Booksellers Association Convention and Trade Exhibit, is a meeting place for the entire publishing industry, including distributors, and a centre of rights activity.

For more information, contact the Arts and Cultural Industries Promotion division, DFAIT, tel.: (613) 944-ARTS, Web site: www.dfait-maeci.gc.ca/arts ★

Education Industry Summit — Continued from page 14

University of Toronto; channelling government dollars into education; and case studies of strategic relationships and of Canadian education companies that have been successfully sold. Discussions may also touch on the burgeoning e-learning sector and what providers of venture capital require.

"Understanding the industry marketplace is a critical component of the industry's continued development," explains Charles Ivey, CEIS

chairman. "Canada has a unique opportunity to be a global exporter in the global education industry."

Sponsoring the Summit are the National Post, Air Canada, KPMG, Yorkton Securities, CENTRINITY and Canaccord Capital.

For more information, contact Sarah Blair, National Post event manager, tel.: (416) 386-2659, fax: (416) 386-2697, e-mail: sblair@nationalpost.com Web site: www.nationalpost.com ★

WINNERS OF CANADA EXPORT



THE HONOURABLE
PIERRE S. PETTIGREW

A Message from the Minister for International Trade

On behalf of the Government of Canada, I am very pleased to present the Canada Export Awards for the Year 2001 to these 10 Canadian companies who have demonstrated excellence in exporting. Through their hard work, these outstanding companies not only help our country remain a global leader in trade but also create jobs for Canadians and contribute to economic and social progress here and abroad. From modest beginnings, these companies have developed products and services that are succeeding in the global marketplace. We should all be proud of their accomplishments in the increasingly competitive world economy.

Exporter of the Year

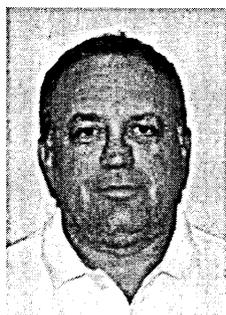


FRANK DELFINO,
President, Canadian and
International Markets

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CEO

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JAMES PERRY,
President and CEO

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AND
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WARDS 2001



BRIAN MERGELAS,
President

**SMALLER
EXPORTER
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AWARD**

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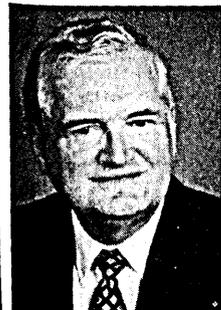
ALLAN C. SHAW,
Chairman and CEO

**JOB CREATION
ACHIEVEMENT
AWARD**

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CHES PENNEY,
CEO

GRAND ATLANTIC SEAFOODS

St. John's, Newfoundland

From fish on the line to on-line fish, Grand Atlantic Seafoods is a sophisticated, fast-growing leader in Atlantic Canada's seafood processing industry, and its success extends far beyond the shores of its home in Newfoundland. Established in 1996, Grand Atlantic Seafoods exports to Europe and Japan, and is aggressively pursuing new opportunities. www.grandatlanticseafoods.com



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Puppets created by
JIM MORROW,
Artistic Director

MERMAID THEATRE OF NOVA SCOTIA

Windsor, Nova Scotia

Since its inception 29 years ago, Mermaid Theatre of Nova Scotia has provided an introduction to the magic of the performing arts to more than two and a half million spectators on four continents. The company boasts an international reputation for imaginative productions for families, using sophisticated puppetry, original music and spectacular scenic effects. www.mermaidtheatre.ns.ca

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Export Development Corporation (EDC), sponsor of the **Smaller Exporter Achievement Award**, salutes Canada's export champions. For over half a century, Canadian companies of all sizes, including many Canada Export Award winners, have relied on EDC to help them grow globally. As Canadians reach for new heights, EDC offers them trade finance and risk management services that make it easier for Canadians to sell abroad and for foreigners to "buy Canadian."



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National Post is committed to providing stories and information that Canadians need in order to compete and win "across the street and around the world." It is understood that every Canadian business that succeeds in the global marketplace not only inspires other Canadians but enhances our collective prosperity. National Post is proud to sponsor the **Job Creation Achievement Award**.



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RBC Financial Group is honoured to sponsor the **Aboriginal Business Achievement Award**. As part of our overall strategy to support and grow Canada's export business, we welcome the opportunity to recognize the unique contributions of First Nations, Metis and Inuit people to Canada's global success in export trade.



Sun Life Financial is a leading international financial services organization focussed on providing financial services to individuals and businesses throughout their lifetime. With companies and partners operating in key markets worldwide, including Canada, the United States, the United Kingdom, Hong Kong, the Philippines, Japan, Indonesia, India and Bermuda, Sun Life understands the challenges facing exporters. Thus, we are pleased to sponsor the **Challenging Markets Achievement Award**.



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Exporters
Manufacturiers et
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Canadian Manufacturers & Exporters (CME) is pleased to recognize export champions and be a sponsor of the Canada Export Awards. As Canada's leading business network, CME successfully represents the interests of Canadian business, and keeps members on the competitive edge of world-class manufacturing and trade. CME members represent 75% of Canada's manufacturing output and 90% of exports.



Pratt & Whitney Canada

A United Technologies Company

Pratt & Whitney Canada recognizes that technology, creativity and innovation are critical ingredients for the development of new competitive products. Our belief that companies should be good corporate citizens prompted Pratt & Whitney to sponsor the **Innovation & Technology Achievement Award**.

For more information about the 2001 Canada Export Award winners and application forms for the 2002 program, visit www.infoexport.gc.ca/awards-prix

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Return to Department of Foreign Affairs

~~LATEST ISSUE~~
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Canada-U.S. border issues: task force launched

In the aftermath of September 11

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The tragic events of September 11, 2001, have led to growing worries about safety and major delays along the Canada-U.S. border. How can our two countries work together to deal with security concerns while permitting the free flow of goods and people? How will we resolve the issue of border bottlenecks?



At the binational panel in Montreal, from left to right: Douglas Patriquin, President, Canadian Commercial Corporation; Michael Barood, Executive Vice-President, National Association of Manufacturers; Martin Cauchon, Minister of National Revenue; Pierre Pettigrew, Minister for International Trade.

On September 24, Prime Minister Chrétien was meeting with President Bush in Washington to talk about how to deal with the fall out from the terrorist attacks.

At the same time, a binational panel of senior government and private-sector officials gathered at the Canadian Manufacturers & Exporters (CME) Annual

Convention in Montreal to discuss the implications for American and Canadian manufacturers and exporters.

Continued on page 3 - September

Tecsum flying high in Gabon TECSULT

Sub-Saharan Africa isn't exactly a hot topic of conversation at your average business luncheon. Its mention might give rise to polite curiosity or bemused surprise, at best. But in all fairness, there is no lack of either work or money in this country. "They may be a little slow to pay and a little behind on the data processing side of things, but the Gabonese always meet their obligations. In fact, viability in these markets

is on a par with that of the North American markets."

This is not about rice distribution. The man being quoted is Marc Parent, President of the Montreal consulting engineering firm Tecsum International. He has just obtained a \$5-million contract from the Gabon Transportation Ministry for plans and specifications

Continued on page 12 - Tecsum

Vol. 19, No. 17 -
October 15, 2001



Department of Foreign Affairs and International Trade

Ministère des Affaires étrangères et du Commerce international

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International Business Opportunities Centre

The International Business Opportunities Centre (IBOC) provides a matching service — connecting foreign buyers with Canadian companies. The Centre provides timely, relevant and targeted business leads from the desks of foreign buyers to the doorsteps of Canadian companies.

The following lists some of the Centre's current trade opportunities — for a wider selection, visit the Web site at www.iboc.gc.ca/webleads/webleads.asp

Canadian exporters needing assistance in preparing international bid documents may want to use the international contracts expertise and services offered by the Canadian Commercial Corporation. This Crown Corporation is located at 50 O'Connor Street, Suite 1100, Ottawa, ON K1A 0S6, tel.: (613) 996-0034, fax: (613) 995-2121.

URUGUAY — Design, build, equip and maintain maximum security prison — A call for tenders has been issued for the design, construction, equipment supply and maintenance (turnkey solution) for a maximum security prison. Cost of bid documents: US\$10,000. Closing date: November 20, 2001. For bid documents,

contact Departamento de Proveduria, Ministry of Interior, Mercedes 993, Montevideo, Uruguay, Web site: www.iosphere.net/~uruott For more information, contact the Embassy of Uruguay in Ottawa, tel.: (613) 234-2937, fax: (613) 233-4670, quoting case no. 010725-03570. (Notice received from the Embassy of Uruguay in Ottawa.)



International Business Opportunities Centre

As Team Canada Inc's Sourcing Centre, the International Business Opportunities Centre (IBOC) matches business opportunities from around the world with the business interests of Canadian exporters, particularly small and medium-sized enterprises. IBOC offers a value-added service to trade commissioners by directly contacting Canadian companies about foreign trade leads.

To pursue our international trade leads, check out our Web site at www.iboc.gc.ca (particularly our E-Leads® and Web-Leads®).

SYRIA — Passenger Cars — SAYARAT has issued a tender (file no.40/MA/2001) for the following equipment: (a) 226 units passenger car (1.3-1.6 L capacity), bid bond US\$40,000; (b) 40 units passenger car (2.0-2.2 L capacity), bid bond US\$10,000; (c) 40 units passenger car (station, engine capacity 1.8-2.2 L), bid bond US\$8,000. Tender book value: US\$50. Performance bond: 10% of the contracted value. Closing date: November 11, 2001. Contact Nidal Bitar, Commercial Officer, Canadian Embassy, Damascus, fax: (011-963-11) 611-2241, e-mail: nidal.bitar@dfait-maeci.gc.ca quoting case no. 010911-04177. (Notice received from the Canadian Embassy in Damascus.)

GHANA — Repair of the Lee Breakwater of Takoradi Port — The Ghana Ports and Harbours Authority (GPHA) invites sealed bids (contract no. GH/GPHA/Tdi/Bwter/02) for the hydrographic survey (1,290 m), redesign

and reconstruction of the seaside armour layer of the lee breakwater of Takoradi Port. For bid documents, contact Project Engineer, GPHA, Headquarters Block Room, 311, Tema Port, tel.: (011-233-22) 206-771/202-018, fax: (011-233-22) 202-812 or Chief Port Engineer, GPHA, Port Head-Office, Takoradi, tel.: (011-233-31) 23645/24073, fax: (011-233-22) 22814, e-mail: raynamoo@ghana.com. Cost of bid documents (non-refundable): (cedis) ₵700,000.00 or equivalent in cash or banker's draft. Closing date: December 4, 2001. Contact Samuel Martin-Daniels, Commercial Officer, Canadian High Commission, Accra, Ghana, fax: (011-233-21) 773-792, e-mail: samuel.martin-daniels@dfait-maeci.gc.ca quoting case no. 010817-03871.

(Notice received from the Canadian High Commission in Accra.) ✱

IBOC trade opportunities — find out more at www.iboc.gc.ca

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CanadExport

—Continued from page 1

Participants included Douglas Patriquin, President of the Canadian Commercial Corporation (CCC), an export sales and contracting agency of the Government of Canada which assists Canadian companies selling

cussions on how to make our shared border more secure."

The CME, along with its sister organization in the U.S., the National Association of Manufacturers (NAM), accepted this challenge by announcing the creation of a joint task force

Vice-President, NAM. "Second is to avoid negative economic effects from border delays."

The slowdown at the border in the coming months will have an impact on trade flows between the U.S. and Canada. Moreover, the timing disruption could cause slowdowns in production in sectors where timing has been finely tuned, for example, just-in-time (JIT) delivery sectors.

September 11

to foreign governments worldwide. The Corporation has a 50-year history of managing the Defence Production Sharing Agreement for Canadian suppliers to the U.S. Department of Defense and NASA.

"Today, we will be looking at the Canada-U.S. border — that physical line that literally defines Canada, distinguishes our neighbour to the south, and which plays such an important role in maintaining our relationships," said Patriquin who introduced the session.

It is the longest undefended border in the world. Tens of thousands of crossings take place each day, reflecting two-way trade worth over \$1 million a minute, and facilitating the most important trading relationship between two countries anywhere in the world.

But all is not as it once was. The assaults on New York and Washington have disrupted the normal flow of goods and people across the Canada-U.S. border.

"The September 11 events have changed our perspective and our focus while reminding us how interdependent our economic systems are," said Minister for International Trade Pierre Pettigrew.

Safe and timely border crossings

"In the wake of recent events, it is imperative for both our economies to keep the flow of legitimate goods and people moving as smoothly as possible across the border," noted Perrin Beatty, President, CME. "At the same time, it is clear that we must also step up our ongoing dis-

on border issues. It will bring together Canadian and American manufacturing representatives to evaluate the effects that September 11 has had

Advice for exporters

Minister Pettigrew also announced that the government is prepared to work with companies affected to address particular issues.

on border crossings and to consider specific recommendations to Canadian and U.S. officials.

"Our first concern is security," said Michael Baroody, Executive

Upcoming seminars

U.S. Government procurement opportunities

- HALIFAX — November 5
- TORONTO — November 6
- MONTREAL — November 7
- CALGARY — November 8

The Canadian Commercial Corporation (CCC), in partnership with federal and provincial governments, agencies and export associations, is inviting you to attend a one day seminar on U.S. Government procurement.

Canadian exporters will learn first hand from defense and U.S. civilian buying agencies about real procurement requirements anticipated over the coming years and what Canadian firms need to do to conduct business with the U.S. Federal Government.

In the wake of the tragic events of September 11, immediate and

longer-term requirements will be discussed by U.S. agencies and the Government of Canada.

The U.S. Government is the largest buyer of goods and services in the world, spending in excess of \$100 billion annually.

This seminar is an opportunity to learn about real procurement requirements being planned and anticipated over the next several years in the United States and Canada.

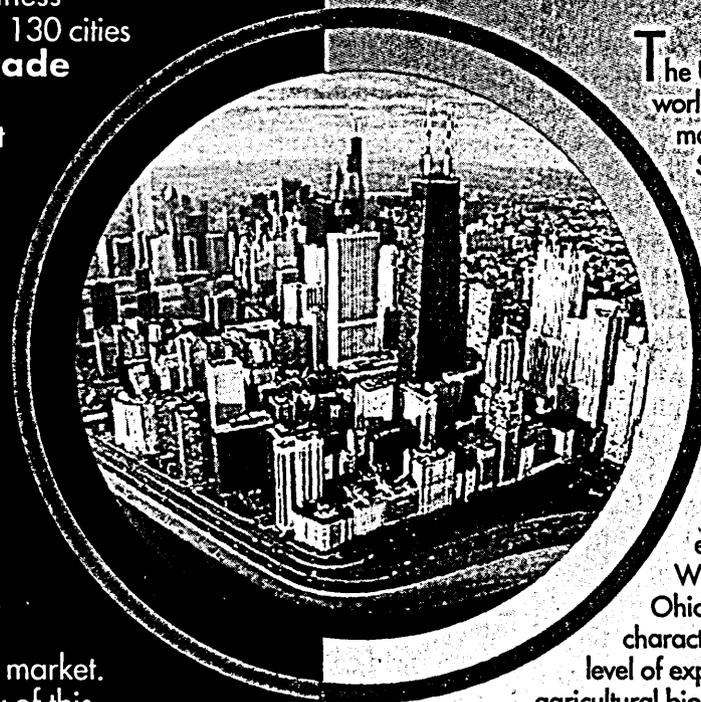
Who's going to be there?

- Senior U.S. procurement executives representing the General Services Administration, Federal Aviation Administration and Veterans Affairs.

Continued on page 7 - Seminars

THE GREAT LAKES AND MIDWESTERN The Biotech

With a team of 500 business professionals in more than 130 cities around the world, the **Trade Commissioner Service** has the market knowledge you need to succeed in your target market. Our Market Research Centre and our offices abroad have prepared over 600 market studies available for free on our Web site. These studies will help you identify foreign business opportunities and learn more about your target market.



The United States is home to the world's largest biotechnology market. Valued at close to \$340 billion in 1998, this market is growing at an average annual rate of 20%. Emerging as pillars of the U.S. biotech community are the Midwestern and Great Lakes regions.

Market Overview

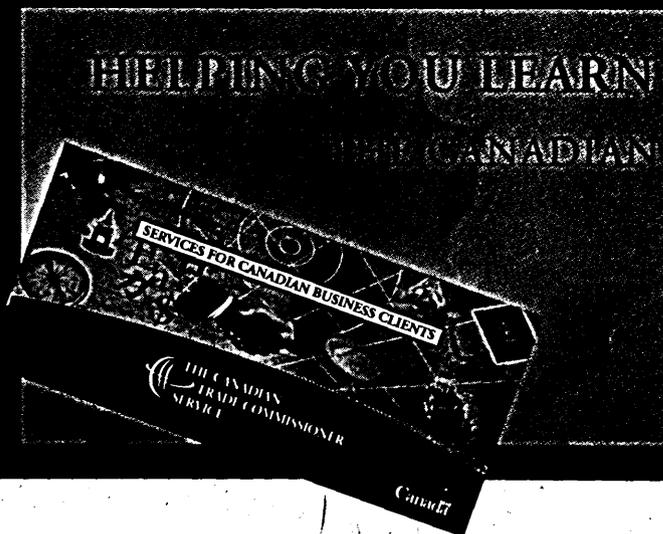
The Midwestern and Great Lakes regions, which encompass Illinois, Missouri, Wisconsin, Indiana, Michigan, Ohio and Kentucky, can be characterized as having a high level of expertise in the biomedical and agricultural biotech sectors. They can also boast a strong corporate presence in the region, including Abbott Laboratories, Pfizer Inc., Monsanto and De Kalb Genetics. Growth in the sector is further supported by world-renowned research institutions, such as the Donald Danforth Plant Sciences Centre, the Van Andel Institute, the Chicago Technology Park, and the Biotechnology Centre at the University of Wisconsin.

This is an overview of the market. For a more in-depth study of this market and for other studies, visit our Web site. When you are prepared to do business abroad, you can use our Web site to get in touch with our offices around the world and request personalized services electronically.

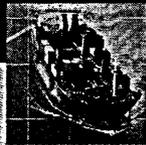
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See insert for your Bio-Industries contacts in the United States.



REGIONS OF THE U.S. Biotechnology Market



Over 600 market reports
in 25 sectors available at:

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In the U.S., 68% of all biotechnology firms focus on the development of therapeutics, vaccines and diagnostics. Key growth areas in the region include AIDS/HIV therapy, DNA testing materials, cancer therapies and drug design based on pharmacogenomics. In the agricultural biotechnology sector, the market for specialty oil-bearing crops, insect- and pesticide-resistant grains and produce, and heartier, more efficient strains of existing seeds is expected to grow.

State governments in the region have made a firm financial commitment to life sciences research and development as a result of tobacco settlement funding. Programs include expanded funding for academic and research institutions, support for start-up biotechnology firms, and incentives for established companies to relocate.

Market Trends

Of greatest significance to the Midwest and Great Lakes regions are enhancement technologies involving corn, soybeans, canola, and potatoes. There is also a small, but viable, market for biological pesticides and herbicides. Some leading firms involved in this sector are introducing packages of non-selective herbicides and "matching" gene-modified seeds, and seeking out smaller seed and pesticide firms for acquisition. Other promising segments of this market include veterinary drugs, hormones, vaccines and animal



diagnostics, transgenic seed products, and plant diagnostics.

Opportunities

Biotechnology companies in the Midwestern and Great Lakes regions are searching for partners to assist in the development of their discoveries and share the cost burden. Opportunities exist for Canadian firms in single product research collaborations, single product licensing agreements, and joint ventures. Most biotechnology alliances are formed between specialized research firms and large companies. Academic institutions and government agencies also pursue external collaborations.

Contract manufacturing has become a lucrative element of the U.S. biotechnology industry, regardless of whether contracting firms have in-house capabilities.

Opportunities exist for Canadian biotech firms that can produce bio-engineered ingredients, or complete formulations for large companies that hold the commercial product rights.

Market Access

Canadian firms should be aware that marketing bio-engineered products in the United States

involves a complex and lengthy process of evaluation by U.S. regulatory agencies. Companies should therefore budget their time and resources accordingly. Canadian firms are also advised to market their products and services aggressively, and to develop key partnerships with other biotechnology enterprises and centres operating in the region.

See Potential?

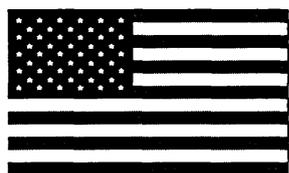
To learn more about this market, please read *The Biotechnology Market in the Great Lakes and Midwestern Region of the United States*, prepared by the Market Research Centre for the Trade Commissioner Service. This report and hundreds of others are available at www.infoexport.gc.ca

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The U.S. Connection

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U.S. Corporate eLearning opportunities

Partnering for knowledge

This report is intended for Canadian learning companies wishing to break into and/or extend their reach into U.S. corporate learning markets in general and the markets of the San Francisco Bay Area in particular. It focuses on three main topics: **Technology in the Learning Process**, an overview of the evolution of eLearning and new trends that are shaping learning and training; **eLearning in the Bay Area**, focusing on education movements of significance in this leading technology

and education mecca; and **Business Opportunities for Canadian eLearning Companies**.

The report, available on-line at www.infoexport.gc.ca augments previous documents designed and written for Canadian learning companies, most notably *CBT/WBT Report: Technology Based Training for U.S. Corporate Markets, Education Market for Software and Multimedia Products and Services.* *

Power-Gen international trade show

LAS VEGAS, NEVADA — December 11-13, 2001 — **Power-Gen** (www.power-gen.com) is the world's largest international trade show and conference for members of the power industry — a place where decision makers come to learn the newest information and techniques.

This year Trade Team Canada — **Electric Power Equipment and Services** (<http://napoleon.ic.gc.ca/electrical/ttselect.nsf/vHTML/welcome-e>) will have a booth at the **Power-Gen International Trade Show** and is offering space to six Canadian companies.

For a nominal fee of \$300, businesses can exhibit their promotional literature (print only), have unlimited

access to the trade show exhibition, and receive free passes for customers and prospective clients. Each firm will have one round table and two chairs in the open-concept booth. No Internet access or power supply will be available. Trade Team Canada will provide a "Canada" display and all booth amenities. Companies will be responsible for covering their own accommodation and travel costs for the show.

For more information or to participate, contact, as soon as possible (exhibitors will be accepted on a first-come, first-served basis):

- Shona Moss Lovshin, Trade Team Canada — Electric Power Equipment and Services, Industry Canada, tel.: (613) 946-7553, fax: (613) 941-2463,

SOUTHEASTERN U.S. TELECOM PROCUREMENT STUDY 2001

Canadian vendors are well qualified and accepted as credible exporters to deliver telecommunications products into the Southeastern U.S. markets. This study details potential leads and interested Southeastern U.S. clients.

Over 68% of companies interviewed expressed interest in receiving information from Canadian vendors. This study recommends direct contact with Telcos, CLECs, Wireless Carriers, ISPs and related industry companies. Contact information is provided for Canadian companies to further pursue opportunities. Specific information is stated in individual client profiles.

The report can be accessed on the web at www.infoexport.gc.ca *

e-mail: mosslovshin.shona@ic.gc.ca
Web site: <http://napoleon.ic.gc.ca/electrical/ttselect.nsf/vHTML/welcome-e>

- Durban Morrow, Trade Commissioner, U.S. Business Development Division, DFAIT, tel.: (613) 944-7486, fax: (613) 944-9119, e-mail: durban.morrow@dfait-maeci.gc.ca Web site: www.infoexport.gc.ca *

The fourth annual Ontario Global Traders Awards celebrates the export success of Ontario's top small and medium exporters (SMEs), industry leaders and students. Presented by Ontario Exports Inc. — the province's lead trade agency — and RBC Financial Group, in association with the Canadian Commercial Corporation (CCC) and several supporting sponsors from business, media and government, the awards have attracted over 600 submissions from all parts of Ontario in its first three years.

Open for nominations: honouring the best
2001 Ontario Global Traders Awards

"CCC is especially pleased to be the sponsor of the Innovation Award for the second year," says President Douglas Patriquin. "Exports support 1.6 million jobs in Ontario and account for over half of its economic productivity. But there are many more opportunities for Ontario's exporters," adds Patriquin. "Worldwide, the annual government procurement market is estimated at US\$5.3 trillion. Through its close relationship with Ontario Exports Inc., CCC is committed to helping Ontario exporters capture a larger share of this very lucrative market."

Award categories

- **The Innovation Award**, sponsored by the Canadian Commercial Corporation, recognizes excellence in the application of technology in the development of new products or services, and/or improvements to existing products or services that have led to consistent growth in exports and job creation.
- **The Market Expansion Awards (Product and Service)**, sponsored by Deloitte & Touche LLP, recognize the pioneering spirit of Ontario SMEs that have successfully established themselves in a new export market(s) in addition to existing markets.
- **The Partnership Award** is a shared award sponsored by RBC Financial

Group and Ontario Exports Inc. which recognizes successful strategic alliances between Ontario-based SMEs and private or public sector partners that have led to new exporting opportunities or enhanced existing ones.

- **The Leadership Award**, sponsored by The Institute of Chartered Accountants of Ontario, recognizes individuals who are acknowledged by their peers for championing the cause of exporting in Ontario.
- **The Student Achievement Award**, sponsored by Export Development Corporation, recognizes students who excel, seek opportunities and put into action what they have learned in the field of exporting and international trade to the benefit of Ontario's exporting community.

Who is eligible

SMEs based in Ontario that meet all of the following five criteria are eligible for the Innovation, Market Expansion and Partnership categories:

- annual sales of less than \$50 million;
- a maximum of 200 employees;
- in business in Ontario for at least three fiscal years;
- currently exporting to one or more countries;
- export sales that are at least 15% of total sales.



Seminars



— Continued from page 3

- Representatives from the Canadian Government including the CCC.

What will they tell you?

- their agency's volume of procurements and requirements
- the importance of getting on a government schedule to sell your products/services
- how to qualify and register products and services to get on a government schedule
- potential procurement opportunities on the horizon

For more information, contact CCC, tel.: (613) 996-0034, toll-free in Canada: 1-800-748-8191, fax: (613) 947-3903, e-mail: info@ccc.ca Web site: www.ccc.ca

Regional presentations lead to top honours

Awards will be presented at four regional ceremonies: **Guelph** — March 21, 2002; **Niagara Falls** — March 28; **Brockville** — April 4; and **North Bay** — April 11. Regional winners will then compete for the Ontario Global Traders Provincial Awards, which will be presented **May 15, 2002**, in Toronto.

The nomination deadline is **November 2, 2001**. Nomination guides and forms are available on-line at www.ontario-canada.com/export

For more information, call (416) 314-8200, toll free at 1-877-468-7233, or visit www.ontario-canada.com/export

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Export Sales and Contracting")

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Sporting goods sector: having fun, staying fit

Russia's US\$650-million market

Russians have traditionally been a sports-minded, fun-loving people and now this population of 147 million is driving an unprecedented boom in the Russian sporting goods sector. Sharing a similar climate, Canadian makers of sport and leisure products should have the inside track in an import market that has shot up 29% each year since 1999.

Russians, like Canadians, enjoy the outdoors and share a national fondness for such sports as hockey, soccer, tennis, cycling, snowmobiling and downhill and cross-country skiing. They also play basketball and volleyball, table tennis and billiards and have discovered the pleasures of bowling — in the past five years 20 bowling centres have opened in the Moscow area alone. Add to this the 40 health and fitness centres that have sprung up in and around Moscow and Russians have plenty of ways to have fun and keep fit.

Opportunities

Russian consumers are showing a preference for the high-quality, warranted merchandise that is now available on post-Soviet shelves. According to Russian statistics, the import market for sporting goods (excluding footwear and motorized equipment such as snowmobiles) was worth US\$51.1 million in 2000, up 29% from 1999. In 2001, this figure should top US\$65 million, with industry experts suggesting the actual size of the market may be ten times as great.

Industry observers expect this dramatic trend to continue. In demand will be equipment and accessories supporting a host of indoor and outdoor activities, including "extreme" sports, fitness programs, winter sports, water fun (yachts and water scooters), cycling and billiards. Snowmobiles are also popular — hardly surprising given the climate — however domestic machines tend to be of lower quality and do not meet the standards of Canadian-made models.

Canadian companies offering high-quality, competitively priced

products built to Canadian standards will find themselves in a good long-term position in Russia.

Market access

Moscow, with a population of 12 million, dominates the Russian market. Companies are advised to set up a Moscow base first, and then expand into the regions.

At present, Russian law requires mandatory certification for certain goods, with the list of such goods revised by



the government every six months. However, the majority of sporting goods do not require mandatory certification, but must be accompanied by a certificate of conformity or a "letter of exemption" to be presented at customs.

All sporting goods must also have a valid hygiene certificate issued by Sanepidemnadzor, a body within the Russian Ministry of Health.

Canadian companies interested in the Russian market are advised to start by sending product samples to the Global Assistance Division of the Canadian Standards Association (CSA). The CSA will then act as a broker for the certification process.

The annual International Sport & Leisure Shows held in Moscow (MISS autumn and MISS spring) and St. Petersburg provide excellent opportunities for Canadian exporters to showcase their products, identify potential sales leads and build a contact base for future business.

Major players

Canadian firms entering the field will be joining such popular big-name players

as Adidas, Nike, Kettler and Reebok, firmly entrenched in the Russian market through their offices in Moscow, or through Russian subsidiaries or local/regional distributors. Other corporate heavyweights dominating the sporting goods scene include companies from Germany, the U.S., China, Finland, Taiwan, Turkey and Italy.

Going head-to-head with foreign competitors has spurred Russian manufacturers to begin producing high-quality, price-competitive products of their own. "Hockey" brand equipment is exported to foreign markets, including Canada. However, Russian sporting goods exports are still a small fraction of its imports.

Canadian sporting goods are playing in this competitive Russian environment as well, but in a US\$650-million market there is still plenty of room to manoeuvre.

For more information, contact Graham Rush, Minister-Counsellor, Commercial, Canadian Embassy, Moscow, tel.: (011-7-095) 956-6666 ext. 3350, fax: (011-7-095) 232-9949, e-mail: graham.rush@dfait-maeci.gc.ca

(For the unabridged version, which includes useful links, visit www.infoexport.gc.ca/canadexport and click on "The European Advantage.")

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Slovakia is a rugged yet productive land, embracing a well-developed agriculture sector amid vast regions of mountain and forest. Although the share of agriculture in the country's GDP (4.5%) and total employment (8%) is declining, Slovakia's 1.6 million hectares of arable land and 0.8 million hectares of permanent pasture keep the country self-sufficient in major agricultural products.

Sector summary

Slovakia has become an Organization for Economic Co-operation and Development (OECD) member and is in the process of changing its policies and regulations to facilitate its eventual harmonization into the EU. To this end, all sub-sectors within the agriculture and food-processing industry have been privatized.

Crops — Slovakia is self-sufficient in wheat, barley, maize, oilseeds (canola and sunflower), potatoes, sugar beets, grapes and orchard fruit.

Seed sector — The use of certified seed has fallen to 25%, compared to nearly 100% over a decade ago. The main imported seeds are maize F1 (50%), sunflower F1, basic potato seed and some vegetable seed.

Food sector — This is one of the largest industrial sectors in Slovakia, accounting for 15% of total industrial output. The biggest share of total food production is dairy (18%), followed by meat (17%), brewing (8%), poultry (8%) and confectionery-baking (7%). With the sector now completely privatized, an influx of foreign direct investment (FDI) has entered

Livestock genetic materials — Cattle specialization, both dairy and beef, is a trend that will create a demand for high-quality bovine genetic material. This will require the current herd of 26,000 heads of specialized breeding cattle to be doubled by 2005. More insemination doses and fewer embryos will be sold for breeds such as Simmental, Charollais,

Agriculture and food production

The Slovak Republic

the country. The sugar production sector (8.5%) is mostly controlled by major EU companies. The brewing sector has attracted investment from big names. Private sector investors have modernized the dairy industry. Slovaks down 5.3 million tonnes of milk and milk products each year, which amounts to approximately 74 litres per person.

Meat — Although Slovakia reported no cases of either "mad cow" or foot-and-mouth disease last year, the BSE panic cut sales of beef by half. As the population turned to pork, beef consumption fell while pork consumption rose. Pork's appeal is continuing and 10,000 tonnes will be imported into Slovakia this year to satisfy the growing appetite.

Opportunities

Technology transfer — Suppliers of technology in the following fields will find opportunities:

- Higher quality and more varied cheeses and sour-milk products;
- Innovative vacuum-packaged meat products with increased shelf-life;
- Starch sweeteners;
- Upgraded brewery tanks;
- Semi-fine flour, bread and whole grain pastry, and products with reduced egg content;
- Frozen food products (vegetable- and fruit-based) for children and babies;
- New edible oil production technologies (pressing without extraction).

Red or Black Angus and Holstein. Pork shortages have forced the Slovak Government to subsidize the expansion of pig farming, which in turn creates excellent export opportunities for high-yielding pig breeds.

Special crops — Canada, a traditional supplier of pulses, is expected to continue to meet most of the Slovak demand for lentils and beans.

Soybean/seed/meal/equipment — The growing popularity of soya has triggered a manufacturing boom for soya products, both for human and animal consumption. Given the prohibitive cost of transporting soybean meal from Canada, Slovak farmers will find importing seed and growing soybeans locally a more attractive option, opening up opportunities for suppliers of crop equipment and processing machinery for food and animal feed.

Final food products — The rising number of supermarket chain stores and hypermarkets will ensure that the demand for high-quality Canadian food products continues to grow. A few obstacles lie in the way however: Canadian products are currently brought in through European importers and therefore face strong competition from both EU countries and local branches of major international food companies. In fact, both EU countries and the U.S. are major competitors in all areas of the Slovakian agri-food market.

Continued on page 11 – Slovakia

Avoidance of double taxation Canada-Portugal

The Exchange of respective instruments of ratification of the Convention between Canada and Portugal for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion (with Protocol), signed in Ottawa, June 14, 1999, took place in Lisbon, Portugal on September 24, 2001. The Convention will enter into force on October 25, 2001, and will have effect January 1, 2002.

For more information, contact Andrée Bazinet, Desk Officer, Western Europe Division, DFAIT, tel.: (613) 996-4427, fax: (613) 995-5775, e-mail: andree.bazinet@dfait-maeci.gc.ca

For traffic safety experts, all roads lead to Japan and the XIth International Winter Road Congress (IWRC) of the World Road Association, better known under its former name of the Permanent International Association of Road

Sapporo, the largest city north of Tokyo, is an ideal venue. Its 1.8 million inhabitants know all about severe winter conditions, including how to cope with very heavy annual snowfalls.

Canadian companies will also be able to present their products and

841-5553, fax: (011-81-11) 841-9747, e-mail: sirwec2002@ceri.go.jp Web site: www.piarc-sapporo2002.road.or.jp/

Paving the way to winter road safety

Sapporo congress

Congresses (PIARC). PIARC 2002, (www.piarc-sapporo2002.road.or.jp) is to be held January 28-31, 2002 in Sapporo. Transport Canada, the Department of Foreign Affairs and International Trade (DFAIT) and the Canadian Embassy in Tokyo welcome participants to the Congress — the first in Asia and the first of the millennium.

IWRC is held every four years and is one of the largest international events in the field of winter road maintenance and management. The first Congress was held in Berchtesgaden, Germany in 1969 and the tenth, held in Lulea, Sweden in 1998, attracted more than 1,000 attendees from 41 countries.

In Sweden, attendees learned about high-tech methods to keep winter roads safe through exhibitions of snow removal machinery and telecommunication devices. Admission to PIARC 2002 includes tours, presentations, seminars and social events.

The theme of PIARC 2002 is "New Challenges for Winter Road Service". Experts from all over the world will gather under the "Sapporo Dome," site of the 2002 World Cup, to exchange information on every topic under the (winter) sun related to traffic safety in cold climates. Hot topics will include snow and ice control measures, traffic safety, the environment and Intelligent Transportation Systems (ITS). This is the first time that a northern roads-related event of this magnitude will take place indoors.

technologies to Japanese companies during a seminar and display planned by the Canadian Embassy. A networking reception afterwards will offer plenty of opportunities to make business contacts.

As a bonus, the annual winter "Fuyutopia Fair," a domestic event aimed at improving winter living conditions, will be held at the same time. The Fair draws a diverse crowd, from winter-related organizations to members of the general public. Holding the Congress and the Fair concurrently should attract an even wider variety of specialists, including experts in civil engineering, construction and architecture, roads work and IT.

Planning a successful trip

There are a number of details involved in registering for the events at PIARC 2002 and booking a nearby hotel. To help participants, the PIARC Section of the Japan Travel Bureau (JTB) has created a guidebook, which includes registration forms for Congress social events, technical visits and tours, as well as recommended hotel accommodation.

To receive a guidebook containing the registration forms, contact:

- PIARC Section, JTB, tel.: (011-81-3) 5796-5445, fax: (011-81-3) 5495-0685, e-mail: piarc2002@itd.jtb.co.jp
- Yasuhiko KAJIYA, Secretary General of the SIRWEC Sapporo Committee Hokkaido, Japan, tel.: (011-81-11)

Registration fees

The cost for participants who register by Oct. 31, 2001 is as follows: 80,000 yen for PIARC members (at least four years); 90,000 yen for non-members; and 40,000 yen for each additional person. An additional 10,000 yen is charged for both members and non-members registering on or after November 1, 2001.

Reduced registration fee

The Japanese Organizing Committee will reduce the registration fee to 50,000 yen for eligible participants.

For more information about registration fee

reductions, contact Japanese Organizing Committee for PIARC

International, Tokyo,

tel.: (011-81-3) 3519-2661, fax:

(011-81-3) 3519-2625, e-mail:

PIARC2002@road.or.jp

To register for the seminar, contact David Steuerman, Trade Commissioner, Canadian Embassy, Tokyo, tel.: (011-81-3) 5412-6200, fax: (011-81-3) 5412-6250, e-mail: david.steuerman@dfait.maeci.gc.ca

Airline

Air Canada offers a 50% discount on its Hospitality Class and a 35% discount on its Business Class. Referral Code for Sapporo: CV 776260.

Recommended hotels

PIARC organizers encourage participants to reserve rooms as soon as possible.

- **Sheraton Sapporo**
Located near Sapporo Dome; 10 minutes to JR Sapporo station and 20 minutes from Sapporo subway station. English spoken, tel.: (011-81-11) 895-8811.
- **Hotel Alpha**
Located in the centre of Sapporo, near Oodori Park, tel.: (011-81-11) 221-2333, fax: (011-81-11) 221-0819.

Continued on page 11 - Sapporo



In the next 20 years, Hong Kong will invest \$38 billion to expand its rail network by over 70%, from the present 143 km to more than 250 km. When the work is completed, about 70% of the population and 80% of jobs will be within walking distance of railway stations. Rail is projected to increase its share of Hong Kong's public transportation from the present 30% to approximately 45%.

The new rail links will help reduce reliance on road transportation and thus cut vehicle emissions. Hong Kong will further consolidate its strategic and economic position in Asia and in the Pearl River Delta region. And it will take steps toward sustainable development.

Projects within the next five years

Six railway projects are now at various stages of implementation.

Sapporo congress

— Continued from page 10

Other hotels

The following include breakfast and a service charge. A consumption tax of 5% will be added.

* Sapporo Grand Hotel

Tel.: (011-81-11) 261-3311.

* ANA Hotel Sapporo

Tel.: (011-81-11) 221-4411

fax: (011-81-11) 222-7624.

* Royton Sapporo

Tel.: (011-81-11) 211-3675,

fax: (011-81-11) 232-3833.

Fees for Congress registration, tours and accommodation must be in Japanese yen and can be paid by major credit card or bank transfer.

For more information and to confirm your participation, contact:

- Réjean Day, Senior Manager, Contributions Agreements, Transport Canada, tel.: (613) 998-1901, e-mail: DAYR@tc.gc.ca
- Jean-Pierre Petit, Japan Division, DFAIT, tel.: (613) 996-4267, fax: (613) 944-2397, e-mail: jeanpierre.petit@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/ni-ka/

Construction has started on the West Rail and the Tseung Kwan O Extension (TKE), with the participation of Canadian companies. To be completed by 2003, the West Rail will serve the 900,000 people of the western New Territories.

Priorities are the Sha Tin to Central Link, the Island Line Extensions and the Kowloon Southern Link, to be completed by 2013. Tender specifications for the Sha Tin to Central Link are being drafted; the Kowloon Canton Railway Corporation and the

Hong Kong expands its railway system

The TKE was given top priority in the government's Railway Development Strategy, published in 1994. The 12.5-km line will serve Tseung Kwan O new town and Yau Tong. It is expected to start operation in late 2002.

The government has given approval for the Ma On Shan to Tai Wai Rail Link and the KCR Tsim Sha Tsui Extension. Construction will start soon.

Last, two projects — the Sheung Shui to Lok Ma Chau Spur Line and Penny's Bay Rail Link — are in the statutory planning phase.

The longer term

The next stage is already being planned: another six railway lines to be built between 2008 and 2016.

Mass Transit Railway Corporation are invited to submit their bids in early 2001. The government planned to invite the two companies to submit separate proposals for the Island Line Extensions and the Kowloon Southern Link.

Meanwhile, the government is closely monitoring transportation needs to set the timetable for building other lines, such as the Northern Link, the Regional Express and the Port Rail Line.

For more information, contact Endy Chung, Commercial Officer, Canadian Consulate General, Hong Kong, fax: (011-852) 2847-7441, e-mail: endy.chung@dfait-maeci.gc.ca Web site: www.hongkong.gc.ca



Slovakia's agriculture and food production

— Continued from page 9

Market access considerations

Working with a local partner is essential when conducting business in Slovakia. In general, manufactured goods require a local agent, representative or distributor who understands local business practices, market characteristics and strategies, as well as the legal, financial and import procedures.

Useful Web sites

- Ministry of Agriculture SR: www.mpsr.sk

- Research Institute of Agricultural and Food Economy: www.vuepp.sk

For more information, contact Milan Harustiak, Commercial Officer, Office of the Canadian Embassy, Slovak Republic, tel.: (011-421-2) 5244-2175, fax: (011-421-2) 5249-9995, e-mail: harustiak@canemb.sk Web site: www.dfait-maeci.gc.ca/prague

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "The European Advantage.")

— Continued from page 1

to rehabilitate and modernize the country's ten regional airports, including extending the runways and upgrading safety facilities (air traffic control, radar, baggage control) at Port-Gentil and Franceville, the two main airports in this country of 1.2 million.

Tecsum International

The contract also calls for plans to construct new runways and passenger areas, with the emphasis on capacity and quality. This is a major contract, with the fees representing at the very least 10% of the company's international sales figure. The overall contract, financed entirely by the Gabonese ministry with assistance from the Arab Fund for Economic and Social Development (AFESD) (www.arabfund.org), represents a total of 60 person-years.

As the oil goes...

"Doing business in Gabon is no piece of cake," the President concedes, "but it's no more difficult than in Cameroon or the Congo — quite the contrary. Oil prices are strong and the Gabonese economy is in good shape. If I were to give one word of advice, I would say establish a presence on the Gabonese market, not necessarily by actually being there, but by way of the institutions, the banks and the other networks. One must also take advantage of the fact that the Gabonese are well aware of Canada's reputation in technology and of the fact that we have French as a common language."

This company president, no stranger to African ways, notes that customer loyalty among Africans is remarkable. The company's sales expansion strategy is gradually evolving from West Africa (the main market) to Mediterranean Africa. In all, 70% of its International activities take place in

Africa. Its African operations generate an income of nearly \$30 million.

7th heaven in sight

The fees could double if the firm obtains the works supervision contract, which will be executed on the various sites in parallel with the first contract.

While acknowledging that the international competition is strong in this market rich in oil, forestry and mineral resources, Parent feels that it would be very difficult to replace Tecsum in the execution of this second



Marc Parent, President of the Montreal consulting engineering firm Tecsum International

contract. "Our chances are excellent," he explains, "because we have followed every development from the start and have forged close ties with all the stakeholders."

The company recently produced a comprehensive, intermodal plan (air, land and sea) for transportation in Gabon, funded by the

World Bank (www.worldbank.org) (\$800,000), and a preliminary study to rehabilitate the ten regional airports, funded by CIDA (www.acdicida.gc.ca) (\$450,000): "This enables us to get to know our customers and to adapt better to their needs," Mr. Parent went on to say.

The value of networks

Like its British and French competitors, Tecsum linked up with an expert in airport operations management, Aéroports de Montréal International (ADMI, an affiliate which is no longer in existence). But there is more than this to the network.

"The personnel at the Canadian Embassy (www.infoexport.gc.ca/ga) have kept track of every stage involved in the file and have lent their support in dealings both with the Gabonese ministries concerned and with the

funders," said Parent. "I should add that we have also had excellent relations with the ambassadors with whom we have been in contact over the years. CIDA has also provided us with funding through its industrial co-operation programs.

"Because the embassy in Libreville is small, the staff members often wear two hats: one for international cooperation (CIDA), and one for international trade. This allows us to examine and discuss files from all angles.

"There is strength in unity, and the networks are invaluable: Tecsum has been invited directly by the Gabonese ministry to answer the call for tenders.

For more information, contact:

- Marc Parent, President, Tecsum International, tel.: (514) 287-8500 local 8607, fax: (514) 287-8643, Web site: www.tecsum.com
- Louis Poisson, Ambassador, Canadian Embassy, Libreville, tel: (011-24-1)73-73-54, e-mail: louis.poisson@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/africa/gabon-e.asp ✦

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Australia's information and communications technology (ICT) industry is one of the most innovative and dynamic sectors of the country's economy. Valued at \$60 billion, it has grown at an annual rate approaching 12% over the last five years — more than two and a half times the average for the Australian economy as a whole.

Australian consumers and businesses are quick to adopt leading-edge information technology applications. For example, there are close to 11 million cellular phone subscribers in Australia, a penetration rate of almost 57%; and a 2000 survey found that 65% of the population aged 16 and over have Internet access, giving Australia a global ranking of sixth. Some 46% of the population have Internet access at home via a personal computer, and an estimated 77% of Australian businesses employing 10 or more persons were on-line as of June 2000. In May 2001, Australia was second to the United States in the *Economist*

Intelligence Unit's "E-business Readiness Rankings," placing ahead of Britain, Canada and Norway.

This is a technically sophisticated market that is easy to penetrate. That

headquarters location for companies operating in the Asia Pacific region. Among the many leading multinational ICT investors located in Sydney are IBM, Microsoft, SAP, Alcatel, Cisco,

Discover Australia's burgeoning ICT industry

makes Australia highly attractive despite its relatively small size. It is also a natural gateway to the fast-growing Asian market.

Each year Australia imports around \$13 billion in ICT goods and services. In 1999 it ranked 10th among the top 15 export destinations for Canadian ICT goods, with purchases totalling \$153 million.

As Australia's leading business and finance centre, Sydney has the largest concentration of ICT companies in the country and is a leading regional

EDS and Nortel. Next May, the city hosts Australia's premier information and communications technology (ICT) exhibition and conference, CeBIT Australia (www.cebit.com.au).

For more information, contact Helena Hurley, Business Development Manager, Canadian Consulate General, Sydney, tel.: (011-61-2) 9364-3042, fax: (011-61-2) 9364-3097, e-mail: helena.hurley@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/australia ✪

Pollutec 2001

PARIS-NORD VILLEPINTE, FRANCE — December 4-7, 2001 — Some 1,500 exhibitors from approximately 30 countries, along with 40,000 professionals, are expected to attend the 17th Pollutec — the premier international exhibition on environmental equipment, technology and services.

In 1999, Pollutec boasted nine international pavilions and attracted 507 foreign companies from 26 countries. Canada will have a pavilion

with exhibition space for five to seven companies at Pollutec 2001.

The 60,000 m² Pollutec exhibition will showcase the latest French and international innovations in equipment, technology and services in every environmental field: water, waste, recycling, air, noise, energy, soil cleaning, clean technologies, analysis/measurement/control, etc.

In addition, Pollutec will be covering some new areas of interest this year, including:

- risk and risk management
- hydrogen

- coastal management and protection
- biological treatment of waste
- energy forum.

The European Commission will participate as well and will present the LIFE projects (a program that gives financial support to a number of environmental projects).

For more information, contact Musto Mitha, Trade Service Attaché, Canadian Embassy, Paris, tel.: (011-33-1) 4443-2356, fax: (011-33-1) 4443-2998, e-mail: musto.mitha@dfait-maeci.gc.ca or visit www.pollutec.com ✪

BATIMAT 2001

PARIS, FRANCE—November 5-10, 2001—For over 40 years, the international building exhibition, BATIMAT, has showcased the latest advances in building construction and improvement. No other exhibition in the world has attracted so many exhibitors and visitors in the area of construction or continued to expand for so many years.

BATIMAT 2001 represents a turning point as it will focus on high-tech developments in construction, highlighting the impact of these new technologies not only in terms of new building solutions based on high environmental quality, but also in the areas of work techniques, customer-supplier relations and methods of procurement and distribution.

For more information, visit www.batimat.com/english/home.asp or contact Cécile Bourdages, Commercial Officer (Natural Resources and Construction) Canadian Embassy, Paris, tel.: (011-33-1) 4443-2374, fax: (011-33-1) 4443-2998, e-mail: cecile.bourdages@dfait-maeci.gc.ca or visit the Web site: www.dfait-maeci.gc.ca/paris/menu-e.htm ✪

Salon de l'Éducation 2001

PARIS, FRANCE — November 21-25, 2001 — For the third consecutive year, the Salon de l'Éducation will be an important meeting place for education professionals — administrators, educators and suppliers. La Francophonie's premier education show will focus on primary, secondary, university and technical education and continuing professional development, and will act as a springboard for further events during the year. Open in part to the general public, this major event will have a number of exhibits, each featuring a specific theme: "sports and education," "languages and education" and "guidance counselling."

Last year's Salon de l'Éducation was a resounding success, with 500,000 visitors over a five-day period. EDUCATEC, the portion of the show open only to professionals, attracted 40,000 visitors from more than 60 nationalities, representing a 28% increase in attendance over the 1999 show (31,000 visitors).

Over the last four years, the French government has pursued an aggressive policy to increase the use of information and communications technologies in primary, secondary and higher education with the objectives of:

- enabling pupils and students to function effectively in a technical, cultural and economic environment in which these technologies are in increasing use;
- diversifying learning methods as reforms are carried out in primary, secondary and higher education.

Since the launch of its national action plan for an information society (PAGSI), France, which was once lagging behind, has now caught up in its use of new information technologies in education. The French government has earmarked about 230 million euros (\$330 million) per year, including 40 million euros (\$58 million) in assistance to develop content, an equal amount for ongoing training of teachers, and 76 million euros (\$110 million) in assistance to equip educational institutions.

For more information on this market, contact François Gauthé, Commercial Officer, Canadian Embassy, Paris, tel.: (011-33-1) 4443-2358, fax: (011-33-1) 4443-2998, e-mail: francois.gauthé@dfait-maeci.gc.ca

To register for EDUCATEC, contact Damien Murzyniec, Edit Expo International, tel.: (011-33-1) 4118-6096, e-mail: dmurzyniec@editexpo.fr

MILIPOL 2001

PARIS, FRANCE — November 20-23, 2001 — MILIPOL 2001, the International Exhibition for Internal State Security, is the premier international trade show for security and anti-criminal technology, and is a meeting place for experts and senior officials in the security sector. Typically, the show attracts close to 500 exhibitors from 35 countries. MILIPOL 1999 was visited by over 18,000 professionals from 106 countries who were involved in national and municipal police activity, the gendarmerie, customs, justice and business security.

The equipment and systems on display will include optonics,

electronics, specialized fabrics and equipment, mobility equipment, engineering, armaments and munitions and other technologies. Some of the companies exhibiting at the Canadian pavilion, which will be organized by Promosalons Canada, include the National Optics Institute, Forensic, Mawashi, the Quebec Department of Industry and Trade, Securesearch, and SNC-Simunion.

For further information, consult www.milipol.com/anglais/welcome.html or contact Guy Ladequis, Commercial Officer, Canadian Embassy, Paris, tel.: (011-33-1) 4443-2359, fax: (011-33-1) 4443-2998, e-mail: guy.ladequis@dfait-maeci.gc.ca

Construct Canada 2001



THE CANADIAN
TRADE COMMISSIONER
SERVICE

TORONTO — November 28-30, 2001 — Representatives of the Canadian Trade Commissioner Service abroad will be attending Construct Canada 2001 (www.constructcanada.com), Canada's largest annual show dedicated to the building and construction industry. Canadian architects, builders, contractors, engineers, manufacturers, and suppliers can meet with over 30 trade commissioners to discuss markets and key opportunities in the building products and services sectors during the four geographically focused half-day sessions on November 28 and 29. Many of the trade commissioners will be accompanied by a delegation of foreign buyers from markets around the world. Canadian companies will also be able to meet one-on-one with key players from major international firms at the International Business Forum.

To register for the International Business Forum, or for further information, contact Patricia Sagl, tel.: (416) 973-6154, e-mail: sagl.patricia@ic.gc.ca

Access the Trade Commissioner Service network of professionals at www.infoexport.gc.ca

(For more details, see www.infoexport.gc.ca/canadexport and click on "Trade Fairs and Missions")

Upcoming trade shows and conferences

For the full details on the following events, see Canadalexport on-line at www.infoexport.gc.ca/canadalexport and click on either "Trade Fairs and Missions" or "Conferences/Seminars/Meetings."

CAIRO, EGYPT — November 6-9, 2001 — The Middle East Power and Energy Exhibition and Conference (ELECTRIX) is the leading annual electrotechnical, power, solar and renewable energy event in the Middle East and North Africa.

NAMUR, BELGIUM — November 21-23, 2001 — BEST is an environmental and energy conference and trade show held every two years. BEST 2001 will feature a partnering event with more than 100 European companies seeking transnational co-operation agreements.

BANGKOK, THAILAND — November 28-December 1, 2001 — Asia Automotive 2001 is the venue to promote automotive products and the latest technologies to key Southeast Asian buyers.

PADOVA, ITALY — November 28-December 1, 2001 — Bionova is the only Italian exhibition dedicated to health-related biotechnology and bioengineering. The Canadian Consulate General in Milan is planning a number of activities to promote partnering of Canadian and Italian and international biotech companies.

OSAKA, JAPAN — November 30-December 3, 2001 — The International ITS Show is designed to provide business opportunities for companies specializing in the fusion of intelligent transport systems (ITS) and related mobile/multimedia applications/services to improve the efficiency, safety and environmental impact of land transportation.

LAS VEGAS, NEVADA — December 11-13, 2001 — Power-Gen is the largest international trade show and conference for power industry decision makers. This year, Trade Team Canada— Electric Power Equipment

and Services will have a booth at the trade show with space for six Canadian companies.

TOKYO, JAPAN — December 13-15, 2001 — Bio Fach Japan is an important trade fair in the sector of organic foods and natural non-food products. This is a growing market in Japan as consumers are increasingly interested in organically grown and processed food/beverage products, as well as cosmetics.

BAHRAIN — January 14-17, 2002 — The Bahrain Naval & Maritime 2002 is the first dedicated international naval and maritime exhibition and conference in the Middle East, complementing the air and land defence exhibitions already established in the Gulf region.

BIRMINGHAM, UNITED KINGDOM — January 22-25, 2002 — Hospitality Week is a biennial broad-based exhibition for the hospitality and catering industry. Hospitality 1999 attracted nearly 21,000 visitors from the food service, hospitality and leisure industries.

ROTORUA, NEW ZEALAND — March 12-16, 2002 — The Forest Industries International Conference and Exhibition is New Zealand's largest forest industry event. New Zealand is becoming an international forestry leader and will need to invest heavily in new processing facilities, which means opportunities for Canadian manufacturers of forestry and wood processing machinery.

SEOUL, KOREA — March 18-19, 2002 — Food Showcase Korea will occur the week following Foodex in Japan, and is the major venue to promote food products to Korean importers. Korea is one of the most dynamic Asian economies.

TEL AVIV, ISRAEL — March 19-21, 2002 — Bio-Tech Israel 2002, National Biotechnology Week, Conference and Exhibition — The Canadian Embassy in Tel Aviv, in co-operation with Technology Partnership Canada and Industry Canada, is planning a number of activities in conjunction with this event including a partnering event for Canadian biotech companies with Israeli counterparts.

CAIRO, EGYPT — April 9-11, 2002 — Middle East and Africa Ports and Maritime Exhibition and Conference — will showcase technological advancements in the ports and maritime transport sector and is expected to be regarded as one of the leading events of its kind. The event coincides with substantial investment and major reforms in the Middle East and Africa, as well as the Egyptian government's plans to build new ports and modernize existing ports.

SYDNEY, AUSTRALIA — May 28-30, 2002 — CeBIT Australia is Australia's premier information and communications technologies (ICT) exhibition and conference. Based on CeBIT Hannover, CeBIT Australia is expected to draw more than 12,000 visitors including decision makers involved in specifying, recommending or approving the purchase of ICT.

MELBOURNE, AUSTRALIA — June 2-5, 2002 — Following the success of the 2001 show, held in Sydney, Canadian exporters will be able to participate in Interbuild Australia 2002, Australia's largest building exhibition, which showcases the latest in building products and technology for residential, commercial and industrial construction. ★



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Upcoming cultural events

FILM, VIDEO, TELEVISION AND BROADCASTING

LAS VEGAS, NEVADA — January 21-24, 2002 — The National Association of TV Programming Executives (NATPE) is the largest programming market in North America, and includes panel discussions, media demonstrations, and networking opportunities.

BERLIN, GERMANY — February 6-17, 2002 — Berlinale is one of the most important film festivals in Europe, and attracts producers and distributors as well as video and television sales and acquisitions representatives.

SANTA MONICA, CALIFORNIA — February 20-27, 2002 — The American Film Market is the largest motion picture trade event in the world.

SOUND RECORDING

CANNES, FRANCE — January 20-24, 2002 — Midem is the premier event for independent companies and distributors.

SAINT JOHN, NEW BRUNSWICK — January 31-February 3, 2002 — The East Coast Music Awards draw music industry professionals from the East Coast, across Canada, the United States and Europe.

TORONTO, ONTARIO — February 28-March 3, 2002 — Canadian Music Week is Canada's leading sound recording industry event, and has increasing international participation.

VISUAL ARTS

NEW YORK, NEW YORK — February 6-10, 2002 — The Armory Show is a continuing tradition commemorating the groundbreaking Armory Show of 1913.

TORONTO, ONTARIO — May 1-31, 2002 — Contact is a month-long annual festival celebrating Canadian and international photography through exhibition and dialogue.

CHICAGO, ILLINOIS — May 10-13, 2002 — Art Chicago is America's foremost international art show where over 200 galleries exhibit and sell the works of over 3,000 artists.

CONTEMPORARY CRAFTS

NEW YORK, NEW YORK — May 29-June 3, 2002 — SOFA New York is one of the finest international exhibitions dedicated to bridging the worlds of contemporary decorative and fine art.

AMSTERDAM, HOLLAND — May 30-June 2, 2002 — The Annual Conference of the Glass Art Society is an international forum for artists for the exchange of ideas and technical information.

MULTIMEDIA

LONDON, ENGLAND — January 9-12, 2002 — BETT is the most comprehensive event in the U.K. education field, with sectors such as e-training and e-education becoming increasingly important.

CANNES, FRANCE — February 4-8, 2002 — MILIA is the leading international exhibition and conference for next-generation interactive content across all delivery platforms.

LOS ANGELES, CALIFORNIA — May 23-25, 2002 — E3 is the most important gaming conference in the world and addresses all the business needs of the video and computer game industry.

BOOK PUBLISHING

GUADALAJARA, MEXICO — November 24-December 2, 2001 — The Guadalajara International Book Fair (FIL) is the main publishing event in South and Central America.

LONDON, ENGLAND — March 17-19, 2002 — The London Book Fair is a major feature of the international publishing calendar, and attracts more exhibitors and visitors each year.

BOLOGNA, ITALY — April 10-13, 2002 — The Bologna Children's Book Fair is the major international event for children's publishing.

NEW YORK, NEW YORK — May 1-5, 2002 — BookExpo America (BEA), formerly the American Booksellers Association Convention and Trade Exhibit, is a meeting place for the entire publishing industry, including distributors, and a centre of rights activity.

For more information, contact the Arts and Cultural Industries Promotion Division, DFAIT, tel.: (613) 944-ARTS, Web site: www.dfait-maeci.gc.ca/arts *

Enquiries Service

DFAIT's Enquiries Service provides counselling, publications, and referral services to Canadian exporters. Trade-related information can be obtained by calling 1-800-267-8376 (Ottawa region: 944-4000) or by fax at (613) 996-9709; by calling the Enquiries Service FaxLink (from a fax machine) at (613) 944-4500; or by accessing the DFAIT Internet site at www.dfait-maeci.gc.ca

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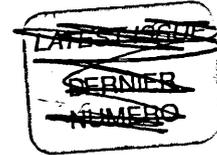
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November
, 2001
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Min. des Affaires étrangères

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Dallas and Los Angeles welcome you

First Team Canada West mission

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P rime Minister Chrétien will lead the first Team Canada West trade mission to Dallas, Texas, and Los Angeles, California from November 27 to 30, 2001. Accompanying the Prime Minister will be the premiers of the Western provinces, the leaders of the territorial governments, and a large delegation of companies from Western Canada.



Team Canada West
Équipe Canada Ouest

"I am extremely pleased to lead this first Team Canada West trade mission. It represents a new step in our export development strategy, and I am confident that it will mark the beginning of a very successful partnership," said the Prime Minister.

"Texas and California offer tremendous opportunities for Western Canadian businesses," he added. "Canada currently ranks as California's third-largest trading partner, and Texas is now the U.S.'s second most

populous state, with Dallas/Fort Worth and Houston being two of the fastest growing urban regions in the U.S. Developing our commercial relationship

with these states will provide all Canadians with invaluable benefits."

The mission will be promoting the Western provinces' various sectors (see below) and Canada's high-tech image in major technology centres in the territories of the Canadian

Continued on page 6 - Team Canada

WCFPS's International Business Centre

Sowing... and reaping the rewards

L ike nourishing food well prepared, it takes planning, skill, communications and knowledge to put on a highly visible result-oriented event such as the annual Western Canada Farm Progress Show (WCFPS).



Eastern European Delegation at Western Canada Farm Progress Show.

One essential ingredient in most success stories is a combination of enthusiasm and teamwork.

Continued on page 3 - Reaping

ABORIGINAL INTERNATIONAL
BUSINESS
(See insert.)

Vol. 19, No. 18 -
November 1, 2001



Department of Foreign Affairs
and International Trade

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Canada

The Canadian Commercial Corporation (CCC) and its partners invite you to attend a one-day seminar on United States Government procurement (see the previous issue of *CanadExport*, p. 3).

If you have something to sell, chances are it's something the U.S. government

your company can become a part of the supply chain. This is your chance to learn about a \$100-billion-plus annual market.

Who's going to be there?

- David Drabkin, Deputy Associate Administrator for Acquisition Policy — General Services Administration

- TORONTO: Toronto Board of Trade, tel.: (416) 862-4500, fax: (416) 366-5620, e-mail: events@bot.com
- CALGARY: Canadian Manufacturers and Exporters — Alberta Division, tel.: (780) 426-6622 or 1-800-642-3871, fax: (780) 426-1509, e-mail: linda.malloy@cme-mec.ca

Reminder: upcoming CCC opportunities seminars

U.S. Government procurement

buys. After all, with annual purchases in the billions of dollars, it is the world's largest customer.

Bringing the world's largest customer to you

As a specialist in export sales and contracting to governments worldwide, CCC has brought together key U.S. and Canadian



Canadian Commercial Corporation

government procurement officials to discuss upcoming requirements and explain the process and regulations when selling to the U.S. government.

Get on schedule

Many U.S. government buyers prefer to buy products and services from suppliers who hold GSA schedule contracts. Learn about how this program works and how to decide if it is right for your company and your U.S. government buyer.

Once you have negotiated the terms and conditions of your offer with the GSA, your buyer's average time to place an order is 14 days. By comparison, a full request for proposal process can take an average of 270 days to award a contract. System integrators, when preparing large bids, often choose partners who are already on the GSA schedule. Many government buyers routinely prefer GSA schedules over all other types of contracts.

Check the GSA Web site: www.gsa.gov

In only one day, you'll learn how

- Brian Isham, Division Manager, Contracts, Office of Acquisitions, Federal Aviation Administration
- Colonel Richard G. Nelson, Commander Defense Contract Management Agency Americas
- Judy Bradt, Director, Government Markets, Canadian Embassy in

Washington

- Hugh O'Donnell, Senior Executive Vice-President, Canadian Commercial Corporation
- Robert Ryan, Manager U.S. Operations, Canadian Commercial Corporation.

Luncheon speakers

- Halifax: Stephen Lund, President and CEO, Nova Scotia Business Inc.
- Toronto: Perrin Beattie, President, Canadian Manufacturers and Exporters
- Montreal: Alberto Costa, Director Strategic Planning Military, CAE Electronics Ltd.
- Calgary: Mark Norris, Minister of Economic Development

To register in each location

- HALIFAX: Canadian Manufacturers and Exporters — Nova Scotia Division, tel.: (902) 422-4477, fax: (902) 422-9563, e-mail: jacqui.squires@cme-mec.ca
- MONTREAL: Quebec Manufacturers and Exporters, tel.: (514) 866-7774, fax: (514) 866-3779, e-mail: anick.robaille@meq.ca

For more information about this seminar, call 1-800-748-8191 or (613) 996-0034 (in Ottawa). ✱

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Export Sales and Contracting".)

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CanadExport

—Continued from page 1

Teamwork is the catalyst that brings all the parties together. This is really what success stories are about — not just contracts, but rather the partners and the networks that make contracts happen. Of course, there is much more to exporting, but good networks are key to success.

An agri-industrial example

The WCFPS is a major world dryland agricultural equipment, services and technology show, held in June in Regina, Saskatchewan. This year it attracted over 700 exhibitors, 40,000 visitors and 302 international buyers from 29 countries, as well as 85 registered exporters. With so many people on the floor and so many opportunities to seize, it's like an old-style stock exchange.

Amidst the noise and the haste, exporters need to go where the international-minded people are. That's where the IBC comes in.

Interbuild Business Centre

At the WCFPS, there is an International Business Centre (IBC) at your service. It is a unique partnership involving show management, the Prairie Implement Manufacturers Association (PIMA) and four governments — Canada, through its International Trade Centres (ITC) in Regina and Saskatoon, and the National Sector Team for Agricultural Equipment Services and Technology, Alberta, Manitoba and Saskatchewan, through its Saskatchewan Trade and Export Partnership (STEP), under the guidance of its then manager of International Projects and Trade Finance, Murad Al-Katib.

Deals have been made at the IBC every year since 1991 because it creates a value-added mini-marketplace at the crossroads of buyers and sellers of agricultural equipment from all around the world. The Centre is a goldmine of useful information for past and current visitors, as well as for trade officers around the world.

Such information as company brochures, promotional materials

and product/service interests of buyers are available ahead of time, and the IBC staff — manager Lea Kennedy and assistant Bev Barlow — also assist visitors in locating the whereabouts of buyers and sellers

WCFPS's International Business Centre

Reaping the rewards

at the show. Thanks to their efforts, many companies arrive at the show confident and focused on a list of target companies.

Other hands-on activities at the IBC include 7:30 a.m. breakfasts with 5-minute presentations by exporters and an air-conditioned, modern facility with basic office and telephone services.

Reaping the benefits

Jim Carnago, President of Schulte Sales Inc. — a branch of Engelfeld, Saskatchewan-based Schulte Industries Ltd., an agri-industrial manufacturer and marketing firm — will not reveal the value of his long-term distributorship agreement with Claire Miguel, President of Payen of Rozay-En-Brie, France. However, it's a substantial chunk of his annual \$20-million turnover, he says.

Initial contacts made at the IBC in 1999 between the French distributor and Schulte — established 75 years ago and a 1999 Canada Export Award winner — led to the sale of three heavy-duty rotary cutters for testing and adaptation to European standards. The talks then bounced back before they translated into the signing of a three-year distributorship agreement.

"Everything you need for your exporting activities is there at the IBC," points out Carnago. "The staff is very professional and helpful. Year after year, there are lots of contracts being discussed at that location, so co-ordination is important."

Two years later, at this year's WCFPS, Carnago announced a three-year extension to this agreement, allowing the Schulte line to expand into France and other French-speaking markets in Europe.

"The WCFPS is a major show for us," says a confident Carnago. "We keep coming back every year and we especially appreciate the international exposure we get as an exporter. When we announced the extension with Payen, we wanted to bring some attention to ourselves, of course, but also to the IBC. The IBC was again instrumental this year in our finding a Ukrainian agri-industrial distributor, R.I.S.E., to whom we sold 37 machines, a contract in excess of \$500,000."

According to Carnago, Schulte is now Russia-bound and looking at Eastern Europe.

And, with a solid WCFPS team — a solid three steps ahead of the game — at both STEP and IBC, little wonder that in addition to the Schulte success, new dealerships were also announced for the U.S. as well as agricultural equipment purchases from such far-away places as Australia.

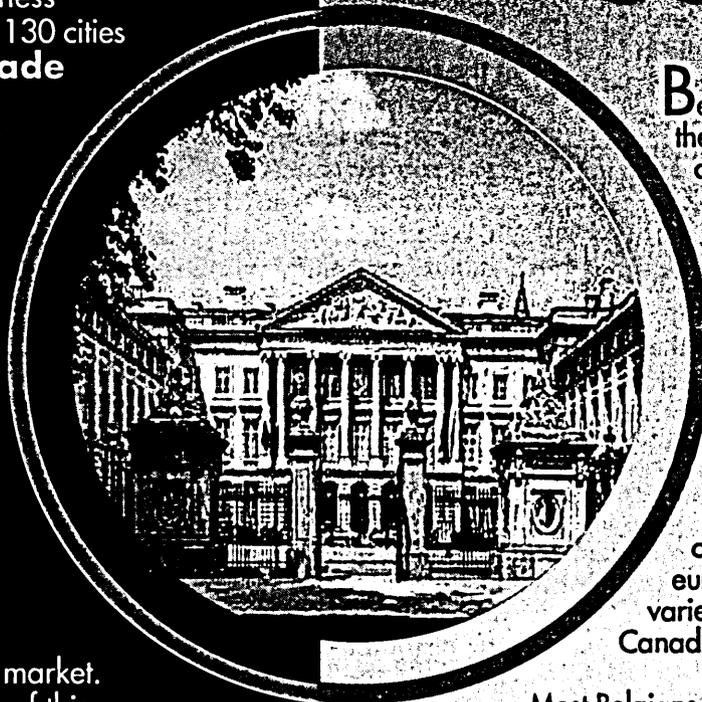
Maybe it all does look deceptively simple — like preparing a nourishing dish — but then again... it's really all about homework and teamwork.

For more information on the show, contact Lea Kennedy, Manager, WCFPS, tel.: (306) 781-9216, fax: (306) 565-3443, e-mail: lkennedy@reginaexhibition.com Web site: wcfps.com

BELGIUM

With a team of 500 business professionals in more than 130 cities around the world, the **Trade Commissioner Service** has the market knowledge you need to succeed in your target market. Our Market Research Centre and our offices abroad have prepared over 600 market studies available for free on our Web site. These studies will help you identify foreign business opportunities and learn more about your target market.

This is an overview of the market. For a more in-depth study of this market and for other studies, visit our Web site. When you are prepared to do business abroad, you can use our Web site to get in touch with our offices around the world and request personalized services electronically.
www.infoexport.gc.ca



The Industrial Software Market

Belgium sits at the centre of the European Union (EU), and is the European headquarters of many multinational corporations. Although it has a small domestic market, Belgium has a potential customer base of 370 million consumers in the greater EU market. Besides Belgium's strength as a distribution centre, conversion to the euro currency is creating a variety of opportunities for Canadian software firms.

Most Belgians are technologically savvy and have a good understanding of English, resulting in minimal software localization costs. Belgian characteristics also tend to approximate the European average, making the country good testing ground for new products destined for the wider EU market. Most notably, Belgium's software market closely follows that of the United States.

THE CANADIAN TRADE COMMISSIONER SERVICE

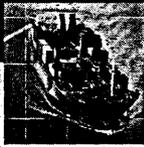


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Industrial Application Software Market



Over 600 market reports
in 25 sectors available at:

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New products are announced within months of each other.

Market Snapshots

• Network Security Software:

The Belgian market for network security software is expected to show very strong growth through to 2005 (in the 54% to 60% range for the "Benelux region," which includes the Netherlands and Luxembourg). The Belgian market is not yet saturated, allowing plenty of opportunity to enter the market. Growth will be fueled by e-commerce, and by the Internet as a significant media channel. Privacy will continue to be the main thrust behind increasing demand for encryption software.

• General Financial Software:

There is potential for significant growth in Belgium's client- and desktop-based software market. The retail market is currently the largest vertical market for financial software.



• Enterprise Resource Planning (ERP) Software:

The Benelux region is one of the most stable ERP markets in Europe. Growth in the 29% to 30% range is expected through to 2004. The high-end market is

reaching maturity and a slow-down in growth is expected soon. Many top tier vendors are downsizing their products for the middle tier and vertical markets, with most vendors focussing on the vertical and supply chain markets.

• Banking Automation Software:

The Benelux banking automation software market is poised for continued growth in the 7% to 9% range.

• Accounting Software:

Significant growth is expected in this sector. More Belgian companies are adopting cost-based accounting techniques resulting in a preference for American and British software packages.

Opportunities

There are numerous opportunities for Canadian software manufacturers and resellers, particularly in network security, ERP, banking automation and accounting software. Many of these opportunities may be linked to the currency changeover. Accommodating the euro will

require companies to update their business systems, from payroll to purchasing. Canadian resellers may find it easiest to tap into euro business through Canadian multinationals operating in Belgium. Canadian companies may also find opportunities with Belgian brokerage houses in need of specialized e-commerce and encryption software.

See Potential?

To learn more about this market, read *The Industrial Application Software Market in Belgium* prepared by the Market Research Centre. You can access this report and hundreds of others free at the Trade Commissioner Service Web site:

www.infoexport.gc.ca

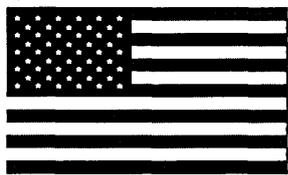
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The Industrial Application Software Market

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The U.S. Connection

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Team Canada West

— Continued from page 1

Consulates General in Dallas and Los Angeles. These two posts are responsible for business development activities in 11 states: Dallas — Texas, Oklahoma, Kansas, New Mexico, Louisiana, Arkansas; Los Angeles — California, Utah, Arizona, Nevada and Hawaii.

Dallas territory

With an increasingly affluent population of 36 million and GDP higher than Canada's, the region is headquarters for 63 Fortune 500 companies, as well as over 85 Canadian subsidiaries. Texas is the undisputed economic leader in the Dallas territory. It accounts for 63% of regional GDP, and is second only to California in terms of the dollar amount and rate of increase in personal income. High-tech manufacturing is the largest contributing sector (8.9%) of state GDP, followed closely by the energy industries.

Information technology and telecommunications — The IT industry in the Dallas territory is concentrated almost exclusively in Texas, where it is the primary engine of economic growth. Electronic equipment and parts, computers, and scientific instruments account for one-third of the value of all goods shipped out of the state. With 23% of U.S. capacity, Texas leads the nation in semiconductor manufacturing, and is the world's

third-largest producer of personal computers. The Dallas/Fort Worth Metroplex is considered one of the nation's largest "Cybercities."

Photonics is an area of Canadian excellence with tremendous potential for Canada-U.S. partnering and for U.S. companies to establish subsidiaries in Canada.

For more information, contact Michael Mendoza, Business Development Officer, Canadian Consulate General, Dallas, tel.: (214) 922-9812 ext. 3354, e-mail: michael.mendoza@dfait-maeci.gc.ca

Oil, gas and electric energy — Texas remains the world's premier marketplace for oil and gas sector technologies and services. Houston is the global centre for strategic planning and procurement for exploration, energy technology development and commodity marketing. Innovation has transformed Texas into a beta test-lab for new exploration, production, power generation and transmission, marketing, environmental and management technologies.

Three emerging niches of interest to Canadian developers of innovative exploration and production (E&P) technologies are equipment and services, renewable and alternative energy technologies, and international procurement.

For more information, contact Scott Flukinger, Business Development Officer, Canadian Consulate General, Dallas, tel.: (214) 922-9812 ext. 3355, e-mail: scott.flukinger@dfait-maeci.gc.ca

Building products — Exports of Canadian building products to the Southwest (SW) have increased in recent years, fuelled by the region's rapid economic growth and building boom. SW builders appreciate Canadian quality, innovation and competitive pricing in higher-end and specialty products such as windows, doors, cabinets, and unique architectural embellishments. As well, the popularity of non-toxic, environmentally friendly products is growing and may provide opportunities for manufacturers of green products, as well as technology transfers in building science.

For more information, contact Laura Aune, Business Development Officer, Canadian Consulate General, Dallas, tel.: (214) 922-9812 ext. 3357, e-mail: laura.aune@dfait-maeci.gc.ca

Agriculture and agri-food — Canada already exports a wide range of agricultural and fisheries commodities, food and beverages, livestock, equipment and services. Untapped markets still remain, however. Given the increasingly affluent, well-educated consumer base in the SW, fine foods and wines in particular offer excellent potential.

For more information, contact Laura Aune, Business Development

Continued on page 7

Check the Business Section of the Canada-U.S. Relations Web site at www.can-am.gc.ca ... for valuable information on doing business in and with the United States.

Officer, Canadian Consulate General, Dallas, tel.: (214) 922-9812 ext. 3357, e-mail: laura.aune@dfait-maeci.gc.ca

Biotechnology — The Texas biotech industry may provide a comfortable "fit" for Canadian biotech companies entering the U.S. market because of its similar structure: small dynamic companies clustered around strong medical research centres.

The majority of the 45 biotech companies in Texas focus on health care and are concentrated in Houston, Dallas, Austin, and San Antonio. The Texas Medical Center in Houston is a "medical city" within a city that thrives on the presence of many large research facilities. In Dallas, the University of Texas Southwestern Medical Center, home to research on the Genome Project, is at the core of the city's budding biotech industry. The University of Texas in Austin and the University of Texas Health Science Center at San Antonio anchor the other two clusters.

For more information, contact Richard Crouch, Business Development Officer, Canadian Consulate General, Dallas, tel.: (214) 922-9812 ext. 3358, e-mail: richard.crouch@dfait-maeci.gc.ca

Los Angeles territory

The territory covered by the Canadian Consulate General in Los Angeles and the Consulate Trade Offices in San Francisco/Silicon Valley (San Jose) has a total population of 44 million. However, California, with nearly 80% of the population, is the prime target for new business. It is the largest exporting state in the U.S., accounting for one-sixth of all U.S. trade. Canada is California's second-largest export market after Japan, exchanging over \$39 billion in merchandise annually, as well as billions of dollars in services. California's economy has been powered by the rapid growth of cutting-edge industries such as aerospace, electronic manufacturing, computers, communications, film production, multimedia software and biotechnology.

Information and communications technology — California is a leader

in electronic and computer-related industries. The San Francisco Bay/Silicon Valley area alone is home to 7,000 high-tech companies, representing a combined market value of \$450 billion. The Los Angeles/San Diego corridor accounts for a further 19,000 technology companies. Annual sales in computer manufacturing are approaching \$35 billion, and California is the leading computer software developer in the nation.

Interested in joining Team Canada West?

Consult DFAIT's Team Canada Web site at www.tcm-mec.gc.ca for full information and registration details or call (613) 944-2520 or fax (613) 996-3406.

The phenomenal growth of the telecommunications sector is evident in Canada's exports, registering a 44.5% growth in 2000 with exports valued at over \$25 billion. Wireless voice communications and voice over Internet (VoIP) offer the best opportunities in the territory.

For more information, contact Tom Palamides, Business Development Officer, Canadian Consulate General, Los Angeles, tel.: (213) 346-2757, e-mail: tom.palamides@dfait-maeci.gc.ca

Agriculture and agrifood — Agricultural exports are the fifth-largest sector for Canadian trade in the SW, totalling \$1.2 billion in 2000. Live cattle and beef earned Canada \$86 million in California, and seafood brought in another \$61 million. In Hawaii, Canada sold \$4.4 million worth of salmon and other fresh and frozen fish. For the Western provinces, sales of beef, canola and wheat place high on the list of top 25 exported products. Western Canadian manufacturers of farm machinery and equipment are also establishing a strong presence in the SW.

California is ranked number one in supermarket sales in the U.S. totalling \$33 billion, \$19.7 billion in the Los

Angeles area alone. It is the largest food processing employer in the U.S., shipping nearly \$50 billion in food products.

For more information, contact Carl Light, Business Development Officer, Canadian Consulate General, Los Angeles, tel.: (213) 346-2756, e-mail: carl.light@dfait-maeci.gc.ca

Aerospace — Canada has the fourth-largest aerospace sector in the world and Canadian companies are global market leaders in many key market segments, including regional aircraft, business jets, commercial helicopters, small gas turbine engines, flight simulation, landing gear and space applications. Traditionally, two-thirds of Canada's exports have been shipped to the U.S.

In addition to supplying military aircraft to the U.S., Canada exports helicopters and specialized aircraft, firefighting equipment, and business jets to the SW. The Joint Strike Fighter (JSF) — a \$300-billion U.S.- and U.K.-led multinational program to build the next-generation fighter aircraft — will create abundant opportunities for Canadian sub-contractors.

For more information, contact Jeff Gray, Business Development Officer, Canadian Consulate General, Los Angeles, tel.: (213) 346-2752, e-mail: jeffrey.gray@dfait-maeci.gc.ca

Biotechnology — Over 100 public biotech companies are located in San Francisco, Los Angeles, San Diego, and the Central Valley. The state is home to one-third of the nation's biotech firms and accounts for half of the sector's total employment nationwide. Companies are clustered near California's universities and medical research facilities.

Sales of Canadian biotech products and services to the U.S. exceed \$1 billion, with the health care field generating the highest revenues, followed by the agri-food sector. Canada's strong base of scientific expertise and continuous investment in research and development suggests that

Continued on page 12 — Team Canada

An infusion of foreign pharmaceuticals into the Russian market is helping to meet consumer demand for high quality, low cost medicine. Imports of pharmaceutical products into this vast consumer base grew to US\$1.23 billion in 2000, a 48% rise in one year. All vital signs indicate that the upward trend is continuing.

Rx for Russia's ailing pharmaceutical sector

Market overview

First quarter results for 2001 showed the pharmaceutical import market was worth US\$560 million, up 19% from Q1 last year. With 62% of total sales, foreign firms, mostly North American and Western European, dominate the market. Half of all Russian consumers must pay for their medicine directly, but this costs only a small portion of the average annual household budget — between US\$5 and \$10.

The domestic pharmaceutical sector is weak, comprising 700 small firms that use outmoded equipment and have little funding for research and development. Most (80%) of domestic products must be made from imported chemicals, making them more expensive, in many cases, than foreign brands. Between 80% and 90% of domestic output is generic, principally low-margin drugs such as painkillers that require less advanced production methods.

Opportunities

Russia is enduring a critical shortage of essential medication. With 10 million Russians afflicted with diabetes, and cases of TB, hepatitis B, hepatitis C, and HIV on the rise, Canadian firms producing good quality, competitively priced treatments will find a receptive market. Domestic producers simply cannot meet the demand for cardiovascular drugs, analgesics,

antiseptics, anti-inflammatories, antibiotics, anaesthetics, tranquillizers, psychotherapeutics, central nervous stimulants and anti-viral treatments.

Market access considerations

The Russian Ministry of Health imposes several requirements before foreign pharmaceuticals can be sold in Russia:

- Registration, the responsibility of the Department for State Control of Quality, Effectiveness and Safety of Medicines and Medical Equipment, involves clinical testing assessments



for all drugs. The 1995 Memorandum of Understanding between Health Canada and the Russian Ministry of Health may facilitate the process, although its dispositions were not introduced into the Russian regulatory system.

- Certification, a week-long process; requires submission of test results conducted during registration before a Certification of Conformity can be granted by Russian health authorities.
- Application for an import permit is made only after a drug has been registered and certified. The permit is granted to either the manufacturer or to the Russian counterpart.

Although Russian authorities thoroughly check documentation and certification, they often fail to examine the medicine itself. This has resulted in an influx of counterfeit drugs, estimated to comprise at least 3.7% of the total market, an increase from 0.05% in 1999. Lack of enforcement will likely cause the problem to

grow worse, despite the fact that Russia's intellectual property legislation is approaching international standards. A new VAT tax on drugs slated for 2002 will undoubtedly worsen the situation by encouraging consumers to turn to counterfeit medication, which is often less expensive.

Russia's poor distribution network also poses serious constraints. Unlike more developed countries that use a small number of large distributors, there are more than 2,000 Russian companies acting as intermediaries, which makes it almost impossible to supervise and track the flow of medicines. Only a select number of distributors, such as Protek and SIA International, provide nation-wide coverage through regional distribution networks.

Major competition

Foreign pharmaceuticals are popular in Russia and global giants such as Novo Nordisk, Aventis Pharma and Novartis are already well established in the Russian market. Eastern European companies such as Hungary's Gedeon Richter and Slovenia's Krka are also considered major exporters. ICN Pharmaceuticals, AKO Sintez, Erka F, Akrikhin and Moskhimpharmpreparaty dominate local production.

Useful Web sites

- AIPM — The Association of International Pharmaceutical Manufacturers, Web site: www.aipm.org
- BISNIS — The Business Information Service for Newly Independent States, Web site: www.bisnis.doc.gov
- Coalition for the Protection of International Property Rights, Web site: www.cipr.org
- Health Canada, International Policy Division, Web site: www.hc-sc.gc.ca/hpb-dgpps/therapeut

For more information, contact Patrick Boulanger, Trade Commissioner, Canadian Embassy, Moscow, tel.: (011-7-095) 956-6666, fax: (011-7-095) 232-9949, e-mail: patrick.boulanger@dfalt-maeci.gc.ca

While tragic events were unfolding in New York City on September 11, the latest in defence technologies and equipment were being exhibited at DSEi 2001 (www.dsei.co.uk), Europe's largest and most prestigious defence trade show. The Canadian High Commission in London organized a Canadian stand to promote Canada's defence industry to well over 60 countries, including the huge market in the U.K.

Canadian participation at DSEi 2001, held from September 11-14 in the ExCeL exhibition centre in east London, surpassed that of two years ago, with 24 companies exhibiting, 10 on the Canada stand. Although scheduled to attend, National Defence Minister Eggleton cancelled his trip in the wake of September 11.

Over 650 companies representing 21 nations exhibited this year. While general attendance levels were down, official delegations arrived from 48 countries and a further 20 countries sent official representatives. Press interest was high as well, with over 250 accredited press attending over the four days. The combined tally, together with the warship and arena displays, made DSEi the largest defence show in Europe this year.

Although the tragedy in the U.S. overshadowed the show, many of the Canadian companies surveyed agreed that DSEi was an excellent event, which lived up to its billing as "the most prestigious exhibition of defence systems". Lower than expected attendance allowed exhibitors to "walk the floor" themselves, meeting with prospective clients, investigating what the competition was up to, and forging new leads.

DSEi is clearly a "must" on the marketing calendar — a cost-effective opportunity for companies in the Canadian defence industry with their sights set on the lucrative British and foreign defence markets.

U.K. defence market

Each year the Ministry of Defence (MOD) spends approximately £12 billion

on goods and services. Indeed, no group in the U.K. spends more, and no group matches the range of the MOD's requirements. They buy everything from military equipment to food, stores and clothing. Most of their requirements are sourced by the Defence Procurement Agency (DPA), which buys over £5 billion in new equipment and initial spares for the

and will provide 30 years of comprehensive training services to the Royal Navy. CAE (www.cae.com) will provide simulators worth \$370 million for the submarine's platform and propulsion systems, and Alenia Marconi simulators for the combat and weapons systems.

DAP Technologies (www.daptech.com) introduced its new Microflex

Opportunities in the U.K. defence sector

The show goes on

Armed Forces each year. At any one time, its 5,500 employees are managing more than 13,000 contracts, ranging from the purchase of submarines to small parts for a field radio.

As a result of the tremendous requirements of their Armed Forces, the U.K. has developed into one of Europe's largest suppliers of defence equipment, with British companies at the forefront of technological innovation in the defence sector. Notwithstanding this domestic industrial strength, the MOD is governed by a "smart procurement" policy which advocates value for money. They are therefore receptive to bids from overseas companies, and will give them due consideration — as evidenced by the £1.8-billion Bowman contract recently awarded to Canada's CDC. The new Bowman communication system is the largest defence communications programme ever undertaken by the U.K.

Canadian announcements

A number of announcements both preceding and during DSEi put the focus on the Canadian defence industry.

FAST — a CAE/Alenia Marconi consortium — signed a \$740-million contract with the MOD for the delivery of training services on the Astute Class nuclear submarines. FAST will construct a training centre in Scotland

hand-held unit for tactical, logistic, maintenance or GPS applications. General Dynamics UK was interested in the possibility of integrating the device into the Bowman project.

DY 4 Systems (www.dy4.com) emphasized its ability to adopt leading-edge technologies in its harsh-environment board and system-level products. It also showcased its new avionics display modules that incorporate the industry's most advanced graphics integrated circuits.

Nortel Networks (www.nortelnetworks.com) announced it had entered into a series of agreements with the European Aeronautic Defence and Space Company (EADS).

For more information, contact Sylvia Cesaratto, First Secretary (Commercial), Canadian High Commission, London, tel.: (011-44-20) 7258-6610, fax: (011-44-20) 7258-6384, e-mail: sylvia.cesaratto@dfait-maeci.gc.ca ✪



Barely a month after a very successful trip to Tokyo and Fukuoka, Japan last September, Joseph's Estate Wines is already responding to distributorship offers from small trading companies, hotels

Commissioner at the Canadian Consulate in Fukuoka," she adds, "who in turn consulted with Greg Giokas, Counsellor (Food and Consumer Products), at the Canadian Embassy in Tokyo."

Canadian Icewine toast of Japan

and restaurants and has entered into negotiations with some of the largest distributors in Japan.

The crowning glory for the Niagara-on-the-Lake small winery was the accolade it received at the International Trade Fair in Fukuoka where Joseph's Icewine obtained the highest rating from participants at the wine seminar. This bi-annual fair held September 13-16 — it is usually used as a testing



From left to right: Minister Peter Campbell, Canadian Embassy, Tokyo; Joseph Pohorly, President and Owner, and Flordeliz Legarda-Custodio, Vice-President, Export, Joseph's Estate Wines; and Counsellor Greg Giokas at the Canadian Embassy in Tokyo.

ground for new products in Japan — drew more than 77,000 people.

CanadExport acts as trigger

"It was back in February," recalls Flordeliz Legarda-Custodio, Vice-President, Export, at Joseph's, "when we read a short article in that month's first issue of *CanadExport* about the upcoming Fukuoka International Trade Fair 2001.

"As suggested, we contacted Josiane Simon, Consul and Trade

So the wheels were set in motion for Joseph's to kill two birds with one stone.

Trade Commissioner support

"If you are coming all the way to Fukuoka, why not stop by at the Embassy in Tokyo," was the advice to Joseph's from Canada's Trade Commissioners.

So an Icewine tasting event was hosted by the Canadian Embassy in

Tokyo and attended by key executives from Japanese wine importers, wholesalers, the press, and associations of chefs and five-star hotels.

The wine seminar and tasting event in Fukuoka also involved table wines and fruit wines from other Canadian suppliers — from British Columbia and Newfoundland.

"But key to the success of the wine tasting events in both Tokyo and Fukuoka," recalls Legarda-Custodio, "was the support received from the Canadian Trade Commissioner Service in both cities, in particular Minister (Economic/Commercial) and Senior Trade Commissioner Peter Campbell; Counsellor Greg Giokas; Noburo Shimizu, Commercial Officer; Consul Josiane Simon; and Kazuhiro Uemura, Commercial Officer in Fukuoka, who assisted in the events."

Leading the visiting delegation were Joseph Pohorly, President, Owner of Joseph's Estate Wines, and Legarda-Custodio, who organized both events.

A really "cool" business

Joseph Pohorly is a legend in the wine industry. Original founder of Newark Wines in 1978 — it became Hillebrand Estate Wines five years later — he took his expertise gained from previous successes and founded Joseph's Estate Wines in 1992.

"Located in the heart of Niagara's Wine Country, the 20-acre estate employing some 30-35 people — it depends on the season," explains Legarda-Custodio, "has been recognized within the industry and abroad for producing a variety of award-winning wines."

Icewines are dessert wines made from grapes harvested at temperatures between -8 to -10°C degrees, usually in the evening or early morning. Vidal grapes are harvested by hand and slowly squeezed, yielding concentrated, intensely sweet drops of juice.

"As a matter of fact," she says, "back in 1983, Joseph Pohorly was one of the first in Canada to make Vidal Icewine. The 1998 VQA Joseph's Vidal Icewine received 'The Grand Champion American Airlines Trophy' for the Best Commercial Dessert wine and a Gold Medal on July 28, 2001."

Little wonder the Japanese are eager to sign contracts for such highly prized products. As for Joseph's — in addition to sending samples to prospective customers — it is seriously considering participating in FOODEX 2002, a trade show slated for Tokyo next March, to build on its initial market penetration in Japan.

For more information on Joseph's Estate Wines, contact Flordeliz Legarda-Custodio, Vice-President, Export, tel.: (905) 338-9072, fax: (905) 338-8460, e-mail: flordelizlegarda@aol.com Web site: www.josephsstatewines.com *





Aboriginal International Business

BRINGING TRADITION AND INNOVATION INTO THE GLOBAL MARKETPLACE

Since our summer 2000 supplement entitled *Aboriginal Export Success, Much more than Arts and Crafts*, success stories have continued to pour in, confirming that aboriginal businesses are major players in the international marketplace. Agriculture and food companies exhibited at ANUGA and SIAL, the two largest agri-food trade shows in the world. Igloodik Isuma Productions, a Nunavut company, won the prestigious Caméra d'Or prize at the 2001 Cannes Festival in France with their aboriginal-language film *Atanarjuat* (The Fast Runner). Kitsaki Meats Limited Partnership was one of six Canadian companies that won the 2001 Canadian Export Award, as well as a special achievement award. Kitsaki Meats is known for a lot more than just its meat products. In fact, Kitsaki has become the world's largest and most successful producer and supplier of organic wild rice, selling throughout North America, Germany, Netherlands and the United Kingdom.

The World Bank, Inter-American Development Bank and Canadian International Development Agency (CIDA) all have projects that involve Canada's indigenous peoples. Canadian aboriginal know-how and expertise are needed in the areas of traditional knowledge, governance, dispute resolution, land management, community health and community justice, as well as economic and business development. Meadow Lake Tribal Council is managing a \$3-million CIDA-funded social development project with indigenous communities in Nicaragua. The Inuit Circumpolar Conference Canada is the executing agency for two major international development projects aimed at the transfer of Inuit experience and skills to indigenous partners in Belize and Russia.

In August, 27 aboriginal businesses and business organizations participated in an export-education mission organized by the Canadian Consulate General in Minneapolis. The mission members also participated in the Native American Business Alliance (NABA) Convention.

The Assembly of First Nations, in collaboration with Métis and Inuit organizations, organized the Indigenous Peoples Summit of the Americas in Ottawa in March. The indigenous leaders of the Americas developed recommendations regarding the Summit's mandates that were of specific interest to indigenous peoples. These recommendations were then shared with the leaders at the Summit of the Americas in Quebec City in April.

The number of aboriginal firms that are registered with the Department of Foreign Affairs and International Trade's World Information Network (WIN) database has increased from 165 to 425. This includes aboriginal businesses in information technology, agriculture, food and beverage, environmental consulting, oil and gas, forestry, sporting goods, tourism and the cultural industries, to name just a few sectors.

ABORIGINAL INTERNATIONAL BUSINESS DEVELOPMENT COMMITTEE

WORKING FOR YOU IN CANADA AND AROUND THE WORLD

MANDATE

The Aboriginal International Business Development (AIBD) committee's mandate is to promote aboriginal export-market development and access to world markets.

OBJECTIVES

- to facilitate access and use of available relevant government programs and services by the aboriginal business community;
- to ensure that export-development services respond to the identified needs of aboriginal small and medium-sized enterprises (SMEs);
- to address the need for training and skills development to increase the number of export-prepared and exporting aboriginal firms;

- to increase the level of participation by aboriginal firms in trade activities and to develop special initiatives to take advantage of unique international business opportunities and challenges;

- to integrate and co-ordinate the participation of Team Canada Inc. partners providing programs and services to the aboriginal business community; and

- to identify exporting and export-prepared aboriginal SMEs for inclusion in the WIN Exports database.

The AIBD is an intergovernmental committee with 29 members. The Department of Foreign Affairs and International Trade, Indian and Northern Affairs Canada and Aboriginal Business Canada are co-chairs.

The Aboriginal International Business Development (AIBD) committee, which consists of 29 federal government departments and agencies, continues to work together to support the aboriginal business community in their international business endeavours. Many of the initiatives mentioned in this supplement were made possible with the support of the AIBD members working together and sharing resources.

Prepared by the Export Services for Small and Medium-sized Enterprises Division (TSME)



INTERNET GATEWAY

<http://www.aboriginalcanada.gc.ca>

This portal is a unique Internet gateway with information for and about aboriginal Canadians. Users will find a one-stop access to over 12,000 links to information about economic development,

business, trade, employment, culture, claims and treaties, bands, aboriginal associations, news, upcoming events, people and more.

MINISTER PETTIGREW ANNOUNCED NAMES OF WINNERS OF THE CANADA EXPORT AWARDS

On **September 24**, International Trade Minister Pierre Pettigrew announced the names of the ten companies that were the winners of the 2001 Canada Export Awards. The Minister presented the awards to the winners in Montreal, at a gala dinner held by the Canadian Manufacturers & Exporters.

"Canadians throughout the country profit from the dynamism and success of Canada's export companies," said Minister Pettigrew. "This year's winners have had a highly beneficial effect on their communities—last year, they provided over 6,700 jobs and generated over \$657.5 million in export sales."

From east to west, the winning companies were:

- *Grand Atlantic Seafoods*, St. John's, Newfoundland;
- *Mermaid Theatre of Nova Scotia*, Windsor, Nova Scotia;
- *The Shaw Group Limited*, Halifax, Nova Scotia;
- *FieldTurf Inc.*, Montreal, Quebec;
- *LAUZON, Distinctive Hardwood Flooring*, Papineauville, Quebec;
- *Teknion Corporation*, Toronto, Ontario;
- *The Pressure Pipe Inspection Company Ltd.*, Mississauga, Ontario;
- *Kitsaki Meats Limited Partnership*, La Ronge, Saskatchewan;
- *Global Thermoelectric Inc.*, Calgary, Alberta; and
- *Fincentric Corporation*, Richmond, British Columbia.

Six of the winning companies also received special achievement awards:

- *Fincentric Corporation*
Challenging Markets Achievement Award;
- *Global Thermoelectric Inc.*
Innovation and Technology Achievement Award;
- *Kitsaki Meats Limited Partnership*
Aboriginal Business Achievement Award;
- *LAUZON, Distinctive Hardwood Flooring*
Continuous Quality Achievement Award;
- *The Pressure Pipe Inspection Company Ltd.*
Smaller Exporter Achievement Award; and
- *The Shaw Group Limited*
Job Creation Achievement Award.

For more information about the 2001 Canada Export Awards, or to obtain an application form for the 2002 awards program, please visit the Canada Export Awards Web site: <http://www.infoexport.gc.ca/awards-prix>



International Trade Minister Pettigrew (left) presents Export Prize to Chief Harry Cook, President of Kitsaki Meats Limited Partnership

NATIVE AMERICAN BUSINESS ALLIANCE CONVENTION AND EXTUS MISSION NABA

On August 12-14, 27 aboriginal businesses and business organizations took advantage of an export-education Exporters to the United States (EXTUS) mission to Minnesota. The Canadian Consulate General in Minneapolis organized the very successful trade mission. The event coincided with the second annual Native American Business Alliance (NABA) Convention—a unique business-oriented forum designed to put native-owned firms in touch with an elite group of Fortune 500 corporations and large tribal-owned businesses. The participants sought to increase the amount of business they give to minority suppliers.

The NABA Convention also provided an excellent networking opportunity for companies. As an added feature to its program, NABA organized 'Talking Circles' and seminars on a variety of subjects of particular interest to native businesses and the Fortune 500 corporations, including minority supplier certification, joint ventures and strategic alliances, economic development, E-commerce and 'Native American' spirituality. The Talking Circle on "A National Indian Chamber of Commerce: Is NOW the Time?" met with such resounding support that companies and organizations signed up on the spot (See article on American Indian Chamber of Commerce.)

In addition to the Canadian trade mission members, there were at least a dozen other prominent aboriginal leaders from Canada who attended the NABA Convention, bringing the Canadian contingent to around 40 people. Clearly, there was a strong Canadian presence throughout the three-day NABA Convention, and many Canadian businesses reported that they gathered excellent leads as a result of attending this event.

The Department of Foreign Affairs and International Trade will again organize an EXTUS trade mission to next year's NABA Convention. The dates and location are still to be announced by NABA.

If you would like information on the NABA 2001 Convention or would like to register your interest in the 2002 Convention, please contact **Dana Boyle**, Business Development Officer at the Canadian Consulate General in Minneapolis, Tel.: (612) 332-7486, ext. 3358
E-mail: dana.boyle@dfait-maeci.gc.ca



Networking at NABA: Bob Dickson, Niigon Tehcnologies Ltd. (in background); and Teresa Hudson Supplier Diversity Co-ordinator, Toyota Motor Manufacturing North America (in foreground)

EXPORT MARKET REPORTS FOR CANADIAN ABORIGINAL CULTURAL EXPORTERS

The Department of Foreign Affairs and International Trade Web site hosts numerous market reports for aboriginal exporters of arts and crafts at: <http://www.infoexport.gc.ca> Go to *Market Reports and Contacts*, and then to *Aboriginal Products, Services and Technologies*.

(Other reports can be found on the same Web site under *Archives*.) Look for:

- The Native Art and Handicraft Market in Belgium*
- Aboriginal Arts and Crafts Market - Germany*
- The Aboriginal Arts and Crafts Market - Italy*
- Canadian Aboriginal Art and Craft Market - Midwest United States*

see more on page XIV ▶ ▶ ▶



EXPORTUSA

ExportUSA consists of three programs: the New Exporters to Border States program (NEBS), the Exporters to the United States program (EXTUS) and the Reverse NEBS, which, through the efforts of Team Canada Inc. partners, support the government's initiative to increase the number of active exporters to the United States. Since 1984, over 15,000 Canadian companies have participated in these export programs.

NEBS focuses on export education and targets Canadian companies considering exporting to the United States. NEBS introduces the essentials of exporting, including practical export information and first-hand exposure to markets in the United States.

EXTUS, formerly known as NEBS Plus, is a program that serves Canadian companies already exporting to the United States. By combining sessions with industry experts, entry to a major national/regional trade show and a networking opportunity with distributors, representatives

and buyers, EXTUS focuses on expanding the markets of successful exporters to other regions of the United States.

The Reverse NEBS program, serves Canadian companies not yet exporting to the United States by providing seminars in Canada covering the essentials of exporting.

For a listing of upcoming trade missions, contact the International Trade Centre in your province or check the Web site: <http://www.can-am.gc.ca/nebs/runtime/search-e.asp>



THE JAY TREATY

CONSULATE GENERAL OF THE UNITED STATES OF AMERICA

1000, 615 MacLeod Trail, S. E.
Calgary, Alberta T2G 4T8
Tel. (403) 266-8962

NATIVE INDIANS BORN IN CANADA

The Jay Treaty signed in 1794 between Great Britain and the United States, provided that Indians could travel freely across the international boundary. The United States has codified this obligation in the provisions of the Immigration and Nationality Act (INA), as amended. Native Indians born in Canada therefore are entitled to enter the United States for the purpose of employment, study, retirement, investing, and/or immigration to the United States. Section 289 of the INA reads as follows:

"Nothing in this title shall be construed to affect the right of American Indians born in Canada to pass the borders of the United States, but such right shall extend only to persons who possess at least (50%) per centum of blood of the American Indian race."

In order to qualify under this section, eligible persons must provide evidence of their Indian background to the United States Immigration and Naturalization Service (USINS) officer at the intended Port of Entry. The documentation must be sufficient to show that the bearer has at least fifty (50%) percent blood of the American Indian race. Such persons may then be admitted without having secured any visa.

Generally such evidence would include either an identification card from the Ministry of Indian and Northern Affairs, or a written statement from an official of the Tribe from which you or your ancestor(s) originate - substantiated by documentary evidence [tribe records and civil long form birth certificates bearing name(s) of parent(s)]. Such a statement should be on the Tribe's official letterhead and should explicitly state what percentage of American Indian blood that you, or your parent(s) possess, based on official documents/records. You should also provide photographic identification such as a driver's license.

The INA act does not distinguish between 'treaty' and "non-treaty" or "status" and "non-status" Indians as determined by Canadian law. The only relevant factor is whether or not the individual is at least 50% Indian by blood. Similarly, letters or identification cards from Metis associations generally cannot be accepted, as the Metis are not a federally recognized Indian tribe. If such identification helps to establish that an individual is at least 50% Indian, it can also be included with other more conclusive evidence.

If not documented at the Port of Entry, you can apply for permanent resident alien (SI-3) status by applying at the nearest USINS office. To apply you should provide: proof of your legal entry to the United States, your long form birth certificate (bearing names of parents), documentation of your American Indian heritage, and any other documentation USINS requests.

Persons granted permanent resident alien status would be issued a resident alien (I-151) "green" card by USINS. Recipients are entitled to all rights and privileges accorded legal immigrants of the United States—including, if they wish, eventual naturalization as American citizens, and the right to sponsor immediate family members into the United States. Resident aliens are entitled to file on behalf of a spouse and unmarried children if they are not also eligible to be admitted under Section 289 of the INA.

U.S. Immigration (USINS) Calgary (403) 221-1730
U.S. Immigration (USINS) Edmonton (403) 890-4486
U.S. Immigration (USINS) Winnipeg (204) 783-2340

U.S. Immigration (USINS) Sweetgrass, Mont. (406) 335-2921
U.S. Immigration (USINS) Pembina, N. D. (701) 825-6722
U.S. Immigration (USINS) Portal, N.D. (701) 926-4221

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NATIVE

UNITED STATES

MINORITY SUPPLIER CERTIFICATION

In the United States, special opportunities are available to businesses that are owned by people of selected minorities. These opportunities exist through programs developed by 'Corporate America' on the private industry side and such entities as the U.S. Small Business Administration on the government side. Their aim is to help disadvantaged businesses to succeed, to assist the workforce in becoming more diversified, and to enrich and empower minority individuals economically.

While Canadian minority-owned businesses would either have to incorporate in the United States or partner with a U.S. minority-owned business to qualify for most of these programs, there are many opportunities for increased sales that might make it worth considering one of these options, and the benefits of identifying and networking with people in the United States.

There are incentives given to corporations in the United States who do business with qualified minority-owned businesses. More than that, the corporations believe that it is in their best interest to support minority businesses for a wide variety of reasons—not just financial ones. This gives an advantage to minority-owned businesses, though their products or services still must adhere to quality, pricing and service standards as required by the purchaser.

The National Minority Supplier Development Council (NMSDC) was formed voluntarily in 1972 as a private industry-led organization that very actively promotes minority businesses, through its 39 regional councils across the United States. According to their Web site, "There are 3,500 corporate members throughout the network, including most of America's largest publicly owned, privately owned and foreign-owned companies, as well as universities, hospitals and other buying institutions." For more information on this organization, visit their Web site: <http://www.nmsdcus.org>

The NMSDC is hoping to stimulate a mirror organization in Canada and is willing to speak to Canadians about how this might transpire, given their vast experience. The key contact there is **Eric Vicioso**
Tel.: (212) 944-2430, ext. 129
E-mail: evicioso@nmsdcus.org

As well, the Canadian Consulate General in Minneapolis has a brief report entitled *Selling to American Corporations as a Minority Supplier* on their Web site: <http://www.can-am.gc.ca/minneapolis>

AMERICAN INDIAN CHAMBER OF COMMERCE

Native Americans to Create National Chamber of Commerce Organization to Promote Business Development, Improve Economic Opportunities

HINCKLEY, Minn., Aug. 21 /PRNewswire/—Native Americans in the United States and Canada have joined together with business owners and corporate representatives across the continent to create the first national American Indian Chamber of Commerce. The agreement was reached last week at the annual meeting of the Native American Business Alliance (NABA) held in this gaming and convention centre north of Minneapolis.

"This is an historic agreement that will serve to unite, promote and grow existing Indian business," said Bill Largent, NABA executive committee member. "We'll use the national Chamber to create links between existing native businesses and state Indian chambers, and to provide a strong, common vision and focus."

Delegates from NABA, five of the country's six largest state Indian chambers, tribal enterprises, Canadian tribal and private businesses, the U.S. government and some of the largest U.S. corporations unanimously authorized the creation of the Chamber. "The Chamber will serve as the business-development link between native businesses, corporations and other large organizations, including state and federal governments," said Largent. "The new Chamber will work to expand NABA's relationships with Fortune 500 companies to assist tribes with their diversification strategy and to link smaller, urban-based Native businesses with minority-supplier development programs at corporations such as American Express, Daimler Chrysler, Disney, EDS, Ford, General Motors, IBM, Phillip Morris, Texaco and UPS."

The official name, headquarters location and principal business activities of the Chamber will be finalized, when delegates meet again in September 2001.

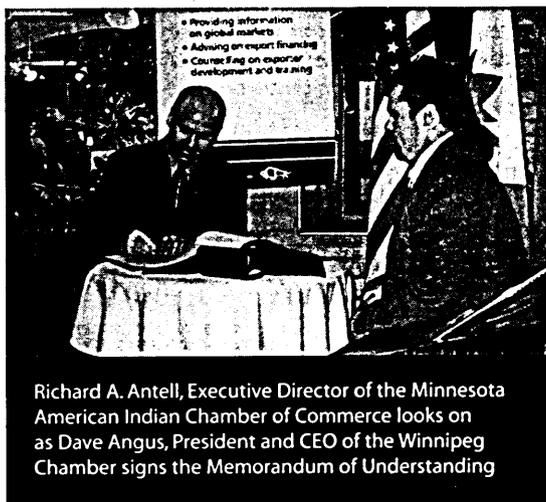
A number of the Canadian participants reminded the others that Canada (and probably Mexico) should, if possible, be included on the ground floor of this new organization. As a result of this interest, Canadian EXTUS mission delegates, Robin Wortman (rawortman@hotmail.com) of the Calgary-based National Aboriginal Business Association and Lorraine Bear (hlbear@mts.net) on behalf of the Winnipeg Chamber of Commerce's Aboriginal Economic Development Committee, have volunteered to be on the steering committee.



Aboriginal International Business

NABA is an Indian business-development organization that facilitates relationships between Indian-owned businesses and U.S. corporations. NABA also promotes tribal economic development, networking among tribes and American Indian business organizations, and cultural and educational programs, for its several hundred members. Corporate sponsors of NABA include the Ford Motor Company, General Motors, UPS, Universal Studios and several others. The contact for the National American Indian Chamber of Commerce is **Bill Largent**, The Advance Companies
Tel.: (248) 857-5526, ext. 106
E-mail: blargent@advnetworks.com

Photo by Kisik Marketing & Communications Ltd.



Richard A. Antell, Executive Director of the Minnesota American Indian Chamber of Commerce looks on as Dave Angus, President and CEO of the Winnipeg Chamber signs the Memorandum of Understanding

ANCIENT TRADING ROUTES RE-ESTABLISHED

In autumn 1999, the Winnipeg Chamber of Commerce contacted the Canadian Consulate General in Minneapolis to see if there was any Native American business organization in the Upper Midwest that would be interested in forming a relationship with the Winnipeg Chamber's Aboriginal Economic Development Committee. The Consulate put them in touch with the Minnesota American Indian Chamber of Commerce, which soon thereafter invited their Canadian brothers and sisters to a Business Builder's luncheon and networking session in Cass Lake, Minnesota. Quite a few Winnipeg aboriginal-owned firms travelled to Minnesota for this luncheon.

To reciprocate, the Winnipeg Chamber of Commerce hosted a very special event on April 30, where two delegations of Native business owners and organizations from Minnesota and Nunavut joined the Winnipeg Chamber members for a full day of meetings

and networking sessions. A Memorandum of Understanding (MOU) was signed between the Winnipeg and Minnesota chambers, formalizing their relationship and their intention to continue supporting business ties between the two jurisdictions.

The Province of Manitoba's Minister of Aboriginal and Northern Affairs, Eric Robinson, was quoted as saying, "The signing of the MOU is an excellent step in encouraging indigenous trade efforts. The aboriginal population in Canada and the United States represents valuable market opportunities for business, and concerted efforts such as this will enable us to tap this market and increase aboriginal employment." Already, there have been reports of increased market opportunities and sales leads for companies on both sides of the border.

For more information on the MOU, contact **Mark Freedman** of the Winnipeg Chamber of Commerce, Tel.: (204) 942-3011, ext. 212
E-mail: mfreedman@winnipeg-chamber.com
There is a copy of this historic Memorandum of Understanding on the Winnipeg Chamber's Web site: <http://www.winnipeg-chamber.com>

AN EXPORT EDUCATION EXTUS MISSION TO THE INDIAN ARTS AND CRAFTS ASSOCIATION FALL WHOLESALE SHOW

The Canadian Consulate General in Los Angeles once again sponsored an educational trade mission to the annual fall trade show of the Indian Arts and Crafts Association (IACA). This wholesale show was held at a new venue in Phoenix, Arizona, on **October 17-20**. The IACA Show featured the authentic art and crafts of aboriginal people, including paintings, textiles, pottery, jewelry, sculpture, carvings, beadwork and baskets. Increasingly, Canadian aboriginal wholesalers and craft producers have found this to be a lucrative venue to show their work. While attending the EXTUS Mission, participants visited the IACA Show as part of a rich, educational program designed to introduce the market to them and to help them to assess the merits of the IACA. During the show, IACA organized several business seminars and hosted a social event for exhibitors and attendees. Attendance at these events is optional, but was recommended for EXTUS Mission participants.

To participate in these missions, the cost is US\$100.00 per person. Companies must also cover their travel and personal expenses, other than group transportation

for the gallery tour. Aboriginal participants may be eligible for partial funding from Aboriginal Business Canada (ABC) and may contact their local ABC office for more information. To find the nearest ABC office, visit their Web site: <http://www.abc.gc.ca> and click on *Contact Information*, then *Our Offices*, or phone 1 (800) 328-6189.

Anyone wishing to obtain more information should contact: **Carl Light**, Business Development Officer, Canadian Consulate General, 550 S. Hope St., 9th Floor, Los Angeles, CA 90071, United States
Tel.: (213) 346-2756, Fax: (213) 346-2767

INDIGENOUS TO INDIGENOUS

CANADIAN INTERNATIONAL DEVELOPMENT AGENCY COMMITMENT TO INDIGENOUS COMMUNITIES

The Canadian International Development Agency (CIDA) supports sustainable development activities to reduce poverty and to contribute to a more secure, equitable and prosperous world. Development is a complex, long-term process that involves all of the world's people, governments and organizations at all levels. Working with partners in the private and public sectors in Canada and in developing countries, and with international organizations and agencies, CIDA supports foreign aid projects in more than 100 of the poorest countries of the world. The objective is to work with developing countries and countries in transition to develop the tools to eventually meet their own needs. In Canada, CIDA has worked with other federal departments to develop an international business strategy (Aboriginal International Business Development Plan) for Canada's indigenous peoples. CIDA has also set aside part of their administrative budget for aboriginal procurement, and gives bonus points in their tendering process, if bidders plan to use indigenous employees, consultants or suppliers in CIDA-funded contracts. As well, there's now a specific component of a trust fund at the Inter-American Development Bank that promotes the involvement of indigenous peoples.

CIDA projects in Colombia, Bolivia, Peru and Chile, have ranged from income-generation activities in agriculture and mining to leadership training for indigenous women's groups. In Guatemala and Ecuador, CIDA has focused on improving human rights, reforming education, and encouraging links between indigenous groups in the Americas and Canada.

Currently, CIDA is funding about 25 projects around the world that involve Canada's indigenous peoples. Canadian aboriginal know-how and expertise is needed in the areas of traditional knowledge, governance, dispute resolution, land management, community health and community justice. For more information on CIDA, check their Web site: <http://www.acdi-cida.gc.ca>

INDIGENOUS PEOPLES PARTNERSHIP PROGRAM

Canada is committed, through agreement between the Minister of International Co-operation and the National Chief of the Assembly of First Nations, to encourage the use of the development experience and capabilities of indigenous Canadians in the service of Canada's official development-assistance programs. To this end, CIDA is developing the Indigenous Peoples Partnership Program (IPPP), whose overall objective is to achieve excellence in development co-operation with indigenous peoples. The initial budget for the IPPP is \$10 million over a four-year period. The IPPP was announced by the Minister for International Co-operation at the Indigenous Summit of the Americas, which convened in Ottawa on **March 29-31**.

The IPPP has three key program elements that are being developed in partnership with indigenous peoples.

- **Partnership Fund:** The IPPP will develop and implement the Indigenous Peoples Partnership (IPP) Fund in an amount of some \$5 million over a four-year period. The IPP Fund is designed to encourage, with the aid of modern communication technologies, the effective matching of the development expertise of indigenous Canadians with the development requirements of indigenous peoples, initially in the Americas. The IPPP is envisaged to use recent indigenous Canadian experience, for



Photo by Geoffrey Hughes



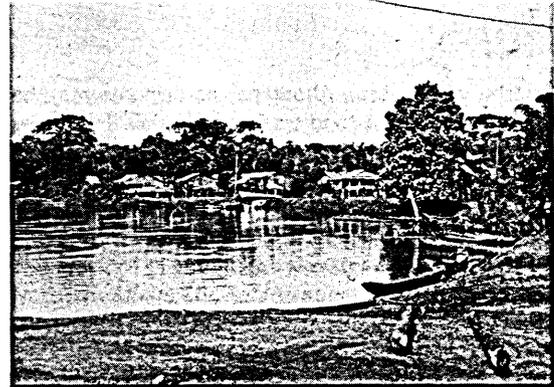
example, in their economic, political and cultural development, as well as their traditional perspectives on governance, dispute resolution, land management, negotiation, community health and community justice, in the service of indigenous development internationally.

- **Knowledge Fund:** The IPPP proposes to develop and implement a program, in an amount of approximately \$2 million over a four-year period, that will fund research, workshops and other activities that build knowledge identified by indigenous peoples as important to their development. As envisaged, the program will use modern communications technologies, where possible, to connect with experts and institutions to share indigenous knowledge. It will support existing institutions and relationships rather than develop new structures.
- **Youth Fund:** The IPPP proposes to develop and implement a program, in an initial amount of some \$3 million over a four-year period, to support leadership development among indigenous youth in Canada and internationally. As envisaged, the program will strengthen and build on existing institutions that serve indigenous youth. The program will use modern communications technologies, where possible, to facilitate the exchange of ideas on areas of common development concern such as indigenous knowledge and values, cultural revitalization, HIV/AIDS and economic development.

CIDA is currently consulting with indigenous peoples of Canada, and of Central and South America, on the proposed objectives and design of the IPPP. CIDA anticipates implementing the IPPP by early 2002. For more information on the IPPP, contact: **Bill Young**, E-mail: william_young@acdi-cida.gc.ca For more information on CIDA, visit: <http://www.acdi-cida.gc.ca>

MEADOW LAKE TRIBAL COUNCIL SOCIAL DEVELOPMENT PROJECT IN NICARAGUA

Meadow Lake Tribal Council (MLTC) of the Flying Dust Reserve, Saskatchewan, is managing a \$3-million CIDA project, to help the Miskitos, an indigenous group in Nicaragua's Prinzapolka region, to improve health and sanitation services, access to clean water, education and economic infrastructure work. The Prinzapolka region is isolated and extremely poor. Most of the water is not safe to drink. There is little access to schools or medical services. Precarious road conditions add to the region's isolation. On top of that, the region



The Indigenous community in Nicaragua that Meadow Lake Tribal Council is managing under a \$3-million CIDA-funded social development project

was devastated a few years ago by Hurricane Mitch, which destroyed entire crops and swept away the harvest. MLTC is no stranger to the region. For the past six years, the MLTC has built a relationship with the Miskito people in Prinzapolka. MLTC will develop a program with the communities to meet their needs. In fact, MLTC feels that they have particular expertise in doing needs assessments and project assessments. This is an area where MLTC has worked with their own communities for several years. MLTC also has experience in delivering health, education, infrastructure, credit and good governance projects with their own communities. Working together, the partners will look at the needs of the Miskito communities and put a plan into action. For Meadow Lake Tribal Council, check their Web site: <http://www.mltc.net>

THE INUIT CIRCUMPOLAR CONFERENCE CANADA

The Inuit Circumpolar Conference Canada is the executing agency for two major international development projects aimed at the transfer of Inuit experience and skills to indigenous partners in Belize and Russia.

Belize Co-Management Project

This project, conducted in partnership with the Maya of southern Belize, is based on the experience of Inuit from Nunavik, but will also include input from other regions in Canada. The project has been the subject of considerable attention by the Maya of Belize, because it is central to the ten points of agreement recently signed between the Government of Belize and the Maya. Aimed at addressing long-standing land-tenure issues through a district program of co-management, the project began with a research activity that will lead to the production of maps and other tools needed for co-management programming.

Institution-building for Northern Russian Indigenous Peoples Project

The Institution-building for Northern Russian Indigenous Peoples Project (INRIPP-2) focuses on ensuring the direct involvement of indigenous peoples in economic development and their participation in the decision-making processes at national, regional and local levels.

One of the fundamental objectives of INRIPP-2 is to support the sustainable political, economic and cultural development of Russia's northern indigenous peoples by establishing, through the Russian Association of Indigenous Peoples of the North, a Russian Indigenous Training and Economic Development Centre (RITC). In addition, financial assistance will be made available to support three community economic development pilot projects. RITC will also play a pivotal role in accomplishing another fundamental objective of INRIPP-2, which is to build Russian governmental capacity to promote local economic development. This approach will help to foster the capacity of selected indigenous community enterprises and to transfer Canadian northern experiences of community economic development corporations to encourage local employment and self-reliance. For further information, visit:

<http://www.inuitcircumpolar.com>

RUSSIAN NORTHERN AND ABORIGINAL WOMEN'S ENTREPRENEUR TRAINING PROGRAM

The Russian Northern and Aboriginal Women's Entrepreneur Training Program is being conducted under the Memorandum of Understanding (MOU) Concerning Co-operation on Aboriginal and Northern Development between the Department of Indian and Northern Affairs and its Russian counterpart. The MOU is an interministerial mechanism for co-operation and consultation between responsible Canadian and Russian federal government departments on areas of common interest with respect to northern policy and aboriginal issues.

The key objectives of the Training Program are as follows:

- to establish sustainable business and cultural linkages between Russian and Canadian northern and aboriginal businesswomen;
- to expose northern and aboriginal women to international business opportunities; and
- to ease unemployment for women in the targeted regions by enabling them to establish their own businesses and market their products effectively.

There have been several discrete activities in the Program thus far, beginning with an intensive internship in November 1999, which provided entrepreneurship training for several northern and aboriginal women from three regions of the Russian North: Chukotka; Yamal-Nenets; and Khanty-Manyisk Autonomous Okrugs. The group also included a representative of the Social and Economic Development Division of the former Goskomsever. Training materials were translated into Russian for participants to use as resource materials for imparting the knowledge that they learned to other women in their communities.

Building on the success of the training conducted during the internship, linkages were forged between the NWT Chamber of Commerce and the Norilsk Women Industrial Association. The two associations together agreed to lead the second phase of the initiative, which aims to establish sustainable business and cultural linkages between Russian and Canadian Northern and aboriginal businesswomen through the creation of an ongoing networking mechanism—the **Canada-Russia Forum for Northern and Aboriginal Women in Business**. The Forum will foster the creation of a community of women entrepreneurs, enabling women from isolated northern communities to expand and maintain business contacts from other regions of the Circumpolar Arctic.

A conference was organized recently in Taimyr Autonomous Okrug to discuss future collaboration. The conference, which took place in July, had more than 200 participants from a number of northern countries. A number of varied themes were addressed, including management skills, marketing and cultural tourism. The goals of the conference were fully met. Specifically, the conference succeeded in:

- mapping out directions and a Plan of Action for the promotion of future co-operation among northern communities in the area of business development;
- determining next steps; and
- identifying specific steps for future co-operation.

For more information, contact: **Thembi Kamanga-Silundika**, Circumpolar Analyst—Russia Circumpolar Liaison Directorate, Department of Indian Affairs and Northern Development, Suite 941, Les Terrasses de la Chaudière, 10 Wellington Street, Hull, Ottawa, Ontario K1A 0H4
Tel.: (819) 994-7590
E-mail: KamangaSilundikaT@inac.gc.ca



NORTHERN CO-OPERATION: THE EMERGING POTENTIAL OF ARCTIC PARTNERSHIPS

As Canadians, when we think about our neighbours, it's no surprise that we tend to look south. In fact, Canada has a number of other neighbours, and we share a view of the North Pole with all of them. Canada, Denmark (Greenland), Finland, Iceland, Norway, Russia, Sweden and the United States (Alaska) make up the circumpolar Arctic—a region that has assumed an important role on the world stage in recent years.

This is an exciting time for the North. New resource-development opportunities are being explored, and industries such as tourism are bringing more visitors to the North to appreciate the region's beauty and unique character. Today, advances in information technology and transportation also provide opportunities for many Northerners to participate in a broader national and international community, despite long distances.

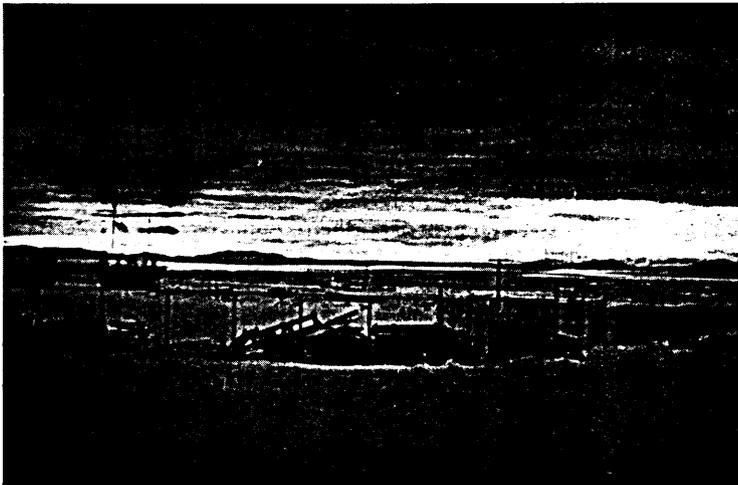


Photo by Geoffrey Hughes

In Canada's North, the ongoing settlement of land claims and the completion of self-government agreements provide certainty for land and resource use, and form the basis for strengthened and forward-looking partnership with aboriginal peoples. Land claims settlements and self-government arrangements bring opportunities for economic growth and a more promising future. Economic development corporations established through land claims settlements are becoming key economic actors and are expanding their activities outside the region. For example, First Air (<http://www.firstair.ca>), an airline owned by the Makivik Corporation of Kuujuaq, Quebec, provides passenger and cargo service to over 30 cities in Canada.

At the same time, northern communities face serious environmental, economic, social and cultural threats, many of them international in scope. The effects of pollution and climate change on the arctic environment, for example, are not issues that Canada can tackle alone. Circumpolar co-operation is necessary to address our northern challenges and to maximize opportunities for Northerners to fulfill their aspirations.

The Northern Dimension of Canada's foreign policy sets out a vision for Canada in the circumpolar world, based on co-operation with Northerners and our circumpolar neighbours. The following are a few examples of these promising partnerships.

- Over 30 institutions around the world have joined forces to build a university without walls. The University of the Arctic is a dynamic network of universities, colleges and other organizations concerned with higher education and research in the North. University members are sharing resources, facilities and expertise to build post-secondary education that is relevant and accessible to northern students.
- The Northern Chambers of Commerce Partnership Program is working toward the establishment of a Virtual Circumpolar Chamber of Commerce, with an emphasis on bringing direct benefit to northern small and medium-sized enterprises.
- Indigenous groups from northern Canada are playing an important role on the Arctic Council and in other important international fora.
- The Arctic Athabaskan Council (<http://www.arcticathabaskancouncil.com>), the Inuit Circumpolar Conference (<http://www.inuitcircumpolar.com>) and the Gwich'in Council International (<http://www.gwichin.nt.ca>) are actively representing their communities' interests and priorities in international relationships and activities.
- Russian and Canadian partners have established commercial transpolar air routes between our two countries. Canadian centres have thus become hubs for transpolar air and shipping routes.

To learn more about Arctic partnerships and Canada's role in the circumpolar world, visit the Department of Foreign Affairs and International Trade Web site: <http://www.dfait-maeci.gc.ca/circumpolar/main-e.asp>

PROTECTING KNOWLEDGE: PACIFIC PEOPLES' PARTNER- SHIP ABORIGINAL YOUTH INTERNSHIP (CANADA)

Ten Aboriginal Youth Take Off on South Pacific Adventure

Victoria - **September 15** marked the beginning of a six-month South Pacific odyssey for ten young aboriginal Canadians. Through the internship program, these youth are being immersed in the work and daily life of indigenous communities in the Cook Islands, Vanuatu, Fiji and New Zealand. Their work placements will offer them a range of experiences in everything from indigenous tourism to coastal resource management and from community popular theatre to traditional medicine.

Victoria-based Pacific Peoples' Partnership has teamed up with the Department of Foreign Affairs and International Trade to offer this international program, now in its third year. Interns come from aboriginal organizations across the country, and each brings unique skills. Brennan Gohn (Cowichan, B.C.) and Tricia Collinson (Haida, B.C.) will be stationed in the Cook Islands. Dana Reid (Mamgis, B.C.) and Kathleen Graham (Dene, NWT), along with Sheldon Wuttunee (RedPheasant, Saskatchewan) and Angie Shuter (Nlakapamux Nation, B.C.) will all be working with Maori peoples in New Zealand.

Shuter will be focusing on intellectual property policy and law reform. "While Canada has taken some important steps in developing policy pertaining to First Nations intellectual property and traditional knowledge, we have much to learn from the international community. I think that we can learn from the experience of the Maori people and from their very advanced work in this field," Shuter said.

Cameron Patterson (Métis, Alberta), Kyle Halsey (Iroquois, B.C.) and Murphy Patrick (Carrier, B.C.) will be based in Vanuatu. Michele Thomas (Seneca, Ontario) will pursue her interest in traditional medicine both here on Vancouver Island and in Fiji.

Pacific Peoples' Partnership, founded in 1975, is a social justice organization that supports Pacific Islanders in their efforts to protect and promote their environment, livelihoods and community development.

For more information, contact **Rita Parikh**, Executive Director, 1921 Fernwood Road, Victoria, British Columbia, V8T 2Y6
Tel.: (250) 381-4131
Fax: (250) 388-5258
E-mail: Internco-ordinator@sppf.org
Web site: <http://www.sppf.org>

Other aboriginal organizations that manage Youth International Internship programs include: Nunavut Youth Abroad Program, United Nations Association of Canada, International Institute for Sustainable Development, University of Saskatchewan—Native Law Centre, International Organization of Indigenous Resource Development, Ochapowace—South East Treaty Four Tribal Council, University of Victoria—Institute for Child Rights and Development, and Rights and Democracy (formerly the International Centre for Human Rights and Democratic Development).

If you would like to know more about the Department of Foreign Affairs and International Trade Internship Program, visit: <http://www.dfait-maeci.gc.ca/interns> or call us toll-free at: **1-800-559-2888**.

INDIGENOUS PEOPLES SUMMIT OF THE AMERICAS

The Assembly of First Nations in collaboration with Métis and Inuit organizations organized the Indigenous Peoples Summit of the Americas in Ottawa on **March 28-31**. Recommendations regarding the Summit's mandates were developed and later shared with the leaders at the Summit of the Americas in Quebec City on **April 20-22**. The major themes of the agenda included: bridging the digital divide, connectivity, corporate social responsibility and indigenous development, indigenous rights in the Americas, an Organization of American States' (OAS) draft declaration, the UN Declaration on the Rights of Indigenous Peoples, International Labour Organization 169, the UN Permanent Forum, the World Conference against Racism, the Inter-American Indigenous Institute, the OAS Declaration on Traditional Knowledge/Intellectual Property Rights, and strategic economic partnerships within the hemisphere. The federal government, in partnership with the aboriginal organizations of Canada, provided financial assistance for this event and for 45 indigenous leaders from the Americas to participate. The Summit was well attended by indigenous leaders and organizations from across Canada.

REUNION OF THE CONDOR AND THE EAGLE: INTERNATIONAL INDIGENOUS ACTION SUMMIT

The Carib Chief and Council of the Commonwealth of Dominica and Four Worlds/Four Directions International of Canada, in participation with the Government of Canada and the Commonwealth of Dominica, invite you to attend the International Indigenous Action Summit to be held in the Commonwealth of Dominica in the Eastern Caribbean on **December 4-9**.



The International Indigenous Action Summit will focus on initiating sustainable social, cultural and economic development action, building business partnerships, indigenous-to-indigenous trade, cultural exchange, and investment and banking opportunities in the Caribbean.

A registration fee of C\$495.00 or US\$375.00 includes four luncheons and a gala cultural banquet. For more information, please contact: **Four Worlds International Institute for Human and Community Development/ Four Directions International**, 347 Fairmont Blvd S., Lethbridge, Alberta T1K 7J8

Tel.: (403) 320-7144

Fax: (403) 329-8383

E-mail: 4worlds@uleth.ca

Web site: <http://home.uleth.ca/~4worlds>

or the Office of the Carib Council, Carib Territory, Commonwealth of Dominica, West Indies

Tel./Fax: (776) 445-7336

E-mail: waikada@cwdom.dm

CENTRE FOR INDIGENOUS ENVIRONMENTAL RESOURCES

The Centre for Indigenous Environmental Resources (CIER), a Winnipeg-based First Nations environmental training, research and consulting firm, was recently invited by the World Bank to attend the third Tripartite Meeting between the World Bank, Arpel (representing the oil and gas industry) and Coordinadora de las Organizaciones Indigenas de la Cuenca Amazonica (COICA), on behalf of the indigenous groups of the sub-Andean basin. The meeting was held in Columbia, a country with a history of dashes between indigenous communities, and the oil and gas industry. "We are very honoured to have been invited to such an important dialogue, and are impressed with the level of commitment of all participants to building meaningful partnerships," said CIER board member, Phil Fontaine.

He and Executive Director Merrell-Ann Phare had very successful meetings with over a dozen indigenous groups, including the leadership of COICA. COICA members expressed their urgent need for expertise and training related to the assessment of the environmental effects of oil and gas exploration and development in their countries, and their desire to work more closely with Canadian indigenous peoples and companies. CIER and COICA have continued to build this partnership, and CIER is readying itself to be able to provide indigenous-to-indigenous environmental training and technical services in the international market. CIER is also working with E2 Environmental, a company based in Calgary, Alberta, to provide training to indigenous people in Bolivia relating to the role of traditional knowledge in the assessment of the environmental, social and cultural impacts of oil and gas development. Visit CIER's Web site: <http://www.cier.com>

ABORIGINAL AGRI-FOOD SECTOR

SIAL: INTERNATIONAL EXHIBITION OF FOOD, BEVERAGES, WINES AND SPIRITS

SIAL, a biennial international trade fair for the food and beverage sector, was held in Montreal on **March 5-6**, with 30 countries represented at the event. Nine aboriginal firms exhibited in the Aboriginal Pavilion. In addition to pursuing individual sales opportunities, the exhibitors gained experience in an international forum, established contacts with other producers and met with 52 Canadian trade commissioners who can help them with ongoing export opportunities.

Producers of specialty items such as dried meats and fish, blueberry and cranberry products, wild rice and herbal teas were on hand to promote their companies and to represent the diversity of Canada's aboriginal agri-food sector. Participating companies were required to be experienced exporters or export-ready, and had to submit to a jury process to be selected for SIAL. For more information on SIAL, visit: <http://www.sialmontreal.com>

Reflecting the objectives of the Aboriginal International Business Development Plan, Industry Canada, through Aboriginal Business Canada, the Department of Indian Affairs and Northern Development, the Department of Foreign Affairs and International Trade, and the Department of Agriculture and Agri-Food jointly sponsored this initiative. Aboriginal Business Canada and the Department of Indian Affairs and Northern Development provided financial support to the First People's Business Association for this initiative.

The Aboriginal Pavilion at SIAL contained the following exhibits:

- **Aliments TOKA Foods**, Wendake, Quebec. The Huron-Wendat company markets gourmet specialties produced from wild fruits and vegetables.
- **Les Tisanes du Nunavik**, Montreal, Quebec. Owned by the Avataq Cultural Institute, this company offers traditional Inuit herbs for therapeutic and culinary use.
- **Bleuets Mistassini Ltd.**, Saguenay-Lac-Saint-Jean, Quebec. This firm exports the region's famous wild blueberries.
- **Iroquois Cranberry Growers**, Bala, Ontario. Owned by the Wahta Mohawk community, Iroquois markets cranberry-based native health-food products.

- **Kagiwiosa Manomin Inc.**, Dinorwic, Ontario. Operated by the Ojibway Nation, this co-op specializes in the production of wild rice.
- **Keewatin Meat & Fish Ltd.**, Rankin Inlet, Nunavut. Based in a small Inuit community by the shores of Hudson Bay, Keewatin, which is owned by the Nunavut Development Corporation, offers wild caribou meat.
- **Kitsaki Meats Limited Partnership**, La Ronge, Saskatchewan. Owned by the Lac La Ronge Indian Band, Kitsaki Meats specializes in dried meat snacks and organic wild rice, for customers in Canada, Europe, the United States and Japan.
- **Little Miss Chief Gourmet Products Inc.**, Westbank, British Columbia. Under the direction of a member of the Alkali Lake Band, Little Miss Chief offers smoked Pacific salmon prepared according to a unique family recipe, using all-natural ingredients.
- **Nunavik Arctic Foods (1998) Inc.**, Saint-Laurent, Quebec. Based in Northern Quebec and owned by local Inuit, this is North America's biggest producer of caribou meat, with clients around the world.

CANADIAN ABORIGINAL FIRMS OFFER "TASTE OF TRADITION" AT ANUGA 2001 FAIR AND TRADE SHOW

Four aboriginal companies featuring some of Canada's most unique food products were showcased at the Anuga 2001 Fair and Trade Show in Cologne, Germany, from **October 13 to 17**. Anuga, which is held every two years, is the largest international food and beverage products trade show in the world, with over 6,500 exhibitors from over 144 countries participating. A special 'Aboriginal Pavilion' was staged, featuring many traditional foods available for export. These included cranberry products, specialty meats, organic rice and fish products. The Pavilion was organized by the Quebec-based First People's Business Association. Industry Canada (through its Aboriginal Business Canada program) and Indian and Northern Affairs Canada provided funding to the Association toward costs of constructing, co-ordinating and marketing the Aboriginal Pavilion. Agriculture and Agri-Food Canada, and the Department of Foreign Affairs and International Trade, including their trade representatives overseas, undertook considerable co-ordination and market-development activities on behalf of all the Canadian food and beverage sector firms that participated at Anuga 2001.



Nunavut Cariboo exhibiting at SIAL

ABORIGINAL WORLD CULINARY OLYMPICS GOLD MEDALIST BACK IN GERMANY

From **October 13-17**, Arnold Olson, a Cree from northern Saskatchewan, was in Cologne, Germany, whipping up culinary delights from aboriginal food suppliers that were exhibiting at the ANUGA trade show. Chef Arnold Olson saw it as an opportunity to promote native entrepreneurship in their international marketing and sales efforts. Having trained and worked with some of the most recognized Canadian and European chefs, Arnold Olson has 20 years of experience in the culinary field. This was not his first trip to Germany. In 1992, he was a Gold Medallist in the World Culinary Olympics in Frankfurt, Germany, which opened up doors for other interesting special events, including the preparation of an aboriginal luncheon for the seven heads of state during the G7 Summit in Halifax in 1995. Arnold can be reached in Ottawa at: arnoldolson@videotron.ca.

KIVALLIQ ARCTIC FOODS/KEEWATIN MEAT & FISH

Kivalliq Arctic Foods/Keewatin Meat & Fish, which is located in Rankin Inlet, Nunavut, specializes in cutting and processing a variety of wild organic caribou meats. In the last few years, the company has grown by leaps and bounds. During this time of growth, the company attained European Economic Community (EEC) certification, and increased its workforce from 5 full-time employees to 15 full-time and 5 seasonal employees.

Obtaining EEC approval had been a goal for the company since 1993. This vision was shared by President John Hickes of the Nunavut Development Corp., of which Kivalliq Arctic Foods is a subsidiary, and by the company's President, David Oolooyuk, and the board of directors. The company did not want to be limited in the marketplace, but wanted the ability to have an exportable product from Nunavut that would be globally known.



Aboriginal International Business

Over the years, the firm contacted the Canadian consulates, and received excellent information and customer contacts. One in particular was the Consulate in Düsseldorf. They first talked to Stephan Rung in 1993 while they were developing their marketing strategy for export to the European Union (EU). Over the years, they periodically communicated, and when EU recognition was finally achieved, Stephan Rung phoned to congratulate them and e-mailed them an updated customer contact list in Germany.

Given their location in a remote Arctic community, they face many challenges: the distance from the marketplace and the availability of supplies are factors that have a great influence on their company. However, they know that they can adapt to any circumstances, and participating in SIAL in Montreal was indicative of this.

The company participated in the Aboriginal Pavilion, which was organized under the auspices of the First People's Business Association on behalf of the government. This was an excellent way of doing business while keeping an aboriginal theme. They enjoyed the benefits of showcasing their products from Nunavut, making new contacts and developing a broader customer base. The opportunity also gave them a feel for what was happening in the marketplace with comparable products.

It was suggested by the First Peoples that, if enough interest was generated from aboriginal businesses, they should consider attending ANUGA in Cologne as well. This opportunity was welcomed, since they are export-ready, and ANUGA gave them a tremendous opportunity to showcase their products and to compare methods of merchandising and pricing policies of similar companies.

For more information, contact: **Brian Schindel**, Kivalliq Arctic Foods, Building 100, P.O. Box 329, Rankin Inlet, Nunavut, XOC OGO
Tel.: (867) 645-3137
Fax: (867) 645-3467
E-mail: obrian@arctic.ca
Web site for Tundra Brand Caribou:
<http://www.arctic.ca/~obrian>

MISHTAPEW 2001 AWARDS OF EXCELLENCE FOR ABORIGINAL BUSINESS

On March 4, the First People's Business Association (FPBA) held its Mishtapew Awards of Excellence Gala honouring aboriginal entrepreneurs. The awards recognize the creativity, tenacity, originality and entrepreneurial spirit of the men and women of the First Peoples of Canada.

For the first time this year, the Export Award was presented to **Bleuets Mistassini Ltd.**, an Innu family business based in Saguenay-Lac-Saint-Jean. Bleuets Mistassini provides jobs to local residents while exporting the region's famous wild blueberries as far afield as Israel, New Zealand and Thailand. The award was presented by International Trade Minister Pierre Pettigrew to company president Jean-Marie Fortin.

For more information about Bleuets Mistassini, contact: **Jean-Marie Fortin**, President
Tel.: (418) 276-8611
Fax: (418) 276-8612
Web site: <http://www.bleuets-mistassini.com>

For more information about FPBA, contact: **Johane Robertson**, Executive Director
Tel.: (418) 843-4535
Web site: <http://www.aappfbpa.org>

EXPORT MARKET REPORTS FOR CANADIAN ABORIGINAL CULTURAL EXPORTERS

Upcoming reports include:

Marketing Pacific Northwest Coast Native Arts and Crafts in Alaska, Washington, Oregon and British Columbia

Research confirms that sales of Pacific Northwest Coast native arts and crafts, particularly jewellery and carving, continue to grow and to provide a significant economic opportunity for many aboriginal artists and craftspeople.

Galleries continue as the main sales venue for most artists, although native events also emerged as a strong potential market, attracting an audience specifically interested in the culture. Sales through

museum shops are also lucrative for some art and craft items. Opportunities for sales through wholesale gift shows seem good for a few artists who are prepared to meet the high production volumes, have the right mix of products and the right price points. This report will be available in December 2001.

Australian Market for Canadian Aboriginal Cultural Industries

This report, which is to be available in February 2002, will provide Canadian exporters insight into opportunities in the Australian cultural sector. It will cover key factors shaping market growth, market-entry considerations, business opportunities, competitive environment, relevant regulations and key contacts, both in the Australian government and in private industry. It will also focus on film and television, visual arts, arts and crafts, sound recording and book publishing.

CANADA

INVENTORY OF ABORIGINAL ISSUES IN THE CONTEXT OF INTERNATIONAL TRADE

By Chuck Gastle

How does international trade impact on aboriginal rights? The Estey Centre for Law and Economics in International Trade is currently preparing an inventory of trade policy issues and irritants that specifically affect Canada's aboriginal communities. This initiative is the product of a conference, hosted by the Estey Centre in late May, on the impact of NAFTA on aboriginal business in North America. The conference was both very relevant and timely, in light of the higher priority that Prime Minister Chrétien and the federal government are giving to aboriginal issues. A report of the conference is available at:

<http://www.esteycentre.ca>

The issues being examined include the extent of the rights that Canadian aboriginal people may enjoy pursuant to the terms of the Jay Treaty, to work in the United States and to obtain 'green cards.' Clarification of the Jay Treaty is particularly important for aboriginal exporters, if they might obtain standing under the U.S. *Minority Suppliers Act*, which imposes procurement requirements on Fortune 500 companies from minority businesses. The involvement of aboriginal people in the renegotiation of the 1916 *Migratory Birds Convention Act* during the 1990s, is being studied as a model for their participation in future trade initiatives. The U.S. *Marine Mammal Protection Act*, which prohibits the importation of traditional crafts made from seal skin, is being analysed as a possible 'national treatment' issue, due to the fact that the Inuit in Alaska can sell such crafts in the United States. Finally, intellectual property issues that arise in the context of aboriginal traditional knowledge and the exploitation of non-forest products are being reviewed. This is just a sample of the issues under study.

It is expected that the inventory will be published by the Estey Centre in 2002. The inventory of trade policy issues and irritants affecting aboriginal business in Canada should provide the basis for future Estey Centre research studies. We would appreciate receiving any comments or suggestions as to issues that should be included in the inventory. Please send them to: chuck.gastle@Shibleyrighton.com

Chuck Gastle LL.M., D.Jur., is a partner at Shibley Righton LLP in Toronto and an associate of the Estey Centre.

ABORIGINAL INTERNATIONAL TRADE REGIONAL TRAINING WORKSHOPS

The Council for the Advancement of Native Development Officers (CANDO), worked with the Department of Foreign Affairs and International Affairs, other Aboriginal International Business Development members and Western Economic Diversification to develop two pilot training sessions for economic development officers and other aboriginal business services' providers, so that they can help clients who are unaware of the potential or have expressed an interest in international trade activities. Pilot sessions were held in Sudbury, Ontario, on **March 22-23** and in Edmonton on **March 25**. Gezhtoojig Employment and Training organized the session in Sudbury and CANDO organized the Edmonton session. The pilot workshops were targeted to participants who had little or no knowledge, experience or training in trade activities, and/or new venture-development activities; who are dealing with clients (individuals, companies, collectively owned development corporations, lead organizations) that are either unaware of trade (have not considered it) or that are interested (not ready, but are aware of trade as a venture option) in becoming active in trade activities; and are required to have a multitude of industry-specific and "general" sectors to be knowledgeable about—while balancing limited individual time/capacity/resources to obtain international trade knowledge through personal research.

ABORIGINAL BUSINESS SERVICES NETWORK

A key part of the Aboriginal Business Development Initiative, the Aboriginal Business Service Network (ABSBN) builds on the structure of existing Canada Business Service Centres (CBCS), tailoring the services to meet the unique requirements of aboriginal clients. Five lead departments from the Industry Portfolio are committed to the growing success of this initiative: Atlantic Canada Opportunities Agency, Industry Canada, Federal Economic Development (Northern Ontario), Canada Economic Development (for Quebec regions) and Western Economic Diversification.

The ABSBN seeks to increase awareness and utilization of business programs and services, as well as to enhance the

service and support capacity by partnering aboriginal business-development organizations. Each lead federal department developed approaches tailored to the specific needs of aboriginal populations in different regions.

The network of CBCSs has established 72 ABSBN partnerships in communities with significant First Nations or Métis populations, or on reserves throughout the country, in both rural and urban areas. Each ABSBN site has access to a core resource collection, which is geared to aboriginals. A national ABSBN toll-free number: 1-877-699-5559 and Web site: <http://www.cbcs.org/absn> provide a one-stop service for business information. The French Web site is <http://www.rcsec.org/rsea>



Participants were introduced to some of the main features of the international trading environment; developed a basic understanding of the challenges and benefits related to international trade to help their clients become involved in international trade; identified who can get involved in international trade; and were provided with insight into how to move their stakeholders (individual entrepreneurs, small and medium-sized enterprises, development corporations, bands, aboriginal associations) up the "Trade Step Chart" from unaware of trade, to interested, to ready, to active; and developed an understanding of existing resources for international trade.

The pilot sessions were evaluated, using a variety of different methods, and the results will be incorporated into future workshops to ensure a balance between theory and practice. Approximately 40 people participated in the two sessions. To find out more about these sessions, contact: **Veronica Vinge**, Education and Human Resources Manager
Tel.: 1-800-463-9300
E-mail: vvinge@edo.ca www.edo.ca

SUCCESS STORIES

INUIT FILM WINS AT THE CANNES INTERNATIONAL FILM FESTIVAL

Igloolik Isuma Productions, Nunavut, won the prestigious *Caméra d'Or* prize for first-time feature film at the 2001 Cannes Festival with their film *Atanarjuat* (The Fast Runner), Canada's first aboriginal-language movie, which was written, produced, directed and acted in, by Inuit Director Zacharias Kunuk. *Atanarjuat* is an adaptation of an Inuit legend about a man who is forced to run for his life after his family is shattered by jealousy, murder and revenge. *Atanarjuat* was the first Inuit-language film ever to be invited to the Cannes International Film Festival and was filmed with support from Telefilm Canada and the National Film Board. Igloolik Isuma Productions have won numerous awards and special recognition in Canada, France, Peru, United States, Spain, Taiwan and Japan. The Museum of Modern Art in New York, the Museum of Northern Peoples in Japan and The National Gallery of Canada all include Isuma productions among their collections.

Igloolik Isuma Productions also won the Award for Best Canadian Feature Film at the Toronto Film Festival 2001.

To see the movie trailer and the story behind the making of the film, visit their Web site <http://www.atanarjuat.com> For more information on Igloolik Isuma Productions, visit their Web site <http://www.isuma.ca>

YOUNG NATIVE AMERICAN ENTREPRENEUR PROMOTES ABORIGINAL OPPORTUNITIES AT 8TH WORLD YOUTH SUMMIT ON ENTREPRENEURSHIP, BRUSSELS, BELGIUM

Tammy Beauvais of the Kahnawake Mohawk Nation, a young aboriginal fashion designer, was chosen to attend the 8th World Youth Summit on Entrepreneurship, May 16-19, in Brussels, Belgium, a UN-sponsored conference focusing on international joint venture opportunities through export market and digital collaboration.

At the Summit, Tammy talked with other delegates of the Third UN Conference on Least Developed Countries and exchanged ideas on design and textile trade opportunities. She found the Summit useful, because it addressed issues that she had been facing herself, such as how to be socially responsible while struggling to be a successful entrepreneur. She found that the Summit was a great networking event, which allowed her to share information and to learn how to incorporate other countries' techniques and materials into her own work. Tammy was part of a group of aboriginal entrepreneurs that were participating in the Summit. Since two of the participants were also speakers at the event, she was very proud to see her people on a world stage.

To see more of Tammy Beauvais Designs, visit: <http://www.tammybeauvais.com>

The 8th World Youth Summit on Entrepreneurship (<http://www.ildglobal.org>) was hosted by the United Nations Industrial Development Organization, United Nations Conference on Trade and Development, World Bank, International Trade Centre, Commonwealth Secretariat, World Intellectual Property Organization, International Finance Centre and York University.

DID WE MISS YOU?

World Information Network

If for some reason we missed your company, it is not too late to be included in the Department of Foreign Affairs and International Trade electronic database. You can register on the World Information Network (WIN) Exports database at 1-800-551-4946 or directly through the Web site: <http://infoexport.gc.ca>

WIN is used by the trade officers in Canada and 130 offices abroad to help exporters succeed in international markets.

China's rosy economic performance has become a familiar refrain over the last few years, with news reports lauding the fact that the country managed to avoid the Asian financial crisis, the global high technology meltdown, and consistently boasts a healthy annual economic growth rate between 7% to 8%.

As a Canadian IT business, you have evaluated the advantages and the disadvantages of doing business in China, and are ready to take the plunge into this growing market, or maybe just dip your toes. If you're not sure how to get started, or even how to proceed, consider the following tips:

- **Consult with Canada's Trade Commissioner Service** — Canada has an Embassy in Beijing, Consulates General in Shanghai, Guangzhou and Hong Kong, as well as a Consulate in Chongqing. Each office is staffed with experienced IT specialists familiar with the local markets, who can offer you sound business advice and put you in contact with appropriate individuals.
- **Develop a proper business plan** — Proper business planning is important in any market, but is especially so in China, given the fierce competition from companies worldwide. Make sure you know your product/firm strengths, and the needs of your targeted customers. Make use of the latest market intelligence when planning and undertaking marketing activities. Develop a realistic business plan tailored to your targeted markets. Consider hiring an experienced lawyer who is familiar with Chinese law, especially contract and commercial law.
- **Do not try to conquer the Chinese market all at once** — China has a population of 1.3 billion, spread across over 30 provinces/regions, each with unique characteristics. Make use of the many market studies available through DFAIT or independent organizations.
- **Recognize and respect cultural**

differences — China is a country with an intertwined ancient culture and history. If you wish to work here on a long-term basis, try to develop a good understanding of the culture, language and etiquette. In the short term, you may consider hiring a local agent. When

Doing IT business in China

10 tips to consider

in doubt, consider that good manners in Canada will likely be good manners in China.

- **Be aware of the importance of "guanxi"** — In the West, the rule of law defines how we interact with each other. In China, your personal connections or "guanxi" are what count. Do not over commit in business dealings as it could take years to regain the trust of your customers/partners if you fail to deliver. Deal with your business contacts in an ethical and honest manner, as relationships are long-term and should be nurtured as such.
- **Recognize the need to accommodate numerous Chinese objectives in any business deal** — In general, it is more difficult to pursue a major IT contract in China than in Canada because you must satisfy the objectives of a greater number of stakeholders. Given that all of the major telecom firms are partly owned by the Chinese government, success is not guaranteed merely by offering the lowest cost/highest quality product or service. You will also need to satisfy various government objectives such as job creation. Consider marketing your company in a manner consistent with the Chinese value of "giving before taking."
- **Be prepared to establish a base of operations in China** — The Chinese government institutes practices that favour local procurement. Setting



up local sales offices is advisable, and in the longer term, local manufacturing either through a joint venture or through technology transfer.

- **Protect your intellectual property** — IP protection is not always enforced by the Chinese judiciary, and is not part of the Chinese her-

itage. As such, when developing your business plan, hiring employees or forming partnerships, take the appropriate measures to safeguard your IP rights.

- **Have a plan to repatriate your profits** — Barriers exist for foreign firms in converting their money and repatriating the profits. You will need to thoroughly explore this issue, and have a plan.
- **Be patient, and be committed to the market** — Don't expect to get rich quickly. It often takes years to cultivate the necessary business relationships. You will likely encounter numerous unexpected obstacles and setbacks, ranging from lack of transparency in the decision-making process, to a changing regulatory framework, to partnership difficulties. Perseverance is a must! China is a market that you must pursue on a full-time basis.

This list is far from exhaustive, but consider these tips before you take that first flight to China, in an effort to conquer this highly competitive, and potentially, highly lucrative market. Bon voyage!

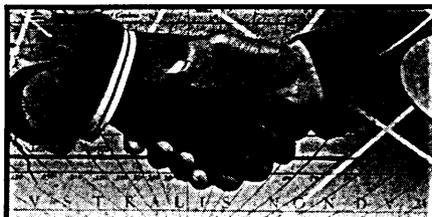
For more information, contact Dale Forbes, Manager, China and Hong Kong Division, Industry Canada, tel.: (613) 990-9092, fax: (613) 990-4215, e-mail: forbes.dale@ic.gc.ca or Marcel Belec, Trade Commissioner, China and Mongolia Division, DFAIT, tel.: (613) 995-6962, fax: (613) 943-1068, e-mail: marcel.belec@dfait-maeci.gc.ca *

International Business Opportunities Centre

ZAMBIA — Concession of the Operations and Assets of Zambia Railways Ltd. — The Zambia Privatization Agency (ZPA) invites bids for a long-term concession of part or all of the operations of Zambia Railways Limited (ZRL). This involves upgrades to the track (1,273 km), locomotives and wagons. Cost of bid documents: US\$5,000. Closing date: December 7, 2001. For more information, contact Chief Executive, Zambia Privatization Agency (ZPA), Privatization House, Nasser Road, P.O. Box 30819, Lusaka, Zambia, tel.: (011-260-1) 222-858/220-177, fax: (011-260-1) 225-270, e-mail: zpa@zpa.org.zm and Benoit Gauthier, Commercial Officer, Canadian High Commission, Lusaka, fax: (011-260-1) 254-176, e-mail:

benoit.gauthier@dfait-maeci.gc.ca quoting case no. 010716-03430. (Notice received from the Canadian High Commission in Lusaka.)

KAZAKHSTAN — Supply and Assembly of New Diesel Locomotives/Components — On behalf of Kazakhstan Railways (KTZ), the Republican State Enterprise (RSE) invites sealed bids for (a) the supply of new diesel locomotives and components, and (b) the development of a local manufacturing and assembly capability. Between 130 and 150 locomotives will be required during the next 6 to 8 years. Technical requirements specifications will be provided. Bidders must have satisfactorily completed similar projects and be certified ISO 9001-2000 or equivalent. All documentation, including tenders and correspondence, must be submitted in both English and Russian. Cost of tender: US\$150. Bid security: US\$200,000. Closing date: December 7, 2001. For bid documents, contact The Republican State Enterprise RSE Kazakhstan Temir Zholy, 98 Pobeda Ave., Astana, 470311, Kazakhstan, RNN 620300002920, Beneficiary's code: 16, account no. 0250053029, CJSC Citibank Kazakhstan, Swift code: CITIKZKA, corresponding account: 36025525, Citibank New York, Swift code: CITIUS33. For more information, contact Ada Terechshenko, Commercial Officer, Canadian Embassy, Almaty, fax: (011-7-3272) 58-24-93, e-mail: ada.terechshenko@dfait-maeci.gc.ca quoting case no. 010810-03787. (Notice received from the Canadian Embassy in Almaty.) ★
IBOC trade opportunities — find out more at www.iboc.gc.ca



International Business Opportunities Centre

As Team Canada Inc's Sourcing Centre, the International Business Opportunities Centre (IBOC) matches business opportunities from around the world with the business interests of Canadian exporters, particularly small and medium-sized enterprises. IBOC offers a value-added service to trade commissioners by directly contacting Canadian companies about foreign trade leads.

To pursue our international trade leads, check out our Web site at www.iboc.gc.ca (particularly our E-Leads® and Web-Leads®).

Team Canada West

— Continued from page 7

Canadian companies are well placed to take advantage of opportunities in this expanding market.

For more information, contact Brantley Haigh, Business Development Officer, Canadian Consulate General, Los Angeles, tel.: (213) 346-2761, e-mail: brantley.haigh@dfait-maeci.gc.ca

Culture and entertainment — In 2000, PricewaterhouseCoopers estimated the value of film and television shoots originating from Los Angeles was worth \$1.8 billion, an increase of over 38% from 1999. The Department of Foreign Affairs and International Trade (DFAIT) and the provinces, working with Telefilm Canada, are the key government agencies promoting Canadian films in international markets. DFAIT will be supporting Canadian filmmakers at National Association of Television Program Executives (NATPE) to be held in New Orleans, January 21–24, 2002. For more information, contact Roz Wolfe, Media and Cultural Industries Officer, Canadian Consulate General, Los Angeles, tel.: (213) 346-2777, e-mail: roz.wolfe@dfait-maeci.gc.ca

The California market for the performing arts, especially for younger audiences, has shown a strong interest in Canadian products. As a result, Canadian performers have been included in showcases held for bookers in the state for the past fifteen years.

For more information, contact Pam Johnson, Cultural Affairs Officer, Canadian Consulate General, Los Angeles, tel.: (213) 346-2773, e-mail: pam.johnson@dfait-maeci.gc.ca ★

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "The U.S. Connection".)

India is quickly emerging as a new market for the export of Canadian wood products. With most domestic logging banned and wood imports consisting primarily of hardwood logs, there are substantial opportunities for marketing Canadian lumber and finished products. Recognizing this, B.C. and Quebec have opened a Wood Showroom in Mumbai, through which Canada has positioned itself as one of the few foreign players marketing high grade lumber and quality finished products to India.

Why India?

The potential market in India is vast; with a middle class of 150-200 million people, demand is increasing for a wider variety and better quality of manufactured consumer goods. Currently, India consumes 80 to 100 million cubic metres of wood annually. Wood is commonly used for interior decoration in both residential and commercial applications. In fact, India uses more wood for interior purposes than does Japan.

Due to rapid urbanization, pre-fabricated wood doors and flooring are slowly gaining acceptance in Indian cities. Architects, interior designers and consumers are showing more interest in high-quality wood doors, flooring, panels and moulding which are not manufactured in the Indian market. Knock-down furniture products are also gaining popularity.

Canada Wood Showroom in Mumbai
The B.C. Wood Products Showroom officially opened in April 2001 and, with the inclusion of Quebec Wood Exports Bureau, is now called the

India — an emerging market for Canadian wood products

Canada Wood Showroom. Other provinces are encouraged to join.

Having attracted a significant number and range of Indian clients, the showroom has successfully promoted use of Canadian lumber and finished wood products in a variety of commercial and residential projects.

- A 250-bed hospital will use pre-fabricated doors and hemlock lumber.
- A 150-room hotel will use Canadian hard maple for door frames and furniture.
- A number of indoor stadiums will use Canadian maple for flooring and hemlock for underlay.
- Projects involving renovation of squash and badminton courts will use Canadian maple.

As the showroom receives referrals by Indian architects who have already used Canadian wood, the aforementioned projects are leading to additional business interest.

Strengthening Canada's market presence

Canadian companies in this sector are encouraged to participate in trade shows to display their products.

Canadian wood products will be showcased at the **Inside-Outside Mega Show** in New Delhi in December and the **IndiaWood 2002 Exhibition** in Bangalore in February. India's first "Home Depot" style retail outlets, scheduled to open later this year, will also have potential to market Canadian lumber and finished wood products.

For more information on the **Canada Wood Showroom in Mumbai**, contact Country Manager Jagdish Torprani (jtop@vsnl.com) or consult the participating agencies, **Quebec Wood Export Bureau** (www.quebecwoodexport.com) and **B.C. Wood** (www.bcwood.com). To learn more about commercial opportunities in this sector, contact our trade officers in Canada at psa@dfait-maeci.gc.ca and in India at Amarjeet.Rattan@dfait-maeci.gc.ca ✦

The 10th anniversary of the Rotman CWEYA

The 2001 Rotman Canadian Woman Entrepreneur of the Year Awards (CWEYA) will be held November 22, 2001, in Toronto. These awards help to encourage the kind of innovation and risk taking that will help Canada to compete in the new millennium.

In their tenth year, the CWEYA honour the creativity and success of women entrepreneurs who are contributing in important ways to the growth and strengthening of Canada's economy. The awards are presented by The

Bank of Montreal in partnership with the *National Post*, Women's Television Network (WTN), Ford Motor Company of Canada, EDC, *Chatelaine* and *Châteline*, and are supported by Industry Canada, Deloitte and Touche, Cassels Brock & Blackwell LLP, James Ireland Design Inc., and Tiffany & Co.

The judges, who are themselves successful businesswomen from across Canada, have selected five exceptional women entrepreneurs to receive the following awards: Impact on Local

Economy Award, Export Award, Innovation Award, Start-Up Award and Lifetime Achievement Award.

Join the exciting tribute to these outstanding Canadian women entrepreneurs — register to attend the awards dinner and ceremony today. Individual tickets are \$165 + GST, and corporate tables are \$2,000 + GST.

For more information, and to register, contact 2001 Rotman CWEYA, c/o The Powerpoint Group, tel.: (416) 923-1688 or 1-800-354-3303, fax: (416) 923-2862, e-mail: awards@cweya.com Web site: www.cweya.com ✦

The Canadian Construction, Environment and Information Technology Showcase

TRINIDAD and TOBAGO — December 3–4, 2001 — The Canadian High Commission in Port of Spain invites companies to participate in The Canadian Construction, Environment and Information Technology Showcase.

The twin-island Republic of Trinidad and Tobago is the most industrialized country in the Caribbean, a country rich in oil and gas resources as well as business opportunities. Canadian companies in construction/hardware, environmental products and services, and information/communications technologies (ICT) will find the showcase an ideal venue for marketing their products, services and technologies.

The exhibition may help Canadian construction and hardware companies wishing to pursue opportunities resulting from the Ministry of Housing's program to build 6,000 low-cost homes each year over the next five years. With the new Environmental Management Act, the Ministry of the Environment is undertaking many projects, including improved methods of disposing of the country's solid and environmental wastes. In addition, current deregulation of the country's telecommunications sector will provide new opportunities for the introduction of modern technology in the ICT sector.

For more information about registering or for information about the market potential for particular goods and services, contact Ramesh Tiwari, Commercial Officer, Canadian High Commission, Port of Spain, Trinidad and Tobago, tel.: (1-868) 622-6232 ext. 3552, fax: (1-868) 628-2576, e-mail: ramesh.tiwari@dfait-maeci.gc.ca or Susan Howell, Trade Commissioner, Caribbean and Central America Division, DFAIT, tel.: (613) 943-8807, fax: (613) 943-8806, e-mail: susan.howell@dfait-maeci.gc.ca

The Canadian High Commission in Guyana is hosting a follow-on mini-trade show in Georgetown on December 6, 2001. For more information, contact Lyris Primo, Commercial Officer, Canadian High Commission, Guyana, tel.: (011-592-22) 72081, fax: (011-592-22) 58380, e-mail: lyris.primo@dfait-maeci.gc.ca *

U.K. Do-It-Yourself & Home Improvement Show

LONDON, U.K. — January 20-22, 2002 — Canada is set to build on its success in previous years at the Do-It-Yourself & Home Improvement Show. This is the premier trade show for Britain's do-it-yourself (DIY) industry, and an excellent venue for Canadian companies wanting to develop significant U.K. and European export business in this growing sector.

In 2001, the show enabled Canadian manufacturers to find U.K. distributors and also attract direct orders from major account buyers. Some seven Canadian SMEs exhibited together at a Canada Group national stand co-ordinated by the Canadian High Commission in London. Another 13 Canadian companies were represented at the show by their U.K. distributors, and the High Commission had its own booth.

Before and during the show, the High Commission gave extensive support to Canadian participants,

including a very successful networking reception and a detailed briefing on the latest developments in wood certification.

For 2002, a prime area has been set aside for Canadian exhibitors. In addition, the High Commission will offer the following free services:

- a half-day program of pre-show visits to selected U.K. chain store retailers;
- a marketing list of major U.K. chain store buyers for conducting targeted pre-show communications activities;
- a pre-show marketing campaign, including production of a special Canada Group brochure, to promote the Canada Group to all major U.K. DIY chain store buyers and selected major distributors/importers; and
- a pre-show press campaign to maximize U.K. industry press coverage of the Canada Group.

For more information, visit the show's Web site: www.diyshow.com or contact Anne Heath, UNILINK, tel.: (613) 549-0404, fax: (613) 549-2528, e-mail: ah@unilinkfairs.com Web site: www.unilinkfairs.com

For more information about opportunities in the DIY industry in the U.K., contact Carol Gould, Commercial Assistant, Canadian High Commission, London, tel.: (011-44-20) 7258-6673, fax: (011-44-20) 7258-6384, e-mail: carol.gould@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/london or www.infoexport.gc.ca/uk *



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www.infoexport.gc.ca/ifinet/menu-e.asp

Upcoming trade shows and conferences

For the full details on the following events, see *Canadexport* on-line at www.infoexport.gc.ca/canadexport and click on either "Trade Fairs and Missions" or "Conferences/Seminars/Meetings."

MEXICO CITY — November 28–30, 2001 — Trade Team Canada invites Canadian firms to join a trade mission to attend **PowerMex/T&D World Expo**. A booth will be available for companies to display promotional material, as well as interpretation services, and there will also be an organized matchmaking programme and/or networking activity involving targeted Mexican contacts. Space is limited, so act now.

LAS VEGAS, NEVADA — December 11–13, 2001 — **Power-Gen** is the largest international trade show and conference for power industry decision makers. This year, Trade Team Canada–Electric Power Equipment and Services will have a booth at the trade show with space for six Canadian companies.

TOKYO, JAPAN — December 13–15, 2001 — **Bio Fach Japan** is an important trade fair in the sector of organic foods and natural non-food products. This is a growing market in Japan as consumers are increasingly interested in organically grown and processed food/beverage products, as well as cosmetics.

BAHRAIN — January 14–17, 2002 — **The Bahrain Naval & Maritime 2002** is the first dedicated international naval and maritime exhibition and conference in the Middle East, complementing the air and land defence exhibitions already established in the Gulf region.

BANGALORE, INDIA — January 29–February 1, 2002 — **Componex/ElectronicIndia 2002**, the seventh International Conference and Exhibition of Electronic Components, Materials and Production Equipment, will be held in India's Silicon Valley

and will feature the latest products in the electronics sector. The 2001 event drew 254 exhibitors from 24 countries and 19,000 trade professionals.

SEOUL, KOREA — February 26–March 1, 2002 — **ExpoComm 2002** is the most major telecommunications show in Korea, and is expected to attract over 500 companies from 40 countries and more than 60,000 visitors. Korea's wireless sector is booming, and the country holds the record for the highest broadband Internet penetration rate in the world.

SINGAPORE — June 17–21, 2002 — "Beyond broadcasting... worldcasting" is the theme for **BroadcastAsia 2002**, the eighth Asian Broadcast and Multimedia Technology Exhibition and Conference. Canadian exhibitors will benefit from a marketing support program delivered by DFAIT and Industry Canada under Trade Team Canada Inc.–Information and Communications Technologies. **BroadcastAsia 2002** will be held in conjunction with **CommunicAsia 2002 (June 18–21, 2002)**, the 14th Asian International Communications and Information Technology Exhibition and Conference, and Asia's largest telecommunications and information technology event. Last year's event drew 2,400 participating companies and 48,000 visitors.

ROTORUA, NEW ZEALAND — March 12–16, 2002 — **The Forest Industries International Conference and Exhibition** is New Zealand's largest forest industry event. New Zealand is becoming an international forestry leader and will need to invest heavily in new processing facilities, which means opportunities for Canadian manufacturers of forestry and wood processing machinery.

SEOUL, KOREA — March 18–19, 2002 — **Food Showcase Korea** will occur the week following **Foodex** in Japan, and is the major venue to promote food products to Korean importers. Korea is one of the most dynamic Asian economies.

TEL AVIV, ISRAEL — March 19–21, 2002 — **Bio-Tech Israel 2002, National Biotechnology Week, Conference and Exhibition** — The Canadian Embassy in Tel Aviv, in co-operation with Technology Partnership Canada and Industry Canada, is planning a number of activities in conjunction with this event including a partnering event for Canadian biotech companies with Israeli counterparts.

LONDON, U.K. — April 6–7, 2002 — **The British and International Franchise Exhibition** focuses on quality franchisors accredited by the British Franchise Association. As well as face-to-face meetings with franchisors, visitors will have the opportunity to obtain free advice from leading banks, solicitors and franchise consultants.

CAIRO, EGYPT — April 9–11, 2002 — **Middle East and Africa Ports and Maritime Exhibition and Conference** — will showcase technological advancements in the ports and maritime transport sector, and is expected to be regarded as one of the leading events of its kind. The event coincides with substantial investment and major reforms in the Middle East and Africa, as well as the Egyptian government's plans to build new ports and modernize existing ports.

SYDNEY, AUSTRALIA — May 28–30, 2002 — **CeBIT Australia** is Australia's premier information and communications technologies (ICT) exhibition and conference. Based on **CeBIT Hannover**, **CeBIT Australia** is expected to draw more than 12,000 visitors including decision makers involved in specifying, recommending or approving the purchase of ICT. ★

Upcoming cultural events

FILM, VIDEO, TELEVISION AND BROADCASTING

LAS VEGAS, NEVADA — January 21–24, 2002 — The National Association of TV Programming Executives (NATPE) is the largest programming market in North America and includes panel discussions, media demonstrations, and networking opportunities.

BERLIN, GERMANY — February 6–17, 2002 — Berlinale is one of the most important film festivals in Europe, and the European Film Market attracts producers and distributors, as well as those active in video and television sales and acquisitions.

SANTA MONICA, CALIFORNIA — February 20–27, 2002 — The American Film Market is the largest motion picture trade event in the world.

CANNES, FRANCE — March 13–April 19, 2002 — MIPTV and MIPDOC — These events are dedicated to television and documentary program sales and business opportunities.

TORONTO, ONTARIO — April 26–May 5, 2002 — HOT DOCS is North America's largest documentary festival. The Toronto Documentary Forum is unique to North America and provides filmmakers with the opportunity to pitch their projects for financing.

CANNES, FRANCE — May 15–26, 2002 — The Cannes Film Festival is the largest and most prestigious film festival in the world.

SOUND RECORDING

CANNES, FRANCE — January 20–24, 2002 — Midem is the premier event for independent companies and distributors.

SAINT JOHN, NEW BRUNSWICK — January 31–February 3, 2002 — The East Coast Music Awards draws

music industry professionals from the East Coast, across Canada, the United States and Europe.

TORONTO, ONTARIO — February 28–March 3, 2002 — Canadian Music Week is Canada's major sound recording industry event, with increasing participation from leading international industry professionals.

VISUAL ARTS

NEW YORK, NEW YORK — February 6–10, 2002 — The Armory Show is a continuing tradition commemorating the groundbreaking Armory Show of 1913.

TORONTO, ONTARIO — May 1–31, 2002 — Contact is a month-long annual festival celebrating Canadian and international photography through exhibition and dialogue.

CHICAGO, ILLINOIS — May 10–13, 2002 — Art Chicago is America's foremost international art show where over 200 galleries exhibit and sell the works of over 3,000 artists.

CONTEMPORARY CRAFTS

NEW YORK, NEW YORK — May 29–June 3, 2002 — SOFA New York is one of the finest international exhibitions dedicated to bridging the worlds of contemporary decorative and fine art.

AMSTERDAM, HOLLAND — May 30–June 2, 2002 — The Annual Conference of the Glass Art Society is an international forum for the exchange of aesthetic ideas and technical information for artists from every discipline of glass work.

MULTIMEDIA

LONDON, ENGLAND — January 9–12, 2002 — BETT is the most comprehensive event in the U.K. education field, with sectors such as e-training and

e-education becoming increasingly important.

CANNES, FRANCE — February 4–8, 2002 — MILIA is the leading international exhibition and conference for next-generation interactive content across all delivery platforms.

LOS ANGELES, CALIFORNIA — May 23–25, 2002 — E3 is the most important gaming conference in the world and addresses all the business needs of the video and computer game industry.

BOOK PUBLISHING

LONDON, ENGLAND — March 17–19, 2002 — The London Book Fair is a major feature of the international publishing calendar, and attracts more visitors and exhibitors each year.

BOLOGNA, ITALY — April 10–13, 2002 — The Bologna Children's Book Fair is the major international event for children's publishing.

NEW YORK, NEW YORK — May 1–5, 2002 — BookExpo America (BEA), formerly the American Booksellers Association Convention and Trade Exhibit, is a meeting place for the entire publishing industry, including distributors, and a centre of rights activity.

For more information, contact the Arts and Cultural Industries Promotion Division, DFAIT, tel.: (613) 944-ARTS, Web site: www.dfait-maeci.gc.ca/arts ✦



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Canada is one of the world's leading exporters. Exports of goods and services represent close to 46% — nearly half — of its gross domestic product (GDP). In fact, up to 6,000 jobs are supported or created for every \$1 billion increase in exports. The pay back to a nation in which one job in three depends on exports is immediate. The 427,000 net new jobs created in 1999 were the highest total since 1979, and much of this relates directly to Canada's success in global markets.

Canada's continued economic growth and prosperity is clearly linked to our trade success. Consider the following facts. In 2000, Canada posted the highest growth rate in 12 years and the ninth consecutive year of growth, the longest period of uninterrupted growth in more than 30 years, our best employment record in nearly a quarter of a century, and the best job creation record of any of the leading industrial countries.

Also in 2000, Canadian exports increased by nearly 15%. Overall, Canada traded close to \$2.5 billion per day, on average, with the rest of the world, every day of the year. We attracted a record \$93.2 billion in new foreign direct investment, a massive vote of confidence in the future of Canada's economy. And Canadians looked confidently abroad for new business opportunities, investing nearly \$62 billion to expand our global business presence.

Simply put, in 2000, Canadians had more jobs, better opportunities, and more income. And, it was trade that drove this growth, providing the means for the Government of Canada to re-invest in education and innovation, in our universal health-care system, and in our youth.

WORLD TRADE ORGANIZATION



TRADE SUCCESS KEY TO FUTURE GROWTH

"Success in global markets is at the heart of Canada's continued prosperity. It is also at the heart of our continued technology orientation, fuelling innovation and financing Canada's evolution from a reliance on primary resources to a more knowledge-intensive economy," says Pierre Pettigrew, Minister for International Trade.

High technology exports rose 30% in 2000, nearly twice the rate of our overall exports. Similarly, our exports of knowledge-intensive services are the fastest-growing segment of our services trade and now represent more than half of our

services exports. This success translates into high-quality jobs and a greater range of opportunity than ever for Canadians, particularly young Canadians embarking on careers in these dynamic new sectors of the economy.

The facts speak for themselves. Our position as one of the most prosperous and envied nations in the world depends on our ability to trade with the rest of the world. And, to do this we need access to markets and a level playing field for our exporters.

CLEAR, EQUITABLE TRADE RULES BENEFIT CANADA

As the most trade-oriented of the G-8 countries, Canada benefits significantly from an open world trading system based on clear rules. We need fair rules when it comes to international markets. Simply stated, we have to get into a market in order to sell our goods and services there. And, this is what the World Trade Organization (WTO) allows us to do. It gives Canadian companies the opportunity to show the world that they are second to none and that Canada is a great place in which to invest and do business.

The WTO is the cornerstone of Canadian trade policy and the foundation for Canada's relations with our trading partners. This is why Canada must continue to pursue the improvement of an international framework of rules that provides access to growing world markets and keeps pace with changes in technology, business practices, social systems and public interests. A new round of WTO trade negotiations is critical to attaining this ultimate goal.



On the agricultural front, Canada is seeking the elimination of all export subsidies as quickly as possible, substantial reductions in trade-distorting domestic support, real and substantial improvements in market access for all agriculture and food products, and new disciplines on export taxes and export restrictions. With respect to services, which generate about 65% of Canada's GDP and 73% of employment but only 13% of exports, Canada is seeking improved market access and the development of further rules governing trade in services. As Canada continues to evolve into a technology- and knowledge-based economy, liberalizing trade in services will increasingly pave the way for greater opportunities for Canadians.

Canada is actively promoting transparency at the WTO to enhance public understanding of the benefits of a

multilateral trading system. And, Canada is working with other WTO members to expand further the benefits of the system by helping to address developing countries' market access and implementation concerns, and by providing more and better co-ordinated assistance to improve the capacity of poorer countries to trade.

"This Round would look both forward and back, as it would be devoted to completing the work of the last Round — to ensuring that the developing world can reap the full benefits of its WTO membership — and to pressing forward with innovations so that the WTO reflects the democratic values that have become the norm in much of the world," says Minister Pettigrew. "This would be a Round that addresses the clear needs of the South, the strong expectations of the North, and the best hopes of us all."

"I believe the best hope for LDCs [least-developed countries], and indeed for the developing world in general, lies in a new round of global, multilateral trade negotiations. And this time it must be a true Development Round." Kofi Annan, Secretary General of the United Nations, May 2001.

WHY NEGOTIATE NOW?

In today's highly competitive global business environment, the value of fair international trade rules has never been more apparent. They aim to establish open, predictable access to world markets, which benefits importers and exporters alike. This is good news for Canadians because one of every three Canadian jobs is directly tied to international trade.

The system needs an update

Global trade rules should be updated to reflect modern realities. The global economy is an intricate web of relationships, involving investment, research and development and constantly changing business practices and technology. Canada's economy has re-tooled to become a high-tech economy, but global rules don't reflect this reality.

Fair rules play to Canada's strengths

Right now, access terms for trade between Canada and much of the world is unbalanced. Many foreign products enter Canada duty-free or with fairly low tariff rates, an average of 5.2%. Other countries, however, have much higher average rates, for example, India at 67%, Turkey at 44%, Indonesia at 39%, Venezuela at 36%. Canada stands to lose little and gain a great deal if global tariffs are decreased or eliminated.

Trade rules can help the developing world

The developing world strongly desires that trade rules complement their efforts to develop their societies and help them better integrate into the global economy. Canada has strong expertise in technical assistance and "capacity-building" that can help developing countries negotiate and meet WTO rules.

"We can afford to cushion the blow that sometimes results from international competition; we can help our citizens get back on their feet, get training and find new work. A majority of less-developed economies do not have the capacity to do this. Many less-developed countries are therefore understandably wary about entering into an agreement that could overwhelm their fragile economies. We must not let that happen. Trade liberalization must benefit all economies, particularly the smaller ones."

International Trade Minister Pierre Pettigrew, Speech to the European Policy Centre, Brussels, May 2001.

BENEFITS TO CANADA OF THE WTO TRADING SYSTEM

Canada has benefited greatly from the open, rules-based trading system that has been developed over the past 50 years and we know that our future prosperity depends on our continued ability to trade with the world. A more liberalized trading system based on clear rules helps create jobs for Canadians. It gives our companies larger markets for their goods and services and enables them to benefit from economies of scale. It provides us

with access to cheaper inputs such as advanced technology, and gives us less expensive consumer goods. It increases competition and helps make us more productive. And, perhaps more important, it encourages business — and indeed all Canadians — to be more outward-looking and attuned to the challenges of an increasingly integrated and interdependent world.

Greater access to markets

Reducing or eliminating tariffs would make Canadian goods more competitive and encourage Canadian firms to expand into new markets — sustaining jobs at home. The majority of imports enter Canada duty-free, while many Canadian exports still face significant tariffs.

Fundamental reform in agri-food trade

Canada's initial negotiating position, announced in August 1999 by Ministers Pettigrew and Vanclief, calls for the elimination of all export subsidies as quickly as possible; substantial reductions in or elimination of domestic support that distorts trade or production; and substantially improved market access for all agriculture and food products. These changes would allow Canadian agriculture and agri-food producers to more effectively compete and expand their markets.

Protection for Canadian investment

In 2000, Canadians had invested nearly \$62 billion worldwide. Much of this investment does not enjoy the kind of legal protection that we are accustomed to in Canada. Stable and consistent investment rules would give Canadian firms greater security and confidence to invest — as they would firms in developing countries, many of which are also eager to attract foreign direct investment.

Progress on subsidies and countervailing duties

A government subsidizes when it provides a producer with financial contributions or tax breaks that give it an advantage in the marketplace. The objective of the WTO's Agreement on Subsidies and Countervailing Measures (SCM) is to curb the use of such government assistance when it distorts trade. Strong rules on subsidies would ensure that Canadian firms are not disadvantaged by the subsidies of its larger trading partners, such as the United States, Japan and the European Union. Canada also wants to ensure that subsidy rules (the SCM) are adequate to meet the needs of the world's least-developed countries.

Progress on technical barriers to trade

Countries, at times, use technical rules and regulations as excuses to bar access to a country's products. Or sometimes rules are so complicated they are difficult to implement or open to very wide interpretation, creating uncertainty for exporters. The WTO's Agreement on Technical Barriers to Trade (TBT) defines the international rights and obligations regarding the development and application of these measures that affect trade. Canada believes that continued progress in this area is an important part of a balanced trading system.

Progress on government procurement

Government procurement of goods and services plays an important role in most countries' economies. It is estimated that governments around the world purchase US\$5.3 trillion worth of goods and services annually. Canada would like the WTO to continue a review of existing rules (the Agreement on Government Procurement) to simplify it and improve access to our most important markets, including the United States. Canada would like negotiations on transparency in government procurement to be part of any new Round of WTO trade talks. This competition results in better value for customers and taxpayers. Canada would like the WTO to continue reviewing the Agreement on Government Procurement to simplify it and make it more fair.

Making trade negotiations more transparent

Canada is committed to making global trade bodies more open to citizens — more reflective of the Canadian values of democracy and citizen involvement. Last year, Canada presented detailed recommendations on how the WTO could become more democratic and open to its members' citizens, including opening trade policy reviews to accredited public observers; webcasting Canada's upcoming trade policy review; public release of working papers and agendas as well as submissions in dispute settlement cases, to name a few.

Helping developing countries

Many developing countries feel they did not achieve enough access to other countries' markets during the Uruguay Round of negotiations, particularly for agricultural, textile and clothing products. Canada believes that richer countries can help through a comprehensive approach. This would include:

- the elimination of all export subsidies and the maximum possible reduction of production and trade-distorting support;
- reducing non-tariff barriers that distort trade;
- supporting investor-friendly regulations in developing countries;
- increased support to help build capacity—the infrastructure needed to implement trade agreements and participate in trade.

Progress on anti-dumping

Dumping occurs when foreign exporters sell their goods in international markets at prices lower than in their home market or at prices below the full cost of production, which can have a negative effect on import markets. While countries are allowed to impose anti-dumping duties, it is important that they are applied in a fair and equitable manner. Canada therefore supports clarifying and improving existing anti-dumping rules so that everyone follows the same rules in the same way.

Reduction of non-tariff measures

While tariffs have fallen in many of Canada's export markets, non-tariff measures have generally been on the rise. Some examples of non-tariff measures that tend to restrict or hamper Canadian exports include import licences and a variety of non-tariff duties and charges such as customs processing fees and consular charges. Canada would like to see WTO members continue to set priorities on measures to be eliminated and develop principles to limit the scope of new measures.

COMMON MISCONCEPTIONS ABOUT THE WTO

The debate will probably never end. People have different views of the pros and cons of the WTO's multilateral trading system. Indeed, one of the most important reasons for having the system is to serve as a forum for countries to work out their differences

on trade issues. Individuals can participate, not directly, but through their governments. However, it is important for the debate to be based on a proper understanding of how the system works.

TRADE THREATENS OUR SOVEREIGNTY

- Trade agreements are designed so countries treat each other equally, with fair ways to resolve disputes. They enhance the sovereignty of both small and large countries by creating rules by which all players agree to operate, regardless of the size of their economy or their political might.
- Even the smallest nation has power and protection. If its case is legally stronger, it wins. Costa Rica, for example, has beaten the U.S. using the WTO's dispute settlement process.

OUR CULTURE IS THREATENED

- Preserving and promoting our culture is a priority in all international negotiations. Canada won't agree to negotiations that threaten its culture.
- We are now promoting the idea of a new international instrument on cultural diversity, which would set clear rules to enable Canada and other countries to keep policies that promote their culture, while also respecting international trade rules.

GLOBALIZATION THREATENS OUR SOVEREIGNTY

- Globalization is a fact. We can use it as a powerful force to meet our needs, or we can try to hide from it by erecting barriers. But we cannot halt it.
- The development of land-mine treaties, international courts and protocols on global warming are all examples of globalization. Isolating ourselves from the positive change globalization offers will impede both our economic and our social progress.

OUR SOCIAL SYSTEM IS THREATENED

- Canada's health and public education systems are not negotiable. Canada will preserve its ability to take measures in key sectors such as public health and education and will never jeopardize public systems that are the envy of the world.

TRADE THREATENS THE ENVIRONMENT

- Canada will not give up its right to set its own environmental laws and regulations.
- Canada's policy is to ensure that trade and environmental rules complement one another to the benefit of all parties.

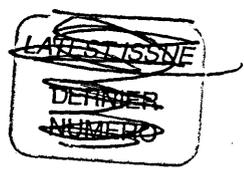
TRADE LOWERS LABOUR AND HUMAN RIGHTS STANDARDS

- Improving trade links with other countries gives us the influence to promote labour rights and human rights.
- Trade and economic growth create jobs and reduce poverty, thus encouraging social progress.

Misconceptions

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China joins the World Trade Organization

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After 15 years of negotiations, the World Trade Organization (WTO) is about to welcome as a new member the world's seventh-largest economy and ninth-largest exporter. China, which also happens to be Canada's fourth-largest trading partner (two-way trade reached \$15 billion in 2000), is expected to formally join the organization by January 2002.



As a WTO (www.wto.org) member, China will be joining other trading nations in negotiating rights and obligations to each other regarding the administration of international trade, the settlement of trade disputes, continued trade liberalization and the expansion of local markets. In return for the benefits of WTO membership, China has committed to significant trade liberalization.

Taking down the barriers

Upon accession to the WTO, China will immediately institute tariff cuts. Most of these will be in place by 2005, with further cuts to be phased in over nine years. Industrial tariffs will fall from an average of 16.3% to about 9% and agricultural and agri-food tariffs from 21.4% to about 16%. Foreign investment will be permitted in all major services sectors, with, in many cases, majority foreign ownership permitted within two to three years and wholly foreign-owned subsidiaries within two to five years. Geographic restrictions that currently exist in a number of key sectors (telecommunications, banking, insurance and distribution) will be phased out over five to six years.

Continued on page 9 - China

Financing export success

The Pre-shipment Payment Program



Canadian Commercial Corporation

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Helping smaller exporters think big
The PPP assists Canadian exporters by facilitating access to commercial sources of pre-shipment financing through arrangements with 19 banks and financial institutions.

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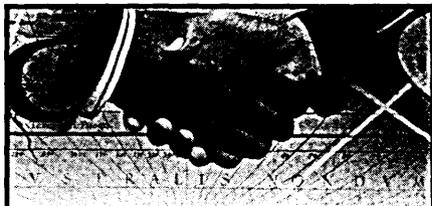
Ministère des Affaires étrangères et du Commerce international

Canada

International Business Opportunities Centre

GUYANA — Purchase of State-Owned Guyana National Cooperative Bank (GNCB) — The Government of Guyana, through the Privatisation Unit of the Ministry of Finance, invites proposals from prospective investors for the purchase of 100% of the GNCB. Insurance, trust or finance companies, financial institutions or consortia having a financial institution as an equity investor are all eligible to register. To register:

- Obtain a registration package from the Privatisation Unit.
- Provide a copy of the licence or permit or, for consortia, the licence or permit of the main financial institution.
- Pay a registration fee of G\$190,000 (US\$1,000 for non-residents). Registered applicants will receive



International Business Opportunities Centre

As Team Canada Inc's Sourcing Centre, the International Business Opportunities Centre (IBOC) matches business opportunities from around the world with the business interests of Canadian exporters, particularly small and medium-sized enterprises. IBOC offers a value-added service to trade commissioners by directly contacting Canadian companies about foreign trade leads.

To pursue our international trade leads, check out our Web site at www.iboc.gc.ca (particularly our E-Leads® and Web-Leads®).

the Request for Proposals (RFP) document and must then obtain approval from the Bank of Guyana (BoG) for acquisition of control of a Licensed Financial Institution (LFI) in Guyana. Once approved, applicants will receive an Information Memorandum and draft Agreements and will then be permitted to conduct due diligence on GNCB in accordance with the Financial Institutions Act (FIA) 1995. Closing date: December 28, 2001. The Privatisation Unit will announce the final closing deadline for receipt of proposals based on the time required for applicants to obtain BoG approval and to complete due diligence. GNCB details:

- With 8 branches and 375 employees, GNCB offers services that include international banking and trade financing, cambio/foreign exchange, deposits and loans.
- Following privatization, GNCB shall be reconstituted as a limited liability company under the Companies Act 1991 and the new entity shall be in full compliance with the FIA.
- Audited accounts indicate an asset base of approximately US\$90 million.

For more information, contact Winston Brassington, Executive Secretary and Head, Privatisation Unit (Ministry of Finance), Georgetown, Guyana, tel.: (011-595) 226-0576/5-6339, fax: (011-592) 226-6426, e-mail: punit2@guyana.net.gy and Lyris Primo, Commercial Officer, Canadian High Commission, Georgetown, Guyana, fax: (011-592) 225-8380, e-mail: lyris.primo@dfait-maeci.gc.ca quoting case no. 011004-04546. (Notice received from the Canadian High Commission in Georgetown.)

JORDAN — Solar Hybrid Power Plant — The Ministry of Energy and Mineral Resources (MEMR) invites

proposals from qualified sponsors with proven capability in power project development to develop a 100–150 MW solar hybrid power plant using solar energy (either parabolic trough or solar tower technology) assisted with a fuel oil or natural gas fired boiler at Quwairah area on a Build, Own and Operate (BOO) basis. Closing date: January 15, 2002. For more information, contact Secretary General, Ministry of Energy and Mineral Resources, tel.: (011-962-6) 582-8971, fax: (011-962-6) 586-5714, e-mail: generals@memr.gov.jo and Hala Helou, Senior Commercial Officer, Canadian Embassy, Amman, Jordan, fax: (011-962-6) 567-3088, e-mail: hala.helou@dfait-maeci.gc.ca quoting case no. 010709-03313. (Notice received from the Canadian Embassy in Amman.) ✦

IBOC trade opportunities — find out more at www.iboc.gc.ca

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CanadExport

Bombardier lands new deal in Dubai

Bombardier Aerospace (www.aero.bombardier.com), ExecuJet Aviation Group (www.execujet.net) and Alpha 55 of Dubai announced that they are establishing a joint venture to open a factory service facility in Dubai. The new facility will provide Bombardier customers in the Middle East with comprehensive support and maintenance for the entire family of Bombardier business jet aircraft.

The state-of-the-art facility, scheduled to open in 2002, will further complement Bombardier's growing presence in Dubai, the capital for aviation in the Middle East and an ideal location for expanded services. With the new facility, the company's operations in Dubai will encompass aircraft sales, flight operations, maintenance and spares.

The three joint venture partners signed the agreement last week during the Dubai Air Show 2001, the seventh biennial international aerospace exhibition held at the Dubai Airport Exhibition Centre.

"This significant investment reaffirms our commitment to the Middle East business aircraft market and will offer further valuable support to operators of Bombardier business

aircraft throughout the region," said Shawn Vick, senior Vice-President, International Sales, Bombardier Aerospace, Business Aircraft.

The new partnership is the result of years of effort by Bombardier, with the timely assistance of Canada's Ambassador in Abu Dhabi, Christopher Thomson, and Consul and Senior Trade Commissioner in Dubai, Christopher Thornly. ✪

CAE training Emirates Airlines

CAE and Emirates Airlines recently signed a US\$100-million 10-year agreement to build and jointly operate the new Emirates Aviation Training Centre in

Dubai. The new centre, to open early in 2003, will house six full-flight simulators, including a Boeing 737-NG, an Airbus A319/A320 and A330/A340, the first simulator training centre in the region for these aircraft types. Emirates already operates four CAE simulators.

Noted Derek Burney, CAE President: "Dubai is the fastest growing economic hub in the Middle East and the

gateway between Europe and Asia. The location offers significant strategic value, accelerating



CAE's global expansion into the flight training business."

Canada's Ambassador

Christopher Thomson and Consul and Senior Trade Commissioner Christopher Thornly participated in meetings between Mr. Burney and HH Sheikh Ahmed bin Saeed Al Maktoum, Chairman of Emirates and President of Dubai Department of Civil Aviation. ✪

For the unabridged version of Bombardier and CAE articles, see www.infoexport.gc.ca/canadexport and click on "Trade News".

NEW "FRONTIER" FOR CAE

CAE announced last month that Denver-based Frontier Airlines (www.frontierairlines.com) has signed a five-year agreement to train its pilots at CAE's six-bay Denver aviation training centre, set to open in June 2002. The facility will initially house Airbus A320 and Bombardier CRJ 200/700 simulators.

"We are very pleased to enter into an agreement with CAE," said Bill McKinney, Vice-President of Flight Operations, Frontier Airlines. "CAE's decision to offer Airbus simulator training at its new Denver training centre will represent significant cost savings to Frontier, while providing our Airbus flight crews with a very high standard of training."

Frontier joins anchor tenant Air Wisconsin which will be training its pilots on two CRJ simulators. ✪

CAE hot in Spain

CAE (www.cae.com), the world's leading supplier of commercial full flight simulators (FFS), recently announced \$25 million in contracts with the Spanish airline Iberia. The airline, a CAE customer for over 30 years, has ordered an Airbus A340-300 FFS, to be installed in its Madrid training facility in the summer of 2002, as well as upgrades to its existing MD87/88 FFS, purchased from CAE in 1990. The new Airbus simulator will include a CAE Maxvue™ Plus visual system and will be certified to the highest FFS equipment standards. ✪



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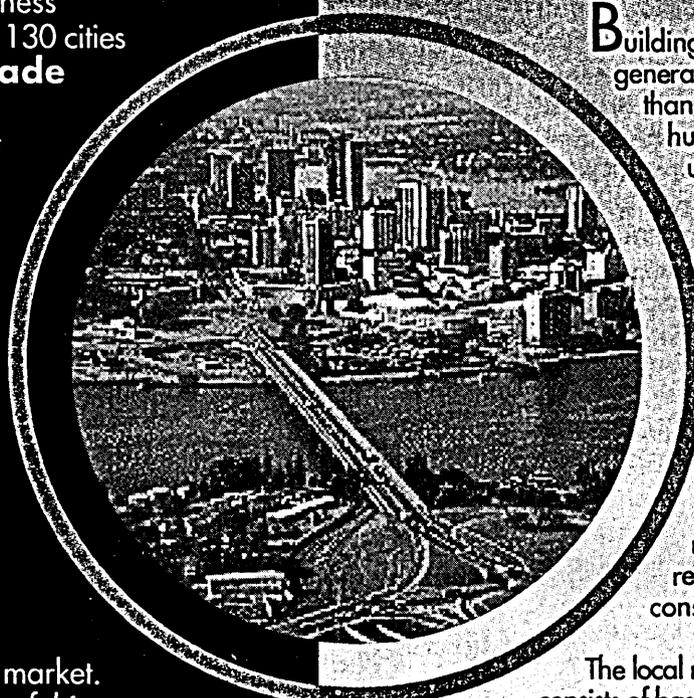


WEST AFRICA The Building

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Buildings in West Africa are generally of simpler construction than in America owing to the humid, tropical climate, the unskilled labour force and the short-range vision of the market, with all that implies. The main building techniques used in West Africa include concrete block construction, baked brick construction, stabilized earth construction and prefab construction. All these methods are used for both residential and commercial construction.

The local market for building products consists of basic products and aggregates.

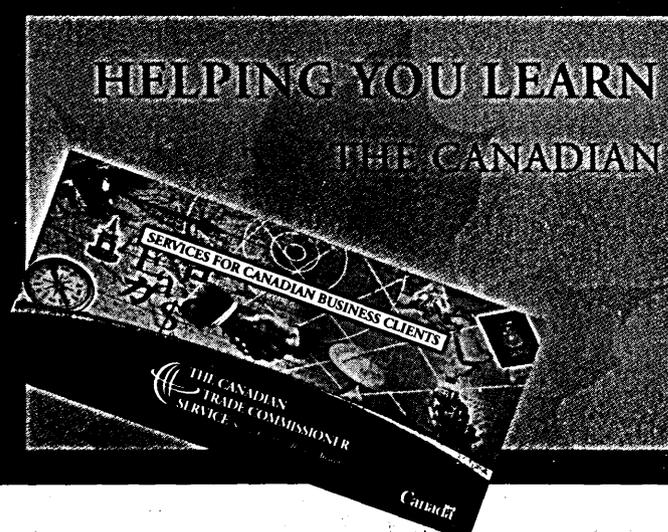
These materials, which are easy to obtain, are used for virtually all construction. However, most finished products and high value-added products (such as electrical supplies and hardware) are imported.

With its vital economy, open market, infrastructure and position as a hub in West Africa, Côte d'Ivoire is

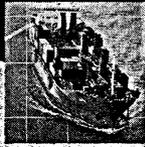
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certainly one of the most attractive markets for Canadian companies in this part of the world. Other promising markets for Canadian suppliers include Senegal, Mali and Nigeria.

Trends

Although some West African countries are still suffering from the effects of war, social unrest and economic problems, most have undertaken major economic reforms involving, among other things, market and trade liberalization, improved economic management, and promotion of private sector activity. As a result of these changes, the demand for construction services and products can be expected to increase gradually as construction projects benefit from foreign investments and aid programs.

West African customers are becoming increasingly demanding, creating opportunities for providers of foreign products. The growing influence of American and European design throughout Africa is accentuating the trend. Moreover, many building projects aided by foreign investments, such as projects to build hotels, upscale office space and luxury villas, often use more imported materials, as locally produced materials tend to be of poorer quality.



Opportunities

Finishing materials and products such as plumbing supplies, electrical products, cladding and tiling, hardware, and bathroom fittings are the market niches with the best prospects. There are also some promising opportunities opening up in the areas of refurbishment of existing buildings, construction machinery and some construction services.

With regard to demand for construction services, there are a number of possibilities in the area of urban development. Projects to design high-rise buildings and build hotels, shopping centres and exhibition centres often require the services of foreign consultants.

Although market potential has improved, Canadian companies should be aware that lack of adequate financing for SMEs and the weak purchasing power of most West African countries often limit demand for building products. Because there are no mass market opportunities, the strongest potential in the short and medium terms for Canadian exporters of building products

is likely in small niche markets or in the market for low-cost building products.

Canadian companies are rather weakly positioned in the building products sector in West Africa. Canadian suppliers interested in breaking into these markets are urged to find a partner or a reliable representative or distributor familiar with local market realities.

See Potential?

To learn more about this market, read *The Building Products Market in West Africa* prepared by the Market Research Centre. You can access this report and hundreds of others free at the Trade Commissioner Service Web site: www.infoexport.gc.ca

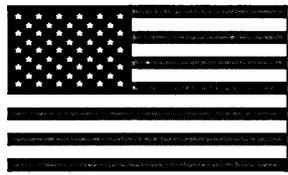
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New market report: U.S. government business opportunities

Calling Canadian knowledge industry

The Education Marketing Unit of the Department of Foreign Affairs and International Trade (DFAIT) has recently released a new market report entitled **United States Government Acquisition of Education and Training Products and Services: An Overview of Business Opportunities for the Canadian Knowledge Industry.**

The report contains information about potential contract and grant award opportunities for Canadian organizations that provide education and training products and services, and/or perform research and development (R&D) and special studies or analysis.

The U.S. federal government spends billions of dollars each year on education and training products and service contracts and grants, and billions more on contracts for R&D and special studies and analysis. Canadian universities, community colleges and technical institutes, industry associations and commercial training companies are among those organizations that may find potentially lucrative business opportunities associated with the U.S. government.

The report provides a full explanation of the procurement and grant award system in the United States and an overview of some of the relevant human resource management issues that affect the education and training

demands of the U.S. government. A range of business opportunities are analysed from individual sectoral perspectives including agriculture, the environment, health services, education/management/workforce development and transportation.

A series of presentations and seminars about accessing the U.S. federal government are being presented in Canadian cities starting this month.

The market report, as well as information about these seminars, is available from the Education Marketing Unit Web site: www.dfait-maeci.gc.ca/ics-cki/menu-e.asp and click on "What's New, Seminar Series".

For more information, contact Line Dénoimé, Education Marketing Unit, DFAIT, tel.: (613) 944-0762, fax: (613) 995-3238, e-mail: line.denomme@dfait-maeci.gc.ca *

Nailing down next year's show

National Association of Home Builders

ATLANTA, GEORGIA — February 8-11, 2002 — The Department of Foreign Affairs and International Trade (DFAIT) and the Canadian Consulate General in Atlanta, Georgia, in co-operation with Canadian Export Development (CED), is inviting Canadian companies to participate in the Canada Pavilion at the International Builders Show.

The Canada Pavilion will enable Canadian companies to display their products and services as they pursue business opportunities in the United States. This Canadian showcase will provide an excellent opportunity to meet key decision makers and buyers from government and the private sector who will be invited to visit the Pavilion.

Companies may be able to obtain financial assistance from DFAIT's Program for Export Market Development (PEMD) for some of their expenses for this showcase. Eligible companies can be reimbursed up to 50 % of their costs for travel, booth rental, etc.

Register now.

For more information, contact Robert Grison, Canadian Export Development, tel.: (613) 825-9916, fax: (613) 825-7108, e-mail: ccd@sympatico.ca or Durban Morrow, Trade Commissioner, U.S. Business Development Division, DFAIT, tel.: (613) 944-7486, fax: (613) 944-9119, e-mail: durban.morrow@dfait-maeci.gc.ca *

— Continued from page 1

Often, in export transactions, exporters won't receive payment until the product or service is delivered to the buyer — sometimes months or even years after signing the contract. For many small and medium-sized enterprises, this creates prohibitive cash flow problems, leading to lost sales. The PPP bridges this cash flow gap.

Managing the export cash flow crunch

The PPP lets you make swift business decisions to maintain your competitive edge, with financial resources to manage export sales. Through the PPP, you'll know you have the cash flow to cover costs as your company captures sales.

Does your company qualify for the PPP?

If you meet all or most of the following requirements, you may qualify for pre-shipment export financing through the PPP.

- You are negotiating or already have a firm order/contract with a foreign buyer.
- CCC will be able to establish a contractual relationship with your buyer.
- Your company manufactured or sold this product or service before.
- You will be paid by an acceptable letter of credit or are prepared to insure your receivable.
- Your company can finance at least 10% of the cost of the order.
- Your business is in good standing with the financial institution.

Qualified exporters with annual sales of \$50 million or less can receive up to \$2 million in financing per exporter, for up to two years.

PPP in action

Your company has an export project and requires working capital to take on the deal.

CCC evaluates the project to ensure your company meets the basic program requirements. You then complete and submit an application.

CCC reviews applications to assess your company's capabilities

and the risks associated with the deal. If CCC is willing to support the application we issue a Conditional Letter of Offer.

The financial institution carries out its due diligence, and, if acceptable, agrees to establish a project line of credit (PLOC).

Progress Payment Program

Prior to dispersing funds, CCC establishes contractual links with all parties while the financial institution registers its security position over

CCC reviews each claim and, once approved, authorizes the financial institution to release funds to your company.

Your company makes a shipment to a buyer generating a receivable.

The buyer issues a payment to CCC for the receivable.

On receipt of funds, CCC deducts its fees and forwards the balance to the financial institution.

The financial institution applies these proceeds against the PLOC. Any excess amount is dealt with in accordance with your company's non-PPP credit arrangements with the financial institution.

Find out more about the PPP

Help is just a phone call away. Or, if you prefer, contact us on-line through our Web site or by e-mail. Either way, our team will be pleased to discuss your pre-shipment financing needs in detail.

For more information, call 1-800-748-8191 (in Canada) or (613) 996-0034 (Ottawa), fax: (613) 995-2121, e-mail: ppp@ccc.ca Web site: www.ccc.ca

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Export Sales and Contracting")

OUR INTERNATIONAL FINANCIAL EXPORT PARTNERS

- Banca Commerciale Italiana
- Bank of Montreal
- Bank of Nova Scotia
- Banque Nationale de Paris
- Caisse Centrale Desjardins
- Canadian Imperial Bank of Commerce
- Canadian Western Bank
- Credit Union Central of Ontario
- HSBC Bank Canada
- Trade Finance Inc.
- Laurentian Bank of Canada
- National Bank of Canada
- Royal Bank of Canada
- Saskatchewan Cooperative Financial Services Ltd.
- Sherwood Credit Union
- Société Générale
- So-Use Credit Union
- State Bank of India
- Toronto-Dominion Bank

the equipment and work in progress required for the project.

As costs are incurred in accordance with the projected cash flow statement, the company submits a request to CCC to draw down on the PLOC.



As terrorists try to pull the world back into a time centuries ago when agendas of hate and fear ruled, our future as a truly globalized world continues to unfold. That future, in which we are all shareholders, is bright and promises much for all Canadians.

have been complemented by an agreement with the European Space Agency called the "Double Star" program. I must say I like the star idea. Perhaps we can convince them to rename it the "Northstar" program, for that spirit of innovation and co-

Canada. The Government of British Columbia is also a shareholder. And all Northstar loans are insured by Export Development Corporation (EDC).

Of course, in the long term the most important partnerships are with Northstar's customers, the kind of entrepreneurs who run new and growing export businesses, and who can use our core services, medium-term financing in the \$100,000 to

\$5 million range to foreign buyers of Canadian, and floor plan financing.

The WTO's Mike Moore said the decision to admit China into the WTO was "a fine moment in the history of co-operation between nations."

I couldn't agree more. And we will continue to be there with our customers,

continuing to build a more open and prosperous world, no matter who may try and close it down.

For more information on Northstar, contact Scott Shepherd, tel.: 1-800-663-9288, e-mail: s.shepherd@northstar.ca Web site: www.northstar.ca *

Trade a tool not a weapon

By Scott Shepherd, President and CEO, Northstar Trade Finance Inc.

For example, on a extremely positive note, after 15 years of difficult negotiations, agreement was finally reached on China joining the World Trade Organization (WTO). That is a profoundly important accomplishment, not just "a historical day in the young life of WTO," as a spokesperson put it but also in the words of Chief Chinese trade negotiator Long Yongtu "a win for the whole world." It is hardly surprising that the process of bringing a country with one fourth of the world population into the global trading system took so long. Doing that meant addressing a range of issues of great complexity. Still, as Mr. Long noted light heartedly, "A 15-year process is a blink of the eye in the 5,000-year history of China." I fully believe we will see the benefits accrue to all trading partners, not just for years but for decades to come.

Of course, all Canadians are watching and participating in the war against fear we are fighting now. It can be hard to focus on hopes for the future, however bright they may be. Trade always takes the long view, and now more than ever focuses on relationships which are in many ways being further strengthened by the new world challenge. In October, China announced plans to send a probe to the moon, with the goal of a manned launch by the end of this decade. The technical possibilities

operation is what Northstar is all about.

Last year, we welcomed CDP Capital International, the international arm of the Caisse de dépôt onto the Northstar team, a welcome addition to the partnerships we have painstakingly built with Bank of Montreal, Royal Bank of Canada, HSBC Bank Canada, and National Bank of



Scott Shepherd, President and CEO, Northstar

EDC announces 2001 International Studies Scholarship winners

Export Development Corporation (EDC) has named 21 recipients of this year's International Studies Scholarships.

The scholarships go to the top students in international business, international relations, economics and finance from 18 universities across Canada. They receive a financial award (\$3,000 for undergraduates and \$5,000 for postgraduates) plus a work term opportunity with EDC.

For details about the winners, visit: www.edc-see.ca/docs/news/2001/10-16-01_e.htm

Introduced in 1999, the International Studies Scholarships are awarded on the basis of criteria such as demonstrated leadership potential and initiative, academic achievement and an interest in learning additional languages.

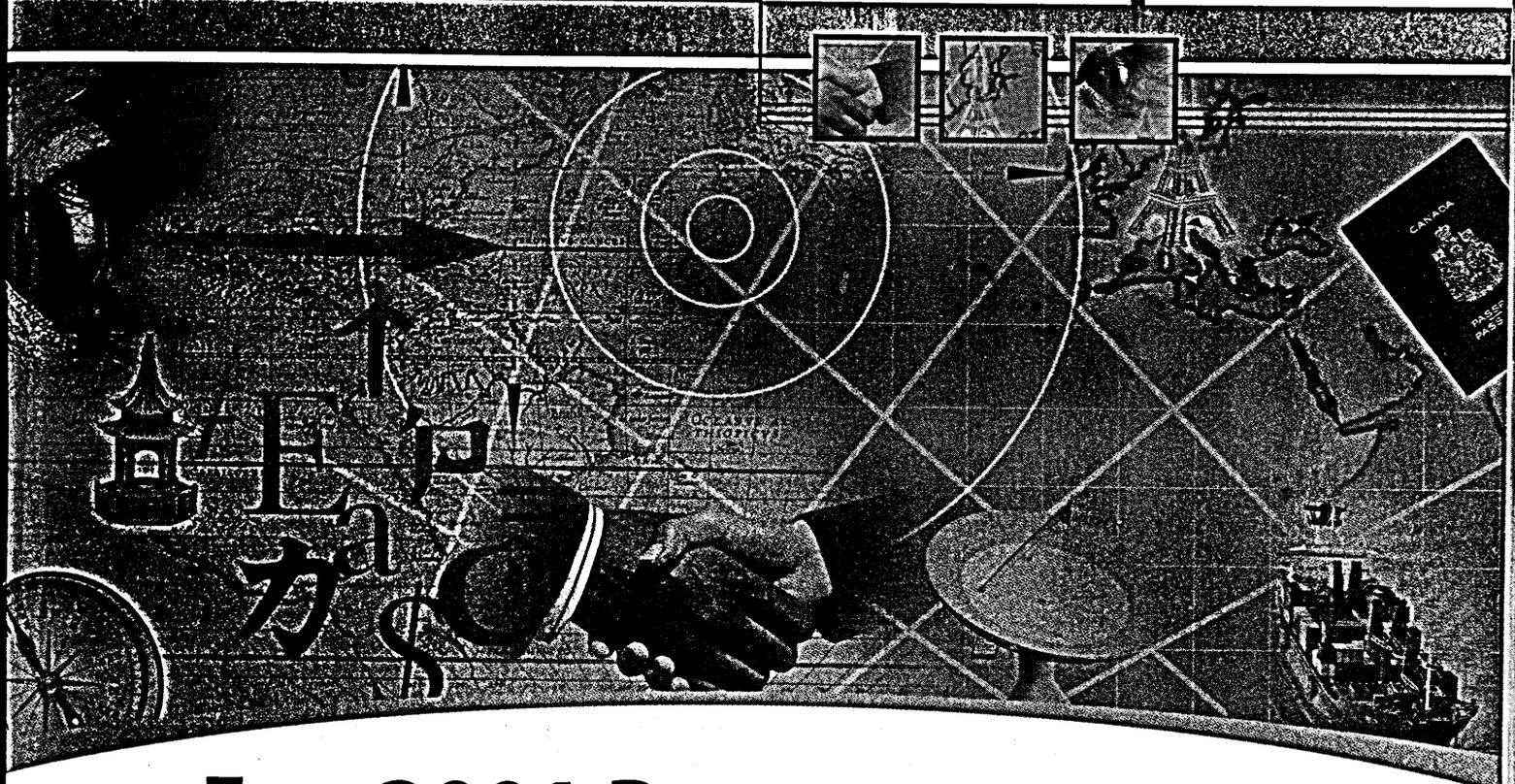
The scholarships are part of EDC's Education and Youth Employment (EYE) Strategy, which is designed to foster an export culture in Canada. Through scholarships, guest lectures, case studies and participation in education- and youth-related events, EDC is building awareness of the challenges and opportunities of international business.

For more information about the EYE Strategy and International Studies Scholarships, contact Euis Dougan-McKenzie Corporate Representation, EDC, tel.: (416) 640-7623, e-mail: edougan-mckenzie@edc-see.ca Web site: visit: www.edc-see.ca/youth *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Export Financing and Insurance".)

PLEMENT

canadexport Fall 2001



FALL 2001 POSTINGS OF CANADIAN TRADE COMMISSIONERS

As Canada's Chief Trade Commissioner, I am proud to present the members of the Canadian Trade Commissioner Service recently appointed to posts abroad. The trade commissioners featured on the following pages, along with some 500 of their colleagues, are committed to serving Canadian companies that have researched their target markets.

The Trade Commissioner Service provides the assistance that Canadian businesses need to compete in today's world markets. We do this by offering six core personalized services at all of our posts, in 139 cities around the globe. For a complete listing of our offices abroad, visit our Web site at: <http://www.infoexport.gc.ca>

The Trade Commissioner Service has helped thousands of Canadian companies to succeed in foreign markets. It's our business. I wish you success in yours.



John Gero
Assistant Deputy Minister,
International Business,
and Chief Trade Commissioner

THE CANADIAN
TRADE COMMISSIONER
SERVICE



Department of Foreign Affairs
and International Trade

Ministère des Affaires étrangères
et du Commerce International

Canada

Asia-Pacific



Martin Barratt is now in **New Delhi** as Third Secretary.



Martin is the lead officer in India for the minerals, metals and related equipment, services and technology, and the security-related products sectors. He is also responsible for housing and building products in the New Delhi region and is the trade officer for Nepal. After graduating from law school and practising as a barrister and solicitor (1993-1998), he worked in the Team Canada Inc. Secretariat (1999-2000) and the Caribbean and Central America Division (2000-2001).

Maxim Berdichevsky is currently serving in **Seoul** as Trade



Commissioner. Prior to this posting, he worked in the Korea and Oceania Division, as well as in the Trade Commissioner Service, Overseas Operations. He holds a joint degree in business administration and economics from Simon Fraser University in Burnaby, B.C. Prior to joining the Department, he worked in Vancouver, Kuala Lumpur and Helsinki in the areas of technology support, change-management consulting and risk management.

Ron Bollman is now in **Kuala Lumpur** as Senior Trade



Commissioner. He was formerly the Senior Trade Commissioner in Mumbai (1998-2000), and his other postings were Düsseldorf (1994-1998), Riyadh (1990), and Chicago. In Ottawa, he was the Deputy Director of the Africa and Middle East Trade Development Division (1991-1994) and worked as Trade Policy Analyst for the Tariffs and Market Access Group (2000-2001). He speaks German.

Gretchen Bozak is now Consul and Senior Trade Commissioner



in **Guangzhou**. Before this posting, she was Senior Client Service Advisor, Western Economic Diversification in British Columbia, where she led the reorganization of the Client Service Division and managed transition issues. For the previous six years, she served as Deputy Director, Agriculture and Agri-Food Canada, Market and Industry Services Branch, in British Columbia, where she led a team of marketing and trade officers helping Canadian companies to develop their business abroad.

Roger Chan is now Counsellor (Commercial) in **Canberra**.



He has previously served in Caracas (1977-1980), Buffalo (1980-1984), Oslo (1989-1993) and Mexico (1993-1995). Before being posted to Canberra, he was Deputy Consul General and Senior Trade Commissioner, Los Angeles (1999-2001). While in Ottawa (1984-1989 and 1995-1999), he served in the Defence Programs Bureau, the Resource Management Division, as Deputy Director for the Central Information Management Office and as Director for Cosmics Personnel. He also worked as Director of the Export Programs Division, the Trade Co-ordination/Advisory Committees Secretariat, and the Market Support Division. He speaks Spanish.

Caroline Charette is in **Tokyo** as Third Secretary (Commercial).



While in Ottawa, she worked in the Trade Commissioner Service, Overseas Operations (1998), and subsequently did the Japanese language training program (1999-2001).



John Clapp is in **Bangkok** as Counsellor (Commercial). Since



1981, he has served in Canberra (1981-1984), Beijing (1990-1993), Tehran (1994-1995) and Riyadh (1995-1998). In Ottawa, he has worked in the Agriculture, Fish and Food Products Bureau (1984), as Desk Officer in the Market Development Division (1984-1987), in the Asia Pacific South Trade Development Division (1987-1990), in the Trade Development Operations Division (1993-1994), at Agriculture and Agri-Food Canada (1998) and as Desk Officer (Saudi Arabia and Yemen) and Senior Trade Commissioner (Gulf States) in the Maghreb and Arabian Peninsula Division (1999-2001).

Steven Gawreletz is in **Singapore** as Counsellor (Commercial)



and Senior Trade Commissioner. Since 1980, he has been posted to Los Angeles (1980-1983), New York (1983-1986), Hong Kong (1990-1994) and Tokyo (1994-1997). In Ottawa, he was Marketing Officer in the U.S. Trade and Investment Development Division (1986-1988) and Trade Officer in the Japan Trade Development Division (1988-1990). Most recently, he was Deputy Director and Head of Asia Pacific's Regional Planning and Co-ordination Unit (1998-2000).

A. Majid Dellah is now serving in **Taipei** as Deputy Director,



Investment. Before joining the Department in 2000 as the Desk Officer for France/Trade, Western European Division in Ottawa, he worked at Industry Canada (1989-1992) and at the Canada Economic Development in Montreal (1992-2000). He was Commercial Officer (1995-1997) and later Senior Development

Officer at the Military Base (Technobase) in St-Hubert (1997-2000).

Marie-Louise Hannan is now serving at the Canadian



Trade Office in **Taipei** as Deputy Director, High Tech Industries. Prior to this posting, she served in Kuala Lumpur (1999-2001) as Second Secretary, Commercial, with responsibility for the environment and energy sectors. From 1997-1999, she worked in Ottawa in the China Division and later in the Trade Commissioner Service Division.

Claude Demers is in **Tokyo** as Third Secretary (Commercial).



From 1998 to 1999, he worked in the Media Relations Office. From 1999 to 2001, he took intensive Japanese language training.

Douglas Holland is at his first posting in **Kuala Lumpur**



as Third Secretary (Commercial). Since 1997, he has served in Ottawa in the Small and Medium-sized Enterprises Division, the Trade Policy Planning Division, and the Oceans, Environmental and Economic Law Division.

Pierre Desmarais is Second Secretary (Commercial and



Economic) at the Canadian High Commission in **Canberra**. He began his career with the Government of Quebec in the Trade Policy Sector. After joining the Department in 1995, he has held positions in the European Union Division, as well as the Technical Barriers and Regulations Division.

Murray King is now serving in **Shanghai** as Consul and Trade



Commissioner. He is Deputy Trade Program Manager in the commercial section responsible for both the information and technology, and transportation sector teams. Prior to this posting, he served in Beijing (1999-2001). While in Ottawa, he worked for the Southeast Asia (1996) and China (1996-1999) divisions. He speaks Mandarin Chinese and Spanish.

Jean-Philippe Linteau is now in **Kuala Lumpur** as Second



Secretary (Commercial). His previous assignment was in Seoul (1998-2001). In Ottawa, he worked in the Korea and Oceania Division (1997-1998), after graduating with an M.A. in Environment Science from the University of Toronto.

Philippe Rhéault is now serving as Third Secretary



(Commercial) and Vice-Consul in **Beijing**. After studying philosophy, political science and law, he practised law for two years in a large Montreal firm before joining the Department three years ago. He has worked in the Services Trade Policy Division (1998-2001), and he speaks Mandarin and Spanish.

David Murphy is Director (Trade and Investment) and Senior



Trade Commissioner in **Taipei**. He has served in Beijing (1995-1999), and has held positions in Ottawa as Assistant Trade Commissioner (1991-1992), in the Media Relations Office (1992-1993) and as Deputy Director in the China and Mongolia Division (1999-2001).

Gordon Richardson is now on secondment from Agriculture



and Agri-Food Canada and is serving in **Singapore** as Counsellor (Agriculture and Food). He was previously posted as Agriculture Counsellor in Mexico (1987-1990). In Ottawa, he was Director of the International Market Services Division (1990-1997) and Director of the Americas, Europe, Middle East and Africa Division (1998-2001).

Gordon Parsons is now serving as Counsellor (Commercial)



in **Beijing**. His previous postings include Tokyo (1984-1990), London (1990-1994) and Bangkok (1997-2001). While in Ottawa, he worked in the Food Branch (ITC) (1975-1983) and the Trade Opportunities Division (1994-1997).

Jason Walsh, previously Trade Commissioner in the Southeast



Asia Division, is now serving in **Singapore**, where he is Third Secretary (Commercial) and Trade Commissioner. Prior to joining the Foreign Service, he was Marketing Manager for a consulting firm in London, England, and most recently an associate at the St. John's law firm Benson-Myles.

Benoit Préfontaine is serving in **New Delhi** as Senior



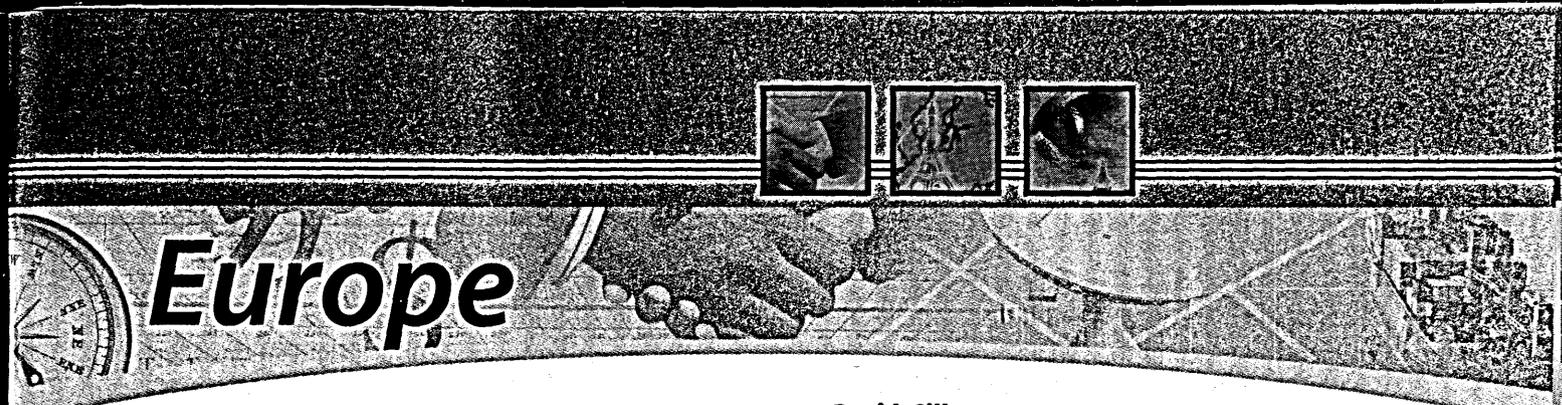
Counsellor (Commercial). He has been posted to Abidjan (1988-1991), Yokohama (1994-1995) and Fukuoka (1995-1999). In Ottawa, he worked in the Defence Programs Bureau, Overseas Division (1987-1988), the Financial and Business Services Division (1991-1993) and was Deputy Director in the South Asia Division (1999-2001).

Richard Winter is now serving in **Beijing** as Counsellor

(Commercial). His previous postings include Brasilia (1975-1977), Minneapolis (1977-1981), Manila (1981-1984), Beijing (1991-1994), Cleveland (1994-1996) and Dubai (1996-1999). While in Ottawa, he worked in the International Defence Programs Branch (1971-1974), and in the U.S. Marketing, Agricultural Products and Agri-Food divisions (1984-1991). Prior to his current posting, he worked in Moncton for the Atlantic Canada Opportunities Agency (1999-2001).

Pierre Pyun is now serving as Third Secretary (Commercial) in

Beijing. His responsibilities cover the transportation sector, including aviation, aerospace and defence, automotive, rail, and urban transit and shipping. Previously, he worked in Ottawa from 1998 to 2001. He speaks Korean and Chinese.



Europe

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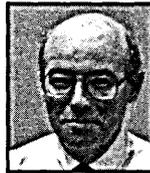
Jennifer Barbarie is now in **Ankara** as Counsellor (Commercial). Since becoming a foreign service officer in 1987, she also served in Jakarta (1991-1994). In Ottawa, she has worked in the Services Industries and Transportation Division (1994-1997), the Market Support Division (1997-1999 and 1999-2001) and as Program Manager of the Youth International Internship Program (1999).



Jean-Yves Dionne, M.Sc. (I.R.) is Investment Counsellor in **Paris**. Since 1976, he has served in Bonn (1978-1982), Abidjan (1982-1985), Yaoundé (1988-1991), Budapest (1991-1994) and The Francophonie Summit in Moncton (1998-1999). In Ottawa, he worked as Trade Commissioner in the East Asia Trade Development Division (1985-1987), as Executive Assistant to the Assistant Deputy Minister, Africa and Middle East (1987-1988), and as Deputy Director of the U.S. Trade and Investment Promotion (1994-1997), Political and Commercial Staff (1997-1998) and Assignments (1999-2001) divisions.



Julia Drew-Watt is now Third Secretary (Commercial) in **Moscow** responsible for science, technology and transportation. Since joining the Department in 1999, she attended official language training (1999-2000), served as Desk Officer (Political) for Norway, Iceland, Estonia, Latvia and Lithuania (2000-2001), and spent a few weeks in language training to improve her Russian.



David Gillett has been with the Department since 1972. He is now in **Copenhagen** as Commercial Counsellor. Over the years, he has worked in Pretoria (1973-1975), Algiers (1978-1980), Tokyo (1981-1985), Buenos Aires (1988-1991), Bogotá (1995-1997) and as Trade Commissioner at the International Trade Centre, Toronto (1997-2001). In Ottawa, he has served in the Middle East Division (1972), the Bureau of Personnel (1973), the Defence Relations Division (1975-1978), as Head of Diplomatic Protective Security and Administration (1981), and in the South America Relations (1985-1988), the Agriculture and Fisheries Trade Policy (1991-1993) and the U.S. General Relations and Programs (1993-1995) divisions. He speaks Spanish.



Gregory Kostyrsky is in **Bern** as Counsellor (Commercial/Economic) and Consul. Since 1972, he has served in New York (1973-1976), Düsseldorf (1976-1980), Buenos Aires (1990-1992) and Vienna (1997-2001). In the Department, he has worked as Deputy Director in the following divisions: European Community Division (1984-1986), Services and General Trade Policy Division (1988-1990), Science and Technology Division (1992-1993) and the Trade Commissioner Service Strategic Planning Division (1993-1997). In addition, he has been on secondments to the Royal Bank of Canada, the Ministry of Finance and Investment Canada.



François Lasalle is now in **Ankara** as Third Secretary (Commercial), where he also is responsible for trade promotion in Georgia, Turkmenistan and Azerbaijan. Previously, he worked in Ottawa in the Media Relations Division (1999-2001) as a departmental spokesperson.

Christopher MacLean is in **Vienna** as Commercial Counsellor.



Since 1987, he has served in Düsseldorf (1988-1992) and London (1995-1999). In Ottawa, he has worked in the Trade Rules (1992-1995) and Investment Trade Policy (1999-2001) divisions. He is fluent in German.

George Phillips is in **Hamburg** as Consul and Senior Trade



Commissioner. After working in the government since 1970, he joined the Department in 1986 as a foreign service officer. He has been posted to Chicago (1988-1992) and Berlin (1994-1998 and 2001). Seconded to the Department of Canadian Heritage, he managed the trade program at the Canada Pavilion in Hannover at Expo2000. In Ottawa, he has worked in the U.S. Trade and Tourism Development (1986-1988), Western Europe Trade, Investment and Technology (1992-1994) and Central Europe (1998-1999) divisions. He speaks German.

Harold McNairnay is in **Düsseldorf** as Consul, after



serving as Consul in Hamburg, Germany, from 1998 until this year. Since 1975, he has been posted to Jakarta (1975-1977), Lima (1977-1980), Harare (1980-1983), San Jose (1987-1989), Yokohama (1990-1991), Tokyo (1991-1995) and Hamburg (1998), as well as working in Ottawa in the U.S. Trade and Economic Relations Division (1983-1985), as Deputy Director in the South America Trade Development Division (1985-1987) and in the Foreign Service Benefits and Middle East divisions (1995-1998). He speaks German and Spanish.

Sameena Qureshi is in **Milan** as Vice-Consul and Trade



Commissioner, responsible for education marketing and multimedia. She was called to the Ontario Bar in 1994. Prior to joining the Department, she was a project co-ordinator for a Spanish press agency with assignments in Kazakhstan, Brazil, Ireland and Pakistan. In Ottawa, she has worked in the Team Canada Division (1999), the Services Trade Policy Division (1999-2000) and the Oceans, Environmental and Economic Law Division (2000-2001). She speaks German.

Eric Petersson is in the new post in **Reykjavik** as Third



Secretary and Consul, after being in the Baltic, Central European and EFTA Countries Division since 2000. Prior to joining the government, he was a costing analyst with Canadian National Railways and a marketing associate at the University of Durham in England. He speaks some German and is learning Icelandic.

Kenneth Sooley is now in **Düsseldorf** as Vice-Consul and



Assistant Trade Commissioner. Since joining the Department in 2000, he has attended foreign-language training (2001) and served as Desk Officer in Communications and Public Affairs (2000-2001). He speaks German.





Rick Stephenson is on secondment from Industry Canada and is now in **Oslo** as Counsellor (Commercial). For Industry, Trade and Commerce, he served as Trade Commissioner in Kingston, Jamaica (1976-1978) and in Dallas, Texas (1984-1987). From 1987-2001, he was Deputy Director and Trade Commissioner for the International Trade Centre in Vancouver.

Michael Wooff is in **Warsaw** now as Commercial Counsellor.



After working in Canada, Denmark and Australia, he became a foreign service officer in 1986 and has served in Manila (1988-1989), Prague (1993-1996) and Warsaw (1996-2001). For the past five years in Warsaw, he was most recently Political Counsellor (1999-2001) but has now returned to the trade side of the Department. In Ottawa, he worked in the Africa and Middle East Trade Development Division (1989-1993).

Lucie Tremblay is in **Paris** as Commercial Counsellor



(Agriculture and Fisheries, Natural Resources and Consumer Products). After working in the public service (Investment Canada, Statistics Canada, Employment and Immigration) and for the private sector in the Ivory Coast, Yaoundé and Budapest, she joined the Department in 1994 and served in Ottawa as Investment Officer in the Investment, S & T Partnership Division (1994-1997), as Team Leader (IFI) in the Export Financing Division (1997-1999) and as Manager in the Maghreb and Arabian Peninsula Division (1999-2001).

Brian Young, a newcomer to the Foreign Service, is in **Munich**

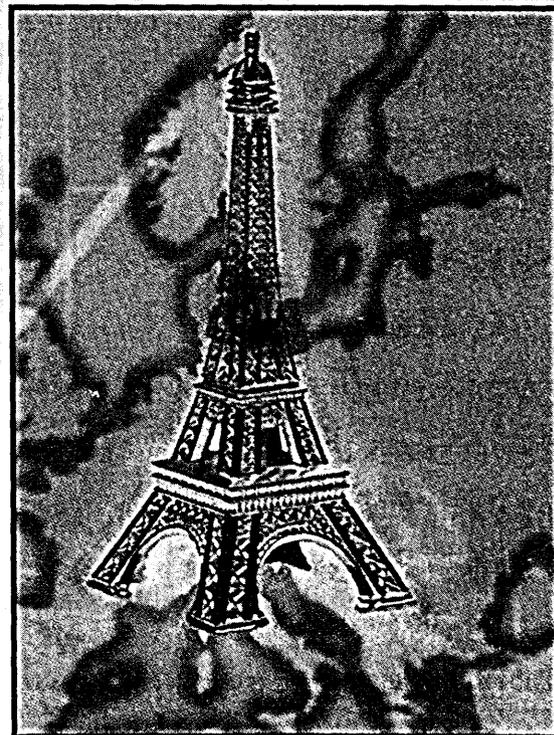


as Vice-Consul and Assistant Trade Commissioner. He has also worked as Sector Officer for Aerospace and Defence in the Market Support Division (1999-2000) and as Trade Commissioner for Germany in the Northern Europe Division (2000-2001). He is currently responsible for the information and communications technologies (software) sector in Munich. He speaks German.

David Weiner is in **Berlin** as Investment Counsellor. Since



joining the Public Service, he has worked in Washington (1992-1995) and Brasilia (1997-2001). In Ottawa, he was Trade Commissioner for International Defence Programs, Desk Officer for Central and Eastern Europe Trade Development and worked in the Trade and Economic Analysis Division. His background includes work as an international marketing manager in the private sector.



Latin America AND THE Caribbean

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Sylvain Fabi is now in **Havana** as Head of the Commercial Section. He previously served in Moscow (1995-1998). In Ottawa (1993-1995 and 1998-2001), he worked as Deputy Director in the Overseas Operations Division (1998-2001).



Robert Farrell is now serving as Counsellor (Commercial) in **Kingston**. His previous assignments were in Ankara (1986-1989), Kuwait (1992-1993) and Dubai (1993-1996). He joined the Foreign Service in 1981 following a 22-year career in the Canadian Armed Forces. In Ottawa, he worked as a commerce officer in the Defence Programs Bureau (1982-1986) and was Deputy Director of the Trade and Competitiveness Advisory Committee Secretariat (1989-1992). Before being posted to Kingston, he served as Deputy Director, Sub-Saharan Africa Trade (1996-2001).



Christine Laberge, a new foreign service officer, is now working in **Rio de Janeiro**. She previously worked in Ottawa in the Eastern European Division (1999) and as a consultant for the Canadian Human Resources Centre (1998). She speaks Portuguese.



Robert Langlois is now serving in **Rio de Janeiro** as Consul and Trade Commissioner. Prior to his current posting, he worked in Ottawa for Team Canada 1998.



David Marshall is now serving as First Secretary (Commercial) in **Guatemala**. He previously served in Lima (1994-1997). In Ottawa (1990-1994), he worked in the Fisheries and Fish Products Division, the Africa and Middle East Trade Development Division and the Media Relations Office. In Vancouver, he served as Trade Commissioner (Latin America) at the International Trade Centre, on secondment to Industry Canada (1997-2001). He is fluent in Spanish.



Nigel Neale is now serving as Third Secretary (Commercial) in **Bogotá** responsible for environmental services, geomatics, informatics and cultural industries. He began his foreign service career in Ottawa in 1997 working as Consular Case Manager for Africa. He worked on temporary duty in São Paulo, and as a protocol and consular officer in Lisbon during Expo98. His other Ottawa assignments included Departmental Assistant in the Office of the Minister for International Trade (1998-1999), Project Officer in the Hemisphere Summit Office (1999-2000) and Assistant to the Deputy Minister for International Trade (2000-2001).



Guy E. Salesse is now serving as Counsellor (Commercial) in **Lima**. He previously served in Niamey (1980-1983), Bridgetown (1983-1986), Bogotá (1988-1990), Quito (1990-1991), Guatemala (1991-1993) and Havana (1997-2001). While in Ottawa (1986-1988 and 1993-1997), he worked for the Resources Management and Corporate Planning Division, the Commerce Division for Latin America and the Caribbean, as well as the Mexico Division.



Goldie Schermann is now serving in **Brasilia** as Counsellor (Commercial and Economic). She previously served in Santiago (1994-1997) and Tel Aviv (1998-2001). While in Ottawa, she worked in the United States Trade Relations Division (1992-1994) and the Information and Technology Trade Policy Division (1997-1998).



Andrée Vary is now serving as Counsellor (Commercial) in **Bridgetown**, covering Barbados and the Eastern Caribbean. Her foreign service postings include Kuala Lumpur (1980-1983), Chicago (1983-1991), Washington (1991-1992), Mumbai (1996-1998) and Abidjan (1998-2001). She has extensive experience in international financial institutions, and was IFI Task Force Co-ordinator and Deputy Director of the International Finance Division in Ottawa (1993-1996). She speaks Spanish.



Daniel Vézina is now serving as Counsellor (Commercial) and Consul in **São Paulo**. He previously served in Mexico (1996-1999). While in Ottawa (1994-1996 and 1999-2001), he served in the Mexico Division, as well as the Eastern and Southern Africa Division.

Middle East AND North Africa



René-François Désamoré is Minister-Counsellor (Commercial) in **Riyadh**. For the last five years (1996-2001), he was the co-founder and Managing Director of a paper-producing factory in Spain. He previously served in Algeria as Trade Commissioner (1975-1977) and as Managing Director of a construction company (1983-1986). He was also posted in Port of Spain (1978-1981), Brussels (1981-1983) and Barcelona (1992-1996). While in Ottawa (1977-1978 and 1986-1992), he served as Senior Trade Commissioner in Regional Operations (1977), the U.S. Division and the Export Financing Division (1986-1989) and as Editor-in-Chief, CanadExport (1989-1992).



Bertrand Desjardins is in **Cairo** as Counsellor (Commercial and Economic) and Consul. He has served in Lyon (1986-1989), Bangkok (1989-1991) and Ankara (1995-1998). In Ottawa, he worked in Trade Development in South America (1982-1986), Competition Policy (1992), Secretariat of Consultation Committees on Commerce and Competition (1992-1995) and as Deputy Director and Editor-in-Chief of Ministerial Publications (1998-2001).

Jean-Pierre Hamel is in Algiers as Counsellor (Commercial).



He joined the Department in 1986 and has since been posted to Yaoundé (1987-1989), Bonn (1989-1992), Tunis (1994-1997) and Johannesburg (1997-2001), where he managed Canada's trade and investment office. While in Ottawa, he worked in the Export Finance Division, the General Trade Policy Division, as well as in the Western Europe Trade, Investment and S & T Division.

André Potvin is now serving in Tunisia as Counsellor



(Commercial) and Consul. He previously served in Lima (1979-1981), Bamako (1981-1984), Paris (1984-1985), Niamey (1987-1991), Bangkok (1991-1993) and Cairo (1997-2001). While in Ottawa (1985-1987 and 1993-1997), he served as Deputy Director for Personnel (1985-1987), and worked in the former Soviet Union Division (1993-1995) and the South Europe Division (1995-1997). He speaks Spanish.

Ali M. Mir is a new foreign service officer now serving as



Trade Commissioner and Vice-Consul in Tehran. He previously worked in Ottawa in the Mexico Division. Prior to joining the foreign service, he gained experience in financial analysis working in the summers between 1995 and 1998 while completing studies in international economics at

McMaster University, Hamilton (1999). He speaks Urdu, Hindi and Persian.

Suzanne Szukits is now serving in Tel Aviv as First Secretary



(Commercial). She previously served in Belgrade (1990-1992) and Houston (1992-1993). While in Ottawa, she has held a wide range of positions, including responsibility for strategic trade communications, as well as trade development with Latin America and the former Soviet Union. She

has also been involved in international trade negotiations at the World Trade Organization and on implementation of the North American Free Trade Agreement.

Gilles Poirier is now serving as Counsellor (Commercial) in



Tehran. His previous postings include Yaoundé (1974-1977), Caracas, (1979-1981), Paris UNESCO (1981-1985), Vienna (1986-1989), Paris (1993-1997) and Algiers (1997-2001). While in Ottawa, he worked as Desk Officer in the Francophone Africa Division (1977-1979), in the UN Affairs

Relations Division (1986) and in the International Security Division (1989-1993).

Shaun Wedick is working at the Canadian Embassy in Abu

Dhabi as Senior Trade Commissioner. He joined the Department in 1983 and has served abroad in New York (1984), Trinidad and Tobago (1985-1987), London (1990-1992), Tokyo (1995-1998) and San Francisco (1998-1999). During his last two postings, he was responsible for investment promotion. He speaks Italian and some Japanese.

Sub-Saharan Africa



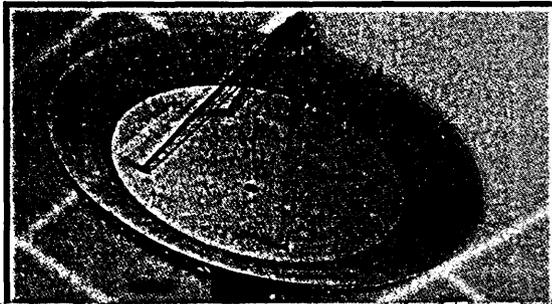
Barbara Giacomini is in **Johannesburg** as Counsellor (Commercial). She began working for the federal public service in 1973 and became a foreign service officer in 1986, when she was Deputy Director, Policy, Trade Commissioner Service, Personnel. She subsequently served as Senior Trade Commissioner, Canadian Government Trade Office, Princeton, NJ (1989-1992); as Deputy Director, Operations, Trade Development Division, Ottawa (1992-1995); and as Senior Trade Commissioner, International Trade Centre, Halifax (1995-1998). Prior to Johannesburg, she was Counsellor (Commercial) in Warsaw (1998-2001).



Amir Guindi is in **Abidjan** as First Secretary (Commercial). After becoming a foreign service officer in 1986, he served in Islamabad (1987-1989), Bogotá (1989-1990), Algeria (1990-1992) and Ankara (1998-2001). While in Ottawa, he has worked as Project Officer in the Aerospace and Armaments Division (1986-1987), in Trade Development in the Asia and South Pacific Division (1992-1993), in the former Soviet Union Division (1993-1994) and as Editor-in-Chief of CanadExport in the Planning and Communication Division (1994-1998).



Wayne McKenzie is in **Accra** as Commercial Counsellor. Since 1965, he has served in Melbourne (1966-1969), Seattle (1969-1971), Cairo (1973-1976), Baghdad (1976-1978), Tunis (1978-1981), Paris (1981-1985), Lima (1989-1992), Havana (1993-1995), Algiers (1995-1996) and Guatemala (1998-2001). In Ottawa, he was Regional Co-ordinator-Africa and Middle East (1971-1972), West Europe Regional Co-ordinator (1972-1973), Deputy Director of Trade Development, Western Europe (1985-1987), Deputy Director of FSD Benefits Policy and Implementation (1987-1988), Special Policy Advisor to the Director General, Personnel Administration (1988-1989), Deputy Director, Secondary Industries Division (1992-1993) and Desk Officer (Pakistan, Afghanistan), South Asia Division (1996-1998). He speaks Spanish.



United States



Bernard Etzinger is in **San Jose** as Consul and Trade Commissioner. He has had one other posting to New York as Third Secretary and Vice-Consul (1996-1999). In Ottawa, he has worked in the Foreign Policy Communication Division (1992-1993), the Western Europe Relations Division (1993-1995), the U.S. General Relations and Programs Division (1995-1996) and with the Assistant Deputy Minister—Americas (1999-2001).



Andrew Griffith is serving in **Los Angeles** as Deputy Consul General and Senior Trade Commissioner. Since 1981, he has worked in Buenos Aires (1982-1985), Riyadh (1986-1988), Tehran (1988-1990) and Geneva (1994-1998). In Ottawa, he worked in the Policy Planning Division (1990-1992), as Executive Assistant to the Deputy Minister for International Trade (1992-1994), in the Privy Council Office (1998-2000) and for Industry Canada (2000-2001). He speaks Spanish.



Bruno Hamel is in **Boston** as Consul and Trade Commissioner.



He joined the Department in 1997 as a trade relations officer in the European Union Division. From 1998 until last August, he was posted to Milan as Vice-Consul and Trade Commissioner where he became fluent in Italian. He is a former university professor and worked as a consultant in international political economy and U.S. trade policy.

Martine Moreau is in **Seattle** as Vice-Consul and Trade



Commissioner. Since 1998, she has worked in the Information and Technology Trade Policy Division (1998-1999) and the U.S. Trade Development Division (1999-2001). She is a chartered accountant and previously worked at Ernst & Young as an auditor and a corporate financial consultant (1986-1998).

Victor Jarjour is in **Washington** as Counsellor (Agriculture).

His previous experience with the Department is a posting to the Canadian Mission to the European Union in Brussels as Counsellor (Agriculture) (1997-2001). Prior to that, he was Director of the Grains and Oilseeds Division at Agriculture and Agri-Food Canada.

Darcee Munroe is in **San Francisco** as Consul and Trade



Commissioner. Previously, she worked as a trade policy officer, specializing in the Free Trade Area of the Americas and the World Trade Organization, and was the departmental Summit Co-ordinator for the second Summit of the Americas in Santiago in 1998. Prior to arriving in San Francisco,

she was Executive Assistant to the Deputy Minister for International Trade. She has had one previous posting in The Hague (1993-1996).

Anthony (Tony) Knill is in **Miami** as Consul and Trade



Commissioner. He has held a number of senior posts in the departments of Citizenship and Immigration, Environment, and Foreign Affairs and International Trade.

John Schofield is in **Detroit** as Consul and Trade Commissioner.



Prior to 1983, he was posted to New York, Dallas and Frankfurt. Since then, he has been posted to the ITC in Saskatoon (1983-1986), as Manager of the Trade Program in Los Angeles (1986-1991), as Tourism Program Manager in Düsseldorf (1998-2001) and as Consul and Senior Trade Commissioner.

John Masswohl is in **Washington** as First Secretary,



responsible for trade policy issues concerning livestock and animal-based products (including fish and seafood) and sugar. Since 1994, he has worked in the Tariffs and Market Access Division (1994-2000) and at Agriculture and Agri-Food Canada (2000-2001).

In Ottawa, he was Deputy Director in the Trade Commissioner Service (1991-1992), Trade Commissioner in the Asia-Pacific, and Africa and Middle East divisions (1992-1995) and Manager of the Investment Servicing, Science and Technology Division (1997-1998). He speaks German.

— Continued from page 1

China has also made important commitments to reduce nearly 400 non-tariff barriers, such as import licences, quotas and tendering requirements, and to improve the administration of international trade in general. For example, laws and trade regulations will be published in a timely manner and in one of the WTO languages — English, French, or Spanish.

Decisions on commercial matters made by administrative bodies in the Chinese government will be subject to impartial judicial review. New product standards will conform to international practice, and, export, foreign exchange and local content requirements for foreign investment will be eliminated. Of particular importance for Canadian exporters of high technology, China will strengthen the protection of intellectual property rights by amending its laws to conform to the WTO Agreement on Trade-related Intellectual Property Rights.

Canadian firms that wish to invest in most Chinese service sectors (except insurance, banking, travel agencies, freight forwarding, rental and leasing, and technical testing and inspection)

will not be subject to minimum global asset or turnover requirements, nor to minimum capital requirements for the Chinese-foreign joint venture.

companies in 2005, with geographic restrictions eliminated by 2008; over that period, the foreign investment ceiling will rise from 25% to 49%.

China joins the World Trade Organization

Telecommunications — Between 2002 and 2008, China will liberalize the geographic and investment restrictions in the telecom sector, thereby opening up cities across China where foreign-invested companies will be able to operate and increase their maximum level of foreign equity investment. Initially, foreign equity up to 25% will be permitted in Chinese firms providing mobile services, with this ceiling rising to 49% by 2004.

Geographic restrictions will be eliminated by 2007. Firms providing fixed-line voice and data services will be opened to foreign-invested

In addition, tariffs on China's telecom imports will drop. For example, the existing 13% import duty on telephone equipment (HS 8517) will be eliminated by 2004. Canada exported \$270 million worth of such goods to China in 2000.

Agriculture — As a result of WTO accession, Canadian agricultural exporters will gain greater access to the Chinese market. An import quota for canola oil will be replaced with a tariff-rate quota (TRQ), administered by China in a transparent, predictable and uniform way using

Continued on page 12 — China



Selected goods concessions by China — Industrial

Products		Current MFN Tariff, %	Final MFN Tariff, %	Year of Final Tariff	Cdn Exports, 2000	Other Concessions
Telephone equipment	HS 8517	13	0	2004	\$270.0 million	
Integrated circuits	HS 8542	6	0	Upon accession	\$85.0 million	
Miscellaneous automotive parts	HS 87089990	40	10	2005	\$491.5 million	
Cellulose diacetate filament tow	HS 55020010	10	3	2004	\$129.0 million	Quota and import license requirement eliminated upon accession.
Ethylene glycol	HS 29053100	12	5.5	2004	\$252.5 million	
Polyethylene	HS 39011000	16	6.5	2008	\$179.7 million	
Potash	HS 31042000	3	3	Upon accession	\$405.4 million	Elimination of quota and import license requirement upon accession.
Kraft paper	HS 4804	14	3 ¹	2004	\$57.9 million	

¹ Simple average tariff where goods covered under specified heading face different rates.

Romania switches to a digital economy

Information and Communication Technology (ICT) in Romania is an emerging market with enormous potential. Despite considerable economic challenges ahead, Romania's progressive new government is preparing its skilled IT workforce to join the European Union and become part of the world-wide digital economy.

The EU connection

Romania's government is renewing its IT infrastructure for both economic and political reasons.

First, a legacy of restrictive policies has hampered Romania's economy, forcing many of the 5,000 IT specialists graduating each year from its universities to leave for Silicon Valley. Switching over to an e-commerce environment will attract foreign investment and stop the brain drain.

Second, EU guidelines state that government services must be accessible on-line by 2003.

To this end, the government has started to lay the legal, regulatory and technical foundation that will bring Romania into the information society.

New ministry formed

The newly formed Ministry of Communications and Information Technologies (MCIT) has drafted legislation pertaining to digital signatures, fraud and e-commerce and has formed a regulatory body to oversee liberalization of the telecommunications and postal services.

Dan Nica, head of MCIT, explains: "E-commerce, e-government and e-law are the new watchwords and our ministry is moving quickly to help small- and mid-sized ICT companies adapt to a competitive digital economy. Time is of the essence because each passing month costs us in terms of lost opportunities."

Government e-projects

The Information Technology

Promotion Group, headed by the Romanian Prime Minister, has launched 24 Internet projects to be conducted over the next five years. Among the projects is the establishment of Internet access for over 17,000 schools, the launching of "Romania Gateway", a Web portal promoting business



opportunities, and an electronic platform for conducting referenda.

Market overview

The estimated value of the Romanian IT market in 1999 was US\$227 million. Hardware accounted for 75% and software and services for the remainder.

The mobile phone penetration has increased 168%, with industry experts predicting 3.6 million mobile phones in use this year.

Computers — Overall PC sales increased 14% in 2000. Although notebooks continued to sell well, desktop sales accounted for 90% of the market. The proportion of corporate customers rose to 53%. Experts forecast a modest 12% annual growth rate in PC sales until 2005.

Intel dominates sales of servers (93.1%), half of which are for mid- to high-end systems (greater than US\$25,000).

Software — Software outsourcing is clearly Romania's main IT strength: software exports reached US\$30 million in 1999, a three-fold increase since 1997.

Internet — Internet use increased 15% in two months after Romtelecom (Romania's national telecom operator) slashed dial-up costs 50% during day-time hours. Approximately 40% of households and 35% of businesses have Web access, mostly dial-up.

Internet clubs are a growing phenomenon in Romania. Approximately 1,000 such clubs are located in Bucharest, 500 in Cluj and 300 in Constanta.

Financial services — The following financial institutions now offer on-line banking services:

- Tiriac Bank
- Bank Austria Creditanstalt Romania (BA/CA Romania)
- DemirBank Romania SA (WAP-based "m" banking)
- The Commercial Bank of Greece (BCG)

Major IT players

Although the hardware market is dominated by big names such as Compaq Romania (16.6% of computer sales), HP and IBM, the real success stories are in Romania's software industry. The following companies lead the market:

- **Softwin** (www.softwin.ro) — has developed popular products such as "AntiVirus eXpert", "RoDactilo" and "Web Call", a successful Internet search engine.
- **RDS** (Romanian Data Soft) (www.datasoft.ro) — develops client/server network architecture.
- **Scala Business Solutions SRL** (www.scala.ro) — supplies e-business management solutions (eBMS).
- **SoftNet** (www.softnet.ro) — is developing an on-line mall and has already launched three Web portals: www.kappa.ro, www.apropo.ro and www.rol.ro
- **PCNet** (www.pcnet.ro) — is developing the first B2B portal for local companies.
- **Mobifon** (www.connex.ro) — provides WAP, mobile chat, and e-mail services.
- **Teleglobe Inc.** (www.teleglobe.ca) — offers full-service solutions to Romanian ISPs.

Continued on page 11 - Romania

The Czech health care system has undergone dramatic changes over the last decade. More relaxed international trade rules have brought international, multinational and private health care firms into the country, and foreign health care products onto the market. Czech imports of pharmaceutical products reached \$1 billion in 1999.

Market overview

Health care coverage is universal in the Czech Republic, financed by the State and by payroll deductions and patient user fees. Health care expenditures rose from 6% of the GDP in 1990 to 8% in 1999.

Medication — The Czech people (population 10.2 million) consumed \$1.5 billion worth of medication in 1999, as follows: cardiac 20%, gastrointestinal 13.6%, nervous system 11%, and antibiotics and chemotherapeutics 10.2%.

Pain killers, cold and flu medications and vitamins (mostly B and C) are the biggest over-the-counter (OTC) sellers. Natural and homeopathic food supplements, minerals and specialty items such as enzymes are also popular.

Medical equipment — Forty domestic manufacturers dominate the market, producing relatively unsophisticated equipment.

Opportunities

Medication — Most of the medication produced in the Czech Republic is generic. Imports of patented medicines are expected to rise with the liberalization of international trade.

Romania

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For more information, contact Corina Stanescu, Commercial Assistant, Canadian Embassy, Bucharest, tel.: (011-40-1) 307-5093, fax: (011-40-1) 307-5015, e-mail: corina.stanescu@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/bucharest

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "The European Advantage.")

Medical equipment — There is a demand for technologically advanced, competitively priced foreign products, and the Republic is already a major importer of syringes, needles, catheters and modern diagnostic equipment. Imports rose from \$290 million in 1999

Galena; Ferring bought into Leciva (a Czech company with 11% of the local market); ICN Pharmaceuticals privatized VUAB; and Lachema acquired a strategic partner from Croatia-Pliva. However, Leciva and Slovakofarma (Slovakia) still play lead roles.

Health care products in the Czech Republic

A healthy import market

to \$335 million in 2000, the bulk in medical, surgical and dental tools (55%), followed by orthopedic devices (26%) and radiography equipment (12%).

Most (80%) of the radiography equipment used in the country is Czech-made. However, more modern equipment must be imported to satisfy Act No.18/1997 that regulates the use of nuclear energy and ionizing radiation in medical facilities.

Market access considerations

All pharmaceutical products must be registered before they can be sold in the Czech Republic. Price controls ("maximum price") are in effect but will phased out within two years for OTC drugs.

Working with a local agent, distributor or business partner is essential. They can interpret both the language and the business culture, and often have connections in the Slovak Republic.

Distributors can help exporters tailor their strategies for the local market and can perform some of the administrative legwork. Although there are 300 registered distributors in the Czech Republic, eight companies actually control 90% of the pharmaceutical market.

Major competition

Several international firms have invested in Czech pharmaceutical companies: U.S. IVAX purchased

Medication — Pharmaceuticals are primarily imported from Germany (18%), France (12%), Switzerland (10%), Italy, Belgium, the Netherlands, Slovenia, the U.S. and Austria.

Provitamins and vitamins worth \$15 million were imported from Germany (37%), Austria (17%), Slovakia (16%), France (15%) and Switzerland.

Apotex and Rougier Bio-Tech Ltd. are the most successful Canadian pharmaceutical companies on the Czech market. Vitamins, minerals, natural products and food supplements are imported from Canada's **Swiss Natural Sources, Profitness, Vita Health and Trophic.**

Medical equipment — The U.S. is the Czech Republic's largest trading partner in medical equipment (17% of imports) followed by Germany and Japan.

MDS Nordion (www.mds.nordion.com/) is the most successful Canadian medical equipment supplier in the Czech Republic.

For more information, contact Ilona Boldova, Commercial Officer, Canadian Embassy, Prague, tel.: (011-420-2) 7210-1864, fax: (011-420-2) 7210-1894, e-mail: ilona.boldova@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/prague/

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "The European Advantage.")

Three's not a crowd:

Third Country Co-operation with Japanese companies

Promoting Third Country Co-operation (TCC) — which is a strategic alliance between companies from two countries with companies from a third — has been a common feature in Canadian federal government economic collaboration with Japan for a number of years.

TCC projects can take the form of venture capital projects, licensing, outsourcing and contracting agreements, joint R&D initiatives or business and technology partnerships. The construction of coal power stations in South East Asia is a prime example of TCC in action. A number of Canadian companies have benefited directly from this type of collaboration.

The formal agreement on Third Country Co-operation was announced during the then Minister for International Trade Art Eggleton's November 1996 visit to Japan, in which Canada and Japan agreed to exchange



information on private sector-led infrastructure and other projects in third country markets, promote the development of co-operative business partnerships between Canadian and Japanese firms, and support private sector project initiatives.

TCC projects could entail

- promoting partnerships between Canadian and Japanese firms on privately financed and operated public infrastructure projects;
- involvement with Japanese Official Development Assistance (ODA) — funded commercial contracts executed by recipient countries with untied aid;

- collaboration and co-ordination between Canada and Japan on ODA projects implemented by the Canadian International Development Agency (CIDA) and the Japanese International Co-operation Agency (JICA);
- joint-bidding on International Financial Institution (IFI)-financed projects or other commercial partnerships.

For more information on collaborating with Japanese companies on third country projects, contact James Kim, Trade Commissioner, Japan Division, DFAIT, tel.: (613) 996-2974, fax: (613) 944-2397, e-mail: james.kim@dfait-maeci.gc.ca

China joins the World Trade Organization

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clearly specified time frames. In-quota import volumes will increase to over 1.1 million tonnes by 2005 (imports amounted to 75,000 tonnes in 2000), after which the TRQ will be eliminated. Over the same period, the out-of-quota tariff will fall from 100% to 9%. This will directly benefit Canadian exporters, who sold over \$34 million worth of canola oil to China in 2000.

Durum wheat exporters will also benefit from the introduction of a transparent TRQ, with in-quota import

volumes increasing to 9.6 million tonnes by 2004 (from total imports in 2000 of only 0.9 million tonnes). Canadian durum exports to China were valued at \$124 million in 2000.

A long-term commitment

It will take some time for China to integrate the rules-based principles of the WTO into its trade regime; the trade liberalization to which China has agreed under the terms of accession will be phased in over the next decade. WTO accession will not transform trade with China overnight —

good local contacts, careful market research and due diligence will remain the most important ingredients for success.

There is little doubt, however, that WTO membership will liberalize China's trade regulations considerably, opening new commercial opportunities for Canadian exporters and investors.

For more information, contact Andrew Smith, China Division, DFAIT, tel.: (613) 992-6129, fax: (613) 943-1068, e-mail: andrew.smith@dfait-maeci.gc.ca

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Roadmap to China and Hong Kong")

Following is a condensed version of an article that first appeared in the June 25 issue of *Plant* (www.plant.ca), the magazine for Canadian industry. The author, Mark Drake, CITP, is President of Corsley Inc. and senior consultant to Canadian Manufacturers and Exporters (www.cme-mec.ca). He can be reached at: corsley@sympatico.ca

In the context of the Quebec City, Seattle and Prague demonstrations, it is high time that the Canadian business community explained that while free trade may not be perfect it's a great deal better for everyone (including those in the developing world) than stagflation behind protectionist walls. Here is a 10-point checklist to help you get the message out:

1) **Jobs and wealth:** At least one Canadian job in three depends on exports, and over 85% of our exports go to our free trade partners in the North American Free Trade Agreement (NAFTA). This is one of the reasons that our unemployment is the lowest in 25 years.

In fact, free trade is critically important for Canada. We earn nearly half our wealth from international trade-related activity (46% of GDP, up from around 25%

half this income is generated by international trade.

4) **Canada's size:** Thirty-one million people is too small a market to allow many mid-sized companies

The benefits of free trade

before the Canada-U.S. Free Trade Agreement and NAFTA).

- 2) **Market access:** Trade agreements are about eliminating tariff and non-tariff barriers to give companies better market access and increased trading opportunities. This leads to improved economic conditions in both the developed and developing world.
- 3) **Social programs:** A vibrant private sector funds social and educational programs (through personal income and business taxes), and nearly

to thrive and create jobs. They have to expand internationally.

5) **Rules of the game:** Free trade, whether it's under the World Trade Organization, NAFTA or the potential Free Trade Area of the Americas, is about ground rules for cross-border access, for the protection of intellectual property and for the safeguarding of investment. These rules are critical for business success, especially for smaller players like Canada.

6) **Helping the poor:** Free trade helps to raise living standards as economies in developing countries improve. For example, Mexico may still have significant regional problems and not everyone is yet sharing in the increased wealth, but its economy has grown enormously since it joined NAFTA.

7) **Protecting the environment:** As people's standard of living improves with increasing trade, they want cleaner water and purer air, and they have the resources to pay for it. The well-known 1994 study by Kruger and Grossman showed that pollution levels start to fall when income levels reach about \$12,500 per capita.

8) **Labour standards:** Developing countries are wary of agreements in which labour standards from the developed world are imposed on them before they are ready, and risk making them uncompetitive. The International Labour

Continued on page 14 - The benefits

Export Alert! - a Canadian initiative

The Standards Council of Canada has concluded an agreement with the National Institute for Standards and Technology (NIST) of the U.S. Department of Commerce to offer American citizens its *Export Alert!* program.

Canadian exporters, who have been receiving *Export Alert!* e-mails free of charge for nearly three years, are automatically notified about proposed regulations abroad which might affect their products.

As of November 1, 2001, the many Canadian subscribers to *Export Alert!* have had access to an enriched version of this service enabling them to:

- automatically receive electronically amendment notices of new regulatory proposals emanating from member governments of the World Trade Organization (WTO)

- choose the particular fields which interest them
- choose specific countries
- obtain the full text of these proposed regulations
- express their opinion

Export Alert! is just one of the many services offered by the Standards Council of Canada. To subscribe or change your personal settings, visit www.scc.ca/exportalert/index_e.html

The mission of the Standards Council of Canada is to promote efficient and effective voluntary standardization in Canada. It also co-ordinates, in co-operation with the Department of Foreign Affairs and International Trade, the *WTO/NAFTA Enquiry Point*, which includes the *Export Alert!* service.

For more information, contact Isabelle Delage, Co-ordinator, Enquiry Point, tel.: (613) 238-3222, ext. 491, e-mail: idelage@scc.ca ✪

EXPO COMM 2002

MEXICO CITY, MEXICO — February 12-15, 2002 — EXPO COMM is the largest annual exhibition and conference dedicated to the telecommunications industry in Mexico. Last year, the show attracted over 28,000 visitors with 300 exhibitors from 17 countries. The attendance survey revealed that over 90% of the visitors were decision makers in the acquisition of telecommunications products and services.

The Mexican telecom market offers tremendous opportunities. Despite the downturn hitting Mexico's economy, the country's telecommunications sector will post a growth of about 18% this year according to Mexican Communications and Transport Minister, Pedro

Cerisola. One of the government's goals during the current administration is to achieve high-tech digital connection to the majority of Mexicans. With a population of nearly 100 million, Mexico has just 13 fixed-line telephones for every 100 residents, one of the lowest tele-density rates in Latin America. Cellular telephone use has already surpassed wireline penetration and is expected to reach nearly 15 million by 2003.

For more business opportunities, consult *The Telecommunications Market in Mexico* available at www.infoexport.gc.ca

Companies are invited to exhibit at the Canadian Pavilion, which will offer participants:

- one-stop shopping
- strategic advice from the Canadian Embassy commercial officers
- opportunity to promote your products and services at a Canadian seminar at no extra cost
- networking with targeted local companies

For more information or to register, contact Gilles Tassé, Trade Commissioner, Mexico Division, DFAIT, tel.: (613) 995-0460, fax: (613) 996-6142, e-mail: gilles.tasse@dfait-maeci.gc.ca or Ken Yokoyama, Senior Manager, International Business Development Division, Industry Canada, tel.: (613) 990-0871, fax: (613) 990-3858, e-mail: yokoyama.ken@ic.gc.ca or visit www.expocomm.com/latin/mexico.html ✪

Natural Products Europe

LONDON, ENGLAND — April 7-8, 2002 — The High Commission in London invites Canadian companies to participate in Natural Products Europe (www.naturalproducts.co.uk).

Now firmly established as Britain's premier trade show for the rapidly expanding natural and organic sectors, Natural Products Europe has become the U.K.'s largest gathering of natural and organic product companies. A large number of foreign exhibitors are expected at this event. With genetically modified (GM) foods high on the agenda, and natural health care talked about everywhere in the media, there's never been a better time to be part of this industry.

The organic food market in the U.K. is growing at a healthy 40% per year. A surge in demand for both staples (fruit, vegetables and meat) and ready-to-eat meals, sauces, snacks and other processed food and drinks has made it necessary for the U.K. to import as much as 70% of their requirements. A number of related sectors have emerged, such as sports nutrition, functional foods, body care, aromatherapy, household and eco-products, and clothing and fabric. The vitamins,

minerals and supplements sector has also become important in the specialist health food market.

Natural Products Europe is not only a vehicle for exhibiting products, but has become an essential part of the industry's year, for business, networking and socializing. The exhibition is growing both in terms of exhibitors and visitors, and Canadian firms are encouraged to take part.

For more information, contact the Canadian High Commission, London, Deanne Steven, tel.: (011-44-20) 7258-6619, e-mail: deanne.steven@dfait-maeci.gc.ca or Ros Burridge, tel.: (011-44-20) 7258-6652, e-mail: ros.burridge@dfait-maeci.gc.ca fax: (011-44-20) 7258-6384 ✪

Canadian Trade Show on Board

PUERTO RICO, ST. THOMAS, ANTIGUA, ST. MAARTEN, ST. LUCIA and BARBADOS — March 2-9, 2002 — If you missed the boat the first time, you're still not too late for the Canadian Trade Show on Board. This cruise will stop in six Caribbean destinations to showcase Canada's food and beverage sector and its construction and building products sector. Originally planned for late November to early December 2001, it has now been rescheduled for March 2002.

For more information or to register, contact Robert Grison, Director of Operations, Canadian Export Development Inc., tel.: (613) 825-9916, fax: (613) 825-7108, e-mail: cced@sympatico.ca ✪

The benefits of free trade — Continued from page 13

Organization should provide the lead in this area.

9) Free trade is a two-way street: It is about opening our market (more freely than we do right now in some areas) to enable trading partners to export to Canada, so that we can enjoy products from around the world.

10) Small is beautiful: Some 70% of our goods and services exporters are small companies with less than \$1 million in annual sales. Free trade agreements create enormous opportunities for them to prosper, and they are the biggest job providers for Canadians. ✪

Upcoming trade shows and conferences

For the full details on the following events, see Canadexport on-line at www.infoexport.gc.ca/canadexport and click on "Trade Fairs and Missions."

BAHRAIN — January 14-17, 2002 — The Bahrain Naval & Maritime 2002 is the first dedicated international naval and maritime exhibition and conference in the Middle East, complementing the air and land defence exhibitions already established in the Gulf region.

MUMBAI, INDIA — January 21-26, 2002 — **ELECRAMA** is the largest exhibition of electrical, professional electronics and allied products in Asia and the Middle East. The show covers a broad range of products, components and systems, with the exception of entertainment electronics.

BANGALORE, INDIA — January 29-February 1, 2002 — **Componex/ElectronicIndia 2002**, the seventh International Conference and Exhibition of Electronic Components, Materials and Production Equipment, will be held in India's Silicon Valley, and will feature the latest products in the electronics sector. The 2001 event drew 254 exhibitors from 24 countries and 19,000 trade professionals.

SEOUL, KOREA — February 26-March 1, 2002 — **ExpoComm 2002** is the most major telecommunications show in Korea, and is expected to attract over 500 companies from 40 countries and more than 60,000 visitors. Korea's wireless sector is booming, and the country holds the record for the highest broadband Internet penetration rate in the world.

MONTREAL, QUEBEC — March 5-6, 2002 — The International Building and Design Show is the only trade event in Canada exclusively for industry professionals and foreign buyers. The Show features all the major sectors of design plus residential, commercial and industrial construction, including building/housing systems

and technology, doors and windows, furnishings, environment, healthy materials and renovation.

ROTORUA, NEW ZEALAND — March 12-16, 2002 — The Forest Industries International Conference and Exhibition is New Zealand's largest forest industry event. New Zealand is becoming an international forestry leader and will need to invest heavily in new processing facilities, which means opportunities for Canadian manufacturers of forestry and wood processing machinery.

SEOUL, KOREA — March 18-19, 2002 — **Food Showcase Korea** will occur the week following Foodex in Japan, and is the major venue to promote food products to Korean importers. Korea is one of the most dynamic Asian economies.

TEL AVIV, ISRAEL — March 19-21, 2002 — **Bio-Tech Israel 2002, National Biotechnology Week, Conference and Exhibition** — The Canadian Embassy in Tel Aviv, in co-operation with Technology Partnership Canada and Industry Canada, is planning a number of activities in conjunction with this event including a partnering event for Canadian biotech companies with Israeli counterparts.

LONDON, U.K. — April 6-7, 2002 — The British and International Franchise Exhibition focuses on quality franchisors accredited by the British Franchise Association. As well as face-to-face meetings with franchisors, visitors will have the opportunity to obtain free advice from leading banks, solicitors and franchise consultants.

CAIRO, EGYPT — April 9-11, 2002 — **Middle East and Africa Ports and Maritime Exhibition and Conference** — will showcase technological advance-

ments in the ports and maritime transport sector, and is expected to be regarded as one of the leading events of its kind. The event coincides with substantial investment and major reforms in the Middle East and Africa, as well as the Egyptian government's plans to build new ports and modernize existing ports.

SYDNEY, AUSTRALIA — May 28-30, 2002 — **CeBIT Australia** is Australia's premier information and communications technologies (ICT) exhibition and conference. Based on CeBIT Hannover, CeBIT Australia is expected to draw more than 12,000 visitors including decision makers involved in specifying, recommending or approving the purchase of ICT.

MELBOURNE, AUSTRALIA — June 2-5, 2002 — Following the success of the 2001 show, held in Sydney, Canadian exporters will be able to participate in **Interbuild Australia 2002**, Australia's largest building exhibition, which showcases the latest in building products and technology for residential, commercial and industrial construction.

SINGAPORE — June 17-21, 2002 — "Beyond broadcasting... worldcasting" is the theme for **BroadcastAsia 2002**, the eighth Asian Broadcast and Multimedia Technology Exhibition and Conference. Canadian exhibitors will benefit from a marketing support program delivered by DFAIT, Canadian Heritage and Industry Canada under Trade Team Canada Inc.—Information and Communications Technologies. **BroadcastAsia 2002** will be held in conjunction with **CommunicAsia 2002 (June 18-21, 2002)**, the 14th Asian International Communications and Information Technology Exhibition and Conference, and Asia's largest telecommunications and information technology event. Last year's event drew 2,400 participating companies and 48,000 visitors. ★

Women entrepreneurs and globalization

The Groupe Conseil Femmes-Expertise recently published the 2001 edition of *Les femmes entrepreneurs et la mondialisation des marchés* [*Businesswomen and Globalization in the Marketplace*]. This reference work provides up-to-date information on globalization and its impact on businesses managed by women. It looks at the major challenges and realities facing women entrepreneurs in the global marketplace, business partnerships and networking, as well as at strategies for success to help women put their companies in a better position in the international marketplace. It also examines the effect the market has on the knowledge economy and attitudes, and on new ways of conducting business in the world.

The publication provides practical advice on financing, insurance and export risks, cultural considerations in business, and new information tech-

nology, as well as on exporting to developing countries. It also reviews the conclusions from the international forum "Les femmes et les opportunités d'affaires dans les pays en développement" ["Women and Business Opportunities in Developing Countries"], held at the Ottawa Congress Centre and the Palais des Congrès in Hull in the fall of 2000.

This publication is an essential tool

for businesswomen, managers, and other stakeholders in both the private and public sectors, and is available at a unit price of \$35 + \$3 shipping and handling + GST (7%).

The English edition will be available in early 2002.

For more information or to place an order, contact Groupe Conseil Femmes-Expertise Inc., tel.: (613) 590-7422 or toll free 1-877-650-5191, fax: (613) 590-7423, e-mail: Femmes-expertise@sympatico.ca ✪

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A faster, more intuitive Web site. InfoExport is used by Canadian companies who have little time to wait while images load and information is retrieved. The redesigned site offers quicker and easier navigation. "We've installed more intuitive search features. Visitors to the site have fewer clicks to find sector information," says Andrée Cooligan, Deputy Director of the Trade Commissioner Service Marketing Division.

Self-Serve Options

One-on-one testing with Canadian companies revealed what InfoExport users value most: quick access to sector information, contacts, and services. Clients can contact trade commissioners on-line 24 hours a day to request any of the six core services offered by the Trade Commissioner Service. The site also lists additional service providers such as interpreters, market researchers and other professional service consultants.

What's on InfoExport?

Hundreds of market reports, links to international trade events and organizations, and access to the network of over 300 Canadian trade commissioners around the world.

Learn more about your target market today at www.infoexport.gc.ca ✪

Québec International

The 2002 edition of this directory includes the co-ordinates, country of activity, sectors and other details of Quebec companies, public and private organizations, institutions and consultants active internationally.

To register or for further information, contact QUÉBEC DANS LE MONDE, tel.: (418) 659-5540, fax: (418) 659-4143, e-mail: info@quebecmonde.com Web site: www.quebecmonde.com ✪

Enquiries Service

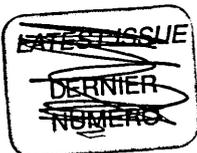
DFAIT's Enquiries Service provides counselling, publications, and referral services to Canadian exporters. Trade-related information can be obtained by calling 1-800-267-8376 (Ottawa region: 944-4000) or by fax at (613) 996-9709; by calling the Enquiries Service FaxLink (from a fax machine) at (613) 944-4500; or by accessing the DFAIT Internet site at www.dfait-maecd.gc.ca

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Canadian Science and Technology (S&T) goes abroad

Expanding Canadian companies' reach

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Canada has been advancing its reputation as one of the world's leading knowledge-based economies in a number of well-planned steps — past, present and future. Through a series of upcoming missions and "road shows" (see below), DFAIT's Science and Technology program is helping Canada forge a multitude of international links that will reinforce its position as a valued global partner in research and business.

The program cultivates a nurturing environment for Canada's S&T activities by encouraging international research and development (R&D) collaboration across, and between, private and public sectors, and by introducing Canadian R&D SMEs to sources of foreign capital for expansion into foreign markets, the



From left to right: NRC President Dr. Arthur Carty; Germany's Federal Minister of Education and Research, Edelgard Bulman; and Canada's Secretary of State for Science, Research and Development, Dr. Gilbert Normand following the signing of the Joint Statement and MOU in Bonn.

program cultivates a nurturing environment for Canada's S&T community.

Continued on page 3 – Expanding

The great Canadian success story

Canadian ICT exports to China forge ahead

By Dales Forbes, Manager, China and Hong Kong Division, Industry Canada

While international television, radio and print media continue to sensationalize the decline of the world's information and communications technologies (ICT) industry, one story that has yet to make the headlines is the tremendous success that Canadian ICT exporters are experiencing in China.

Despite the global downturn, the Land of the Dragon is breathing fire into Canada's ICT exports, which increased 200% in the first six months of 2001.

The rise in Canadian ICT exports to China is expected to continue, given

Continued on page 12 – Canada



International Business Opportunities Centre

THAILAND — Conveyor Line for Ash and Gypsum Disposal System — The Electricity Generating Authority of Thailand (EGAT) invites sealed bids (bid no. EGAT 22/2544-MM0028) for the reconstruction of conveyor line 1 in the ash and gypsum disposable system at units 4-13 of the Mae Moh power plant. Work includes design, manufacture, delivery and supervisory assistance during construction and commissioning. Cost of bid documents (non-refundable): US\$90. Closing date: **January 16, 2002**. For bid documents (available until January 4, 2002), contact Niramom Chotikunchorn, Electricity Generating Authority of Thailand, Room 350, Building TOR 100, Bang Kruai, Nonthaburi 11130, Thailand, tel.: (011-662) 433-9774, fax: (011-662) 433-6317/(011-662) 436-6556.

Contact Surin Thanalertkul, Commercial Officer, Canadian Embassy, Bangkok, fax: (011-662) 636-0568, e-mail: surin.thanalertkul@dfait-maeci.gc.ca quoting case no. 011030-04929. *(Notice received from the Canadian Embassy in Bangkok.)*

JORDAN — Transformers, Reactors and Ancillary Equipment — The National Electric Power Company (NEPCO) is calling for tenders (tender no. 22/2001) for work at Amman North and Qatrana substations, to be carried out under a single contract. At Amman North: (a) 2 x 400 MVA 400/132/33 kV auto-transformers equipped with on-load tap changers and auxiliary equipment (b) 2 x 315 kVA 33/0.4 kV earthing/auxiliary transformers. At Qatrana: (a) 2 x 240 MVA 400/132/33 kV auto-transformers equipped with on-load tap changers and auxiliary equipment (b) 2 x 315 kVA 33/0.4 kV earthing/auxiliary transformers (c) 2 x 25 MVA 33 kV shunt reactors. Work includes design, manufacture, testing, packing, delivery, installation, commissioning and warranty. Cost of bid documents: US\$1,000. Closing date: **January 15, 2002**. For bid documents and tender briefs, contact Procurement Department, National Electric Power Company, P.O. Box 2310, Amman 11181, Jordan, tel.: (011-962-6) 585-8615, fax: (011-962-6) 581-8336. Contact Hala Helou, Senior Commercial Officer, Canadian Embassy, Amman, fax: (011-962-6) 567-3088, e-mail: hala.helou@dfait-maeci.gc.ca quoting case no. 011024-04850. *(Notice received from the Canadian Embassy in Amman.)*

THAILAND — Reactors for Chom Bung Substations — The Electricity Generating Authority of Thailand (EGAT) invites sealed bids (bid no.

IPPW-S1-R) for the supply of 500-kV reactors for Chom Bung substations under the 500 kV Transmission System Project for independent power producers. Cost of bid documents: US\$44. Closing date: **January 10, 2002**. For bid documents (available until December 28, 2001), contact Procurement and Contract Department, Room 506 Building T 101, EGAT, Bang Kruai, Nonthaburi 11130, Thailand, tel.: (011-66-2) 436-2780, fax: (011-66-2) 433-6317/5523/434-4064. For more information, visit the EGAT Web site: www.egat.or.th/procure and contact Veena Ngaocharoenchitr, Commercial Officer, Canadian Embassy, Bangkok, fax: (011-66-2) 636-0568, e-mail: veena.ngaocharoenchitr@dfait-maeci.gc.ca quoting case no. 011025-04874. *(Notice received from the Canadian Embassy in Bangkok.)* *

IBOC trade opportunities — find out more at www.iboc.gc.ca



International Business Opportunities Centre

As Team Canada Inc's Sourcing Centre, the International Business Opportunities Centre (IBOC) matches business opportunities from around the world with the business interests of Canadian exporters, particularly small and medium-sized enterprises. IBOC offers a value-added service to trade commissioners by directly contacting Canadian companies about foreign trade leads.

To pursue our international trade leads, check out our Web site at www.iboc.gc.ca (particularly our E-Leads® and Web-Leads®).

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CanadExport

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Autumn 2001 was particularly active as it coordinated key meetings to confirm past and future commitments while providing a forum for leaders in S&T research and policy to meet and exchange ideas.

The French connection

France, the world's fourth largest economy and a pivotal power in the European Union (EU), is a world leader in a number of areas of research and development, including aerospace, agriculture, telecommunications, medical research and biotechnology.

France has a special interest in Canada's unique talent for building strong networks involving different players in the innovation cycle — companies, universities, governments and catalyst organizations. A prime example is the current exchange between an Industrial Technology Advisor of the National Research Council's Industrial Research Assistance Program (IRAP) and its French counterpart, l'Agence de Valorisation de la Recherche (ANVAR).

During the 17th meeting of the Canada-France Joint Cultural, Science and Technology Commission held October 18-19, 2001 in Paris, representatives of French and Canadian S&T institutions, agencies and associations met to review the program achieved over the past three years under the bilateral agreement signed in 1965. The two countries agreed to future collaboration in life and health sciences, natural resources, agriculture and agri-food, materials science and information and communications technologies, and to make good use of the France-Canada research fund to support R&D collaboration.

Celebrating partnership with Germany

Germany, the world's third largest economic power, is foremost among Canada's other European R&D partners. It offers opportunities for R&D alliances, investment and markets in areas such as aerospace, biotechnology, health products, industrial machinery, new materials and pho-

tonics. Numerous missions have already taken place, including the showcasing of 10 young Canadian companies at last spring's popular Hannover Fair: one Canadian technology manufacturing firm has triggered both interest and financial backing from Siemens. Stay tuned for this and other announcements.

The 30-year anniversary celebration of the bilateral S&T Agreement culminated in Bonn on October 24 with

Expanding via S&T

Gilbert Normand, Canada's Secretary of State for Science, Research and Development, and Edelgard Bulman, Germany's Federal Minister of Education and Research (BMBF), signing a Joint Statement which extended collaboration between Canada and Germany to involve new sectors, as well as young scientists and entrepreneurs.

Since 1971, over 500 cooperative research projects have been completed and another 100 are underway. And, with the signing during the celebration of a Memorandum of Understanding (MOU) between the National Research Council (NRC) of Canada and the Hermann von Helmholtz Association of National Research Centres (HGF), which included the establishment of a joint fund valued at \$1.5 million yearly, this number will surely increase.

Looking ahead

DFAIT's program in R&D business development has set a fast and exciting pace for itself as it continues to assist in international "matchmaking" between Canadian and German R&D SME business partners and appropriate investors, by way of coordinating overseas missions.

A sample of recent activities in Canada and abroad include:

- **BIOCONTACT**, held in Quebec City in October, attracted delegations from eight countries and included private meetings between Canadian

firms and prospective foreign technology partners. A session on international financing highlighted opportunities in the U.S., Switzerland and Germany.

- A November biotechnology partnering and Venture Capital (VC) mission to Europe in genomics and proteomics started in Germany at BIO Europe, Europe's largest biotech conference. The mission included cooperative workshops for some

14 Canadian firms showcasing their technologies and five VC companies. The tour concluded with visits to France, the U.K. and Spain. A similar "road show" last spring toured Italy, Switzerland and Sweden, with very successful results. One participant recently announced the conclusion of a successful second round of financing, worth \$12 million. Other negotiations are pending, with the Swiss Stock Exchange being considered as an alternative to the Toronto Stock Exchange in three cases.

These are but two examples of some 12 missions the S&T division organized which helped to raise some \$200 million in foreign VC funds for participating Canadian companies. Future missions will be announced in the new year: stay tuned.

Find out more about Canada's bilateral S&T agreements and DFAIT's Science and Technology Division at www.infoexport.gc.ca/science *

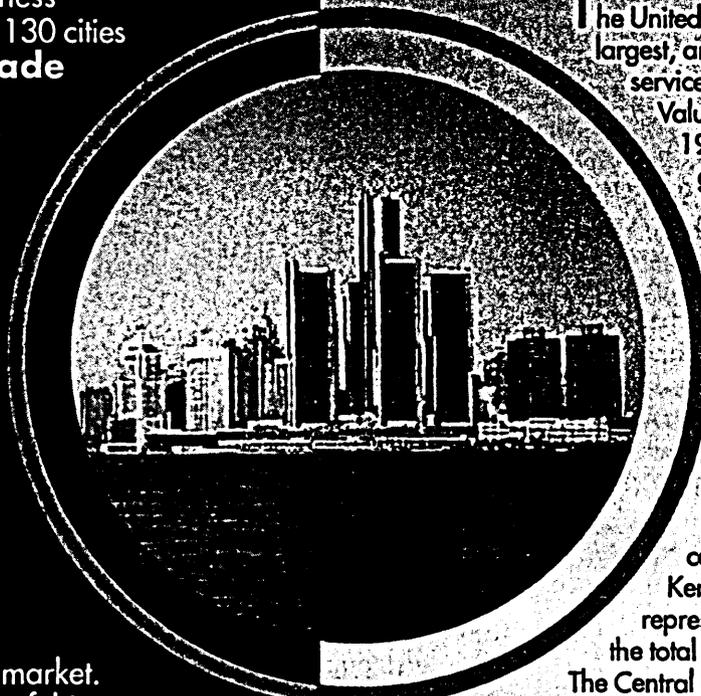
(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Sharing Trade Secrets".)



THE CENTRAL UNITED STATES

With a team of 500 business professionals in more than 130 cities around the world, the **Trade Commissioner Service** has the market knowledge you need to succeed in your target market. Our Market Research Centre and our offices abroad have prepared over 600 market studies available for free on our Web site. These studies will help you identify foreign business opportunities and learn more about your target market.

This is an overview of the market. For a more in-depth study of this market and for other studies, visit our Web site. When you are prepared to do business abroad, you can use our Web site to get in touch with our offices around the world and request personalized services electronically.
www.infoexport.gc.ca



Telehealth/T

The United States boasts one of the largest, and most sophisticated, health services markets in the world. Valued at \$1.4 trillion (Cdn) in 1999, this market is served by global leaders in cutting-edge medical technology. Not surprisingly, international health care companies involved in innovative sectors, such as telehealth/telemedicine, are looking to the U.S. to promote their products and services.

Market Overview

The Central U.S. region — comprising Michigan, Indiana, Kentucky, and Ohio —

represents approximately 11% of the total U.S. health services market.

The Central U.S. telehealth market has an estimated value of \$18 million. Hospital care, home health care and nursing home care — areas with the greatest potential for telehealth applications — account for close to 50% of the region's total health-care expenditures.

There are 15 statewide telehealth programs in the region and roughly 116 active sites, representing almost 10%

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Telemedicine Market



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of the U.S. total. Among the services commonly provided through these telehealth programs are teleradiology, physician-patient teleconsultations, professional backup, emergency care, and professional training.

Opportunities

Opportunities exist for telehealth/telemedicine firms in the following areas:

- **Program development** — Some medical facilities and health departments require assistance in designing and implementing appropriate infrastructure for telehealth applications, and/or enhancing existing networks to meet expanded demand.
- **Home health care** — About 300,000 patients in the Central U.S. require home care services for acute illness, most of which could benefit from remote monitoring services and other forms of telehealth.
- **Rural health care** — Most remote rural areas in the U.S. face shortages of medical professionals and a scarcity of advanced diagnostic equipment. Telemedicine technologies enable rural health-care providers to consult with medical professionals practising in better equipped facilities, and to access up-to-date medical information quickly and easily.
- **Corrections facilities and prisons** — Studies have determined that telehealth is a



more cost-effective, lower-risk option to treating violent prisoners or prisoners likely to attempt escaping if escorted outside the correctional facility for medical care. Corrections facilities conduct more than 4,000 teleconsultations annually.

- **Consumer health information** — High demand for consumer health information across the U.S. is being met through several media, including on-line bulletin boards, kiosks, computers and telephone. Opportunities exist for Canadian firms as technology suppliers, telehealth system managers and information content providers.
- **Professional education** — There are opportunities to help firms develop information and training modules for telehealth services, and train organizations in the use of telemedicine technologies.
- **Peripheral devices** — In this region, the peripheral devices most commonly used in teleconsultations include X-ray scanners and digitizers, digital/document cameras, ultrasound machines, electrocardiography apparatus and vital sign monitors.

Canadian telehealth service providers and suppliers of related medical or information and communications technology (ICT) equipment are urged to partner with U.S. firms or other foreign companies active in the region. The U.S. health care market is highly competitive. Alliances with other health service providers or ICT firms may offer competitive advantages in price, distribution, and product marketability.

See Potential?

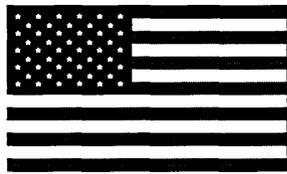
To learn more about this market, read *The Telehealth/Telemedicine Market in the Central United States* prepared by the Market Research Centre. You can access this report and hundreds of others free at the Trade Commissioner Service Web site:
www.infoexport.gc.ca

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Telehealth/Telemedicine Market

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The U.S. Connection

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A procurement primer for Canadian companies Doing business with U.S. governments and agencies

The U.S. Government is turning to its allies in an effort to procure the best products and services from around the world to assist in the war on terrorism. Expertise in certain fields, such as building construction and information technology, is needed now during disaster recovery, and longer term opportunities will undoubtedly be created by a prolonged U.S. response to global terrorism. This report offers Canadian companies help in marketing their products and services to the U.S. by providing useful links to key contacts and sources of information.

Disaster relief

Those companies currently under contract with disaster relief authorities are in the best position to deliver the first wave of assistance. Now is the time for such companies to prepare for the future by learning how each government department operates, and by identifying their prime contractors and using this information to build relationships.

Learn about the responsibilities of individual U.S. government departments and agencies by visiting FirstGov, the U.S. government's Web site at www.firstgov.gov and clicking on "Doing business with..." This section

includes upcoming solicitations and procedures, and often includes lists of prime contractors and hints for effective marketing.

In particular, Canadian firms should learn how the U.S. federal government organizes disaster relief, including the roles played by state and local governments and non-governmental relief organizations. For an excellent review of disaster relief coordination, visit the U.S. Federal Emergency Management Agency (FEMA) Web site at www.fema.gov/r-n-r/dec_guid.htm

FEMA's field offices have tremendous authority for developing and administering regional disaster relief plans. Find out more at www.fema.gov/about/regoff.htm

For good advice about working with FEMA (or any other disaster relief organization) review their top 25 tips at www.fema.gov/ofm/market.htm

Longer-term requirements

More civilian and military staff will be needed on the quiet battlefield that will be responsible for tracking down terrorist networks through intelligence gathering and analysis.

Companies (and their associated partners and subcontractors) with contract vehicles (such as option clauses to direct production surges to meet urgent military requirements for specialized equipment) or General Services Administration (GSA) schedule contracts (such as Canada's Standing Offer program for commercially available goods and services) will be called on for increased procurement in the following specialities:

- threat detection and protection technology and systems (nuclear/biological/chemical, metal and explosives screening systems and body-scanning equipment);
- off-the-shelf systems that can be quickly adapted to process intelligence gleaned from electronic intercepts (i.e. signals intelligence (SIGINT) or electronic intelligence (ELINT) processing);
- computing and telecom systems security;
- medical and biotech commodities, including anthrax vaccine and smallpox vaccine.

The following are proposed allocations (in US\$) for the response to global terrorism:

- FBI: \$485 million for counterterrorism investigations and other national security activities;
- Justice assistance: \$364 million for grants under counterterrorism programs;
- Attorney General's Office: \$23 million to finance a new deputy

Continued on page 8 - Doing business



If you have something to sell, chances are it's something the United States government buys. After all, with annual purchases in the billions of dollars, the U.S. government is the world's largest single buyer of goods and services.

How can your company tap into this \$100-billion-plus annual market? There are many ways but one of the best is to register with the U.S. General Services Administration.

The world's largest procurement customer

Tap into a US \$100-billion-plus market

Doing business with the GSA

The General Services Administration (GSA) is an independent agency of the U.S. federal government. It is similar in function to Public Works and Government Services Canada (PWGSC) in that it both conducts procurement on behalf of the federal government and creates contract vehicles to simplify procurements by other federal departments.

The GSA helps other federal agencies acquire the space, products, services and consulting advice they need from federal and commercial sources. It contracts for billions of dollars' worth of products and services for federal agencies and also sells surplus federal property, such as real estate and vehicles, to the public.

Buyers choose GSA schedules

Many U.S. government buyers prefer to procure products and services from suppliers who hold GSA schedule contracts. When government customers ask if you have a "number" or are "GSA approved" they are usually asking if you have a GSA Federal

Supply Service (FSS) schedule, which is similar to PWGSC's Master Standing Offers. GSA Schedules are negotiated contracts that set terms and conditions and prices on the offer of a product or service for government buyers for a fixed period of time. Departments, notably the Department of Defense (DoD), like the convenience of purchasing from GSA schedules.

It normally takes about six months to obtain a GSA schedule contract.

Once you are on schedule, however, the average time to process an order is 14 days, compared with a full request for proposal process, which usually takes about 270 days. This is just one of the reasons government buyers routinely prefer GSA schedules over all other types of contracts.

How to buy through the GSA

The GSA offers its customers many easy ways to purchase what they need. It simplifies federal procurement by negotiating large multi-user contracts (GSA schedules and value-added information technology contracts) and by leveraging the volume of the federal market to drive down prices.

Federal agencies place orders against these contracts in many ways — through GSA customer representatives or catalogues, by phone or fax, charge cards, electronic requisitioning, in-person auctions, over the Internet, or by contacting suppliers directly. The GSA offers a variety of on-line purchasing methods, including the GSA Advantage! ordering system, the Wireless Store for wireless

SHAPING TRADE SOLUTIONS FOR OUR EXPORTERS



Canadian Commercial Corporation

The Canadian Commercial Corporation (CCC) is an export sales agency of the Government of Canada providing special access to the U.S. defence and aerospace markets and specializing in sales to foreign governments.

Canadian exporters can gain greater access to government and other markets, as well as a competitive advantage, through CCC's contracting expertise and unique government-backed guarantee of contract performance.

CCC can facilitate export sales that often result in the waiving of performance bonds, advanced payment arrangements and generally better project terms.

When requested, CCC acts as prime contractor for government-to-government transactions and provides access to pre-shipment export financing from commercial sources.

For more information, contact CCC, tel.: (613) 996-0034, toll-free in Canada: (800) 748-8191, fax: (613) 947-3903, e-mail: info@ccc.ca
Web site: www.ccc.ca

telecommunications purchases, Buyers.gov "reverse auctions" to get the best price for large IT purchases, and GSA Auctions on-line sales of surplus property.

The GSA also offers customers the means to manage their own procurements on-line, through E-Buy requests for quotes on-line and FedBizOpps, where federal agencies can post their contracting requirements electronically.

Finding GSA opportunities

Upcoming GSA opportunities can be found on the Internet at:

- The Electronic Posting System (www.eps.gov) — You can register to request e-mail notification of procurements of interest sent directly to you.
- GSA's Web site (www.gsa.gov) includes a forecast of GSA opportunities over the upcoming fiscal year. The site also has good information on doing business with the GSA as well as GSA's on-line store (GSA Advantage!) where you can surf your competitors' prices and terms.

Continued on page 8 - Tap into



Doing business with U.S. governments

— Continued from page 6

- attorney general position to combat domestic terrorism;
- Port security: \$40 million for counterterrorism, anti-drug and other law enforcement activities;
- Diplomatic and consular programs: up to \$4 million for terrorism-related rewards and emergency evacuations;
- Legal activities: \$6.9 million for prosecutions related to terrorism and violent crime;
- Judicial protection: an increase of \$2.5 million over fiscal 2001 to finance U.S. Marshals Service Protection for judges who presided over the World Trade Center bombing trial;
- Cyber-security: \$17.7 million for devices to protect the government's classified global computer system from cyber-terrorism.

Key Canadian contacts

Although Canada and the United States have demonstrated an overwhelmingly cooperative response to global terrorism, Canadian firms still face a complex U.S. federal procurement process that, in some cases, could pose barriers. Most problems, however, can be solved with careful planning.

To learn more, visit www.canadianembassy.org/sell2usgov or select individual geographic regions and then visit www.infoexport.gc.ca to

locate the trade commissioner responsible for your product or service in each region.

As you develop your prospects further, visit the Canadian Commercial Corporation (CCC) Web site at www.ccc.ca to learn how they can help you bid successfully and perform and administer your contract effectively.

U.S. federal contacts

To learn about charitable and business needs, first visit FEMA's Web site www.fema.gov and then call 1-800-801-8092 for a more detailed discussion. All new contracts over \$25,000 associated with either civilian or defence departments of the U.S. federal government are posted at FedBizOpps www.fedbizopps.gov

If your firm offers commercial products and services to the U.S. federal government, review the General Services Administration (GSA) Web site www.gsa.gov and the Defense Logistics Agency www.dla.mil

Both agencies administer contracts for thousands of U.S. civilian and defence buyers in areas such as construction equipment, consulting, information technology and engineering services.

U.S. state and local contacts

While NAFTA's provisions on procurement do not require U.S. state and

municipal governments to treat Canadian offers of goods and services equally with American offers, many state and local government contracts do open their procurement to foreign companies. Canadian firms should consult the State regulations that apply to any opportunities that interest them.

The following Web sites provide information about broader procurement matters for New York and Tri-State local government contracting.

- New York City Mayor's Office of Contracts: www.nyc.gov/html/moc
- New York State Office of General Services: www.ogs.state.ny.us/purchase/default.asp
- New Jersey State Purchase Bureau, Department of Treasury (Procurement): www.state.nj.us/treasury/purchase/
- National Association of State Procurement Officials: www.naspo.org/directory/#anchornj

For the Tri-State region, Canadian companies can also contact André LeBlanc, Consul and Trade Commissioner, tel.: (212) 596-1670.

For more information, contact Judy Bradt, Director, Canadian Embassy, Washington DC, tel.: (202) 682-1740, fax: (202) 682-7795 or (202) 682-7619, e-mail: judy.bradt@dfait-maeci.gc.ca or Gerard Brathwaite-Sturgeon, Commercial Secretary, Canadian Embassy, Washington DC, e-mail: gerard.brathwaite-sturgeon@dfait-maeci.gc.ca *

Tap into a US\$100-billion-plus market

— Continued from page 7

For more information on how to get a GSA schedule, see the publication *Doing Business with the GSA* and the *FSS Contractor Guide* published by the GSA (<http://pub.fss.gsa.gov/vendorguide>).

GSA schedules are just one of many channels to U.S. government business. Canadian firms can also search for other prospects at

www.firstgov.gov and can find the U.S. government's complete reference guide to contracting at www.amet.gov

For more information about doing business with the United States government call the Canadian Commercial Corporation (CCC), contact Ron Linton, Senior Business Development Officer, CCC, tel.: (613) 995-0140, Web site: www.ccc.ca.

Since 1946, CCC, a federally owned export sales and contracting agency has been responsible for managing all procurements above US\$100,000 to the U.S. DoD and the National Aeronautics and Space Administration (NASA). As a specialist in export sales and contracting to governments worldwide, CCC recently brought key U.S. and Canadian government procurement officials together to discuss upcoming requirements and explain the process and regulations when selling to the U.S. government. *

Pheasant sausage made with award-winning Canadian icewine...pork tenderloin bathed in beer from Atlantic Canada...These were the treats presented by 20 young Japanese chefs at the 9th Canada Culinary Cup Competition held October 6 in Tokyo. The annual competition, including qualifying events such as the Kyushu Final, has proven to be a perfect recipe for tempting Japanese chefs to "think Canadian" when selecting ingredients for their culinary creations.

The competition in Tokyo, including the events leading up to it, was brought to the table by Canada's missions in Japan and the All-Japan Chefs Association to promote the Canadian food industry to Japan's new generation of chefs.

Blueberries, lobster and wild rice

The first Kyushu Final was organized by the Canadian Consulate in Fukuoka and the Kyushu Chapter of the All-Japan Chefs Association to select a local delegate to Tokyo's Canada Culinary Cup competition from among 50 hopefuls. During the three-day event, which took place last June at the Hotel Restaurant & Bakery Show (part of the Think Canada 2001 Festival) 30 young Kyushu-based semi-finalists turned out dishes featuring Canadian pork, blueberries, wild rice and canola oil as mandatory ingredients. They were divided into groups and took turns cooking up a storm in a showcase kitchen set up and provided by the show's organizers, the West Japan Branch of Nikkan Kogyo Shinbun.

A second contest involving 33 young local chefs featured magnificent presentations of Canadian lobster.

Artistry, flavour: palette to palate

The dishes were judged for taste and presentation by a panel that included a Consulate representative and expert chefs from prominent Kyushu hotels and restaurants. Chef Kenji Toguchida from Kagoshima Kokusai Kanko Hotel was chosen as the Kyushu delegate to the Culinary Cup. The final presentations — truly culinary masterpieces — were then displayed at the

adjoining Canadian Booth, alongside samples and brochures featuring Canadian fare, such as maple syrup, beef, wild rice, icewine and beer.

The spirit of cooperation between event organizers was a key ingredient in the success of the Kyushu Final. The Consulate established an excellent relationship with the All-Japan Chefs

robert.lazariuk@dfait-maeci.gc.ca
Web site: www.dfait-maeci.gc.ca/ni-ka/business/kyushu_main-e.asp

Crème de la crème in Tokyo

Nineteen young Japanese chefs joined chef Kenji, the Kyushu finalist, at the 9th annual Canada Culinary Cup competition, held October 6 in

A tasteful blend of East and West

Canada Culinary Cup Competition in Japan



Association as well as with the executive chefs from Kyushu's leading hotels who acted as judges.



Josiane Simon, Consul and Trade Commissioner, Canadian Consulate, Fukuoka, with Chef Kenji Toguchida, in Kyushu.

A special ingredient

Indeed, both the cooking contest and food exhibition proved tantalizing to the show's 27,000 visitors — a winning combination for promoting Canadian food products.

For more information about the Kyushu market for agri-food products, contact Josiane Simon or Kazuhiro Uemura, Canadian Consulate, Fukuoka, tel.: (011-81-92) 752-6055, fax: (011-81-92) 752-6077, e-mail: fkoka@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/ni-ka or Robert Lazariuk, Trade Commissioner, Japan Division, DFAIT, tel.: (613) 992-6185, fax: (613) 944-2397, e-mail:

Tokyo. The big day began at 9 a.m. at the Tokyo Cooking School and ended many dishes later at the Canadian Embassy with a presentation and the awarding of prizes to the three top contestants. Takashi Miyahara of Lapin Agile Kawasemi took the cake — winning first prize with honours — after final judging by, among others, Robert G. Wright, Canada's Ambassador to Japan.

The awards ceremony for the highly successful second annual Canadian Wheat Bread Baking Contest was held the same day.

With next year marking the 10th anniversary of the Culinary Cup, the Canadian Embassy is planning to cook up an even bigger and better event using Canadian food not featured this year — no doubt adding a dash of something special.

For more information about the Culinary Cup, contact Noboru Shimizu, Commercial Division, Canadian Embassy, Tokyo, tel.: (011-81-3) 5412-6482, fax: (011-81-3) 5412-6247, e-mail: tokyo.fn@dfait-maeci.gc.ca *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "A Yen for Japan")

Canadian-style woodframe homes are growing more popular in Germany because they are less expensive and easier to build, and because the lifestyle and expectations of the typical German citizen is changing. Many Germans travelling to and from Canada have experienced first-hand the advantages offered by woodframe houses and now expect this type of construction to be used back home in Germany.

Woodframe popularity is building Residential housing market in Germany

Market overview

Germany built approximately 410,000 new housing units in 2000, almost one fifth of which incorporated woodframe techniques. The use of woodframe has increased 15% over the past decade and is certain to become even more popular than traditional German brick and stone with the phasing-in of Germany's new energy conservation regulations.

Several trends in the German construction industry will favour Canadian housing suppliers:

- Compliance with the new regulatory environment is easier to achieve using woodframe rather than brick and stone construction.
- The growing practice in Germany of hiring contractors to build on-site will favour Canadian suppliers over larger firms that produce large prefabricated sections.
- Firms adopting North American (or similar) dimensions and construction techniques for German-built woodframe housing have increased their woodframe market share in the last decade to almost 50%, proving that the approach is competitive and accepted by consumers. More good news for Canadian woodframe suppliers!

Market access considerations

Technical issues — No serious barriers to the German housing market exist, however exporters must consider the

following technical issues and prepare for them:

- Phytosanitary requirements that apply to certain species of wood;
- German regulations related to building permits, visas and work permits;



- Labour regulations governing work crews. German partner firms or the Canadian Consulate in Hamburg (www.kanada.de) can assist.

Partner firms — Choosing a local partner firm to assist with such tasks as finding buyers or handling technical matters is a key to success. Such firms typically operate in a limited geographic region so Canadian exporters often work with several to broaden market coverage. The Canadian Consulate in Hamburg can help suppliers locate suitable partner firms.

Major competition

The market for single-family and duplex units in West Germany is stabilizing on a high level, although the number of multi-units being built is down. Most new German housing is built by German firms, a fact which holds true for all kinds of construction including the fast-growing woodframe market segment.

In 1998, local builders supplied most of the approximately 40,000 woodframe houses built in Germany.

Canadian firms' share of this market is very small and, with the decline of the Euro that began in 1999, Canadian products have become 20-30% more expensive. Despite losing the price advantage, several new Canadian exporters completed their first projects in Germany this year.

German builders are highly adaptable, steadily developing their products and adopting many North American building techniques, designs and standard dimensions. To stay ahead in this competitive environment, Canadian suppliers must continue to offer imaginative designs and innovative materials and systems.

Trade shows and links

Most of the following shows are held biannually.

Bau (www.bau-muenchen.de/english/index.html), Munich, January 2003 — the most important German fair for building products and systems.

Interzum (www.interzum.com), Cologne, May 2003 — the world's largest fair for wood products, popular with manufacturers of building products and systems and specialists in new housing design and promotion.

Deubau (http://deubau.messe-essen.de/e_000.html), Essen, January 2002 — a very large fair focused on the building systems and products market in western Germany.

Bautec (www.bautec.com), Berlin, February 2002 — the largest trade fair in eastern Germany, focused on building components and systems such as windows and doors.

Holzbau (www.holzbau.info-web.de), Nürnberg, April 2002 — a trade fair and congress on wooden construction.

For detailed market reports about this sector, visit www.infoexport.gc.ca

For more information, contact Thorsten Henke, Commercial Officer, Canadian Embassy, Berlin, tel.: (011-49-30) 20312 0, fax: (011-49-30) 20312-115, e-mail: thorsten.henke@dfait-maeci.gc.ca Web site: www.kanada.de *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "The European Advantage")

Housing reform has been a keystone in the Russian Federation's program to rebuild the Russian economy since 1992, and it continues to be a central platform in the government's social and economic policy.

are Canada Mortgage and Housing Corporation (CMHC) and the State Committee of the Russian Federation on Construction and Housing Complex (Gosstroy), with the active participation of the Canadian International Development Agency

all imports. Certain types of building decoration materials are subject to Russian excise tax. Items such as prefab houses, doors, windows and door-locks require a certificate of conformity and technical approval is required before any new or imported

A good time to build

Home construction in Russia

Market overview

The Russian construction sector is recovering from the financial crisis of August 1998. In 2000, investments in the sector reached US\$22 billion, a 10% increase since 1999. This trend is likely to continue for the foreseeable future as Russia continues to implement market economy policies.

Sales volumes for construction and home decorating material and housing engineering systems are keeping pace with the rise in construction of private homes (up 15% in 2000). Imported materials are preferred because domestic goods tend to be of poorer quality and cost almost as much as foreign goods. Sales have also been influenced by the introduction of new federal housing programs and the increased demand for modern commercial space.

Despite new government initiatives, however, the Russian construction industry is still beset by problems that include unstable financing, a rising number of unpaid bills, an ineffective amortization system, unreliable banking and imperfect taxation.

Building mutual cooperation

Canada exported building materials worth \$40.5 million to Russia in 2000, and \$25.3 million to the end of August 2001. Cooperation between Canada and Russia in the construction sector is conducted within the framework of the Construction Working Group of the Canada-Russia Intergovernmental Economic Commission (CWG IEC), established in 1995. Major partners

(CIDA) and Export Development Corporation (EDC).

The two countries have already begun to meet the key objectives set out in a Memorandum of Understanding (MOU) between CWG IEC members which include harmonizing Canadian and Russian building codes and standards, promoting Canadian light-frame housing technologies, and establishing training programs for construction workers and management in Russia.

Opportunities

Canadian firms will find opportunities in the following areas:

- Establishing regional distribution centres for Canadian construction materials;
- Establishing joint-venture manufacturing facilities that use local raw material, labour and unused industrial capacity;
- Completing the existing CMHC/CIDA housing initiatives;
- Expanding the participation of Canadian construction companies in the "10,000 Canadian Homes for Russia" program;
- Helping Russia establish a mortgage financing and loan insurance system;
- Participation in industrial construction projects funded by international financial institutions (IFIs).

Market access considerations

Russian import duties for construction material and equipment range from 5% to 20%, and a 20% VAT is levied on

material can be used at a construction site.

Major competition

A number of Canadian construction companies are active in Russia.

- Ferguson Simek Clark (www.fsc.ca/ferguson_simek_clark_engineers_.htm), Yellowknife.
- Thomas Cochren International Homes (www.thomascochrenhomes.com), Toronto
- Canstroy Group, Toronto.
- Les Batisses Foret Argente Inc., Quebec.
- Kanadastroy, Quebec.
- Canada North Projects Ltd., Yellowknife.
- NASCOR Incorporated (www.nascor.com/homes.html), Calgary.
- Colours of Canada Group, Quebec.

For detailed market reports about this sector, visit www.infoexport.gc.ca

For more information, contact Michael Reshitnyk, Trade Commissioner, Eastern Europe Division (REE), DFAIT, tel.: (613) 996-7701, fax: (613) 995-1277, e-mail: michael.reshitnyk@dfait-maeci.gc.ca or Valery Makarov, Business Development Officer, Canadian Embassy, Moscow, tel.: (011-7-095) 956-6666, fax: (011-7-095) 232-9949, e-mail: valery.makarov@dfait-maeci.gc.ca Web site: www.infoexport.gc.ca/ru *

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "The European Advantage".)

—Continued from page 1

the contract announcements that are issued almost daily in China and its imminent accession to the World Trade Organization. As highlighted during the Prime Minister's Team Canada Mission in February, in which over \$1 billion in ICT contracts were announced, both multinational and

hold in Hong Kong, where business is conducted to Western standards, the rule of law governs contracts, and English has been adopted as an official language. With its close historical ties to Britain, and its free market economy, Hong Kong lets Canadian firms feel "at home" as they go about building a presence in the region.

participation in various Team Canada missions, we solidified business relationships and learned about key business opportunities."

Tips for success

Although individual marketing strategies will vary, there are certain best practices that companies should follow to be successful.

"Companies should first gather some preliminary market intelligence. They should not begin investing in China or Hong Kong if they do not have a clear understanding of potential business opportunities," advises Positron's Claude Neunlist.

Teleglobe's Lily Zhang stresses that companies need to "think globally, but act locally. Hire individuals who understand the culture and know the Chinese people, but who also have an international background."

AuDigital's Tao Jiang believes that "Western firms must be patient in developing the market and in dealing with the red tape."

Brian O'Higgins of Entrust

suggests that newcomers "work with Canadian government departments such as DFAIT and Industry Canada to help broker your business overseas through trips like Team Canada missions, visits from local businesspeople or media tours." As well, he cautions that companies should "protect their intellectual property (IP), understand the regulatory context and permit process."

With Canadian firms already excelling in this huge ICT market and a bright future ahead, there's no end in sight for this Canadian success story!

For more information, contact Dale Forbes, Manager, China and Hong Kong Division, Industry Canada, tel.: (613) 990-9092, fax: (613) 990-4215, e-mail: forbes.dale@ic.gc.ca or Marcel Belec, Trade Commissioner, China and Mongolia Division, DFAIT, tel.: (613) 995-6962, fax: (613) 943-1068, e-mail: marcel.belec@dfait-maeci.gc.ca

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Roadmap to China and Hong Kong")

Canada a hit in China

small to mid-sized enterprises (SMEs) are contributing to the Canadian success story.

Nortel Networks (www.nortelnetworks.com), Brampton, considers China a top strategic market following a series of major announcements for Code Division Multiple Access (CDMA) and Global System for Mobile Communications (GSM) equipment.

Teleglobe (www.teleglobe.com), Montreal, was the first North American carrier to establish direct telecommunications links with China, and has been doing business on the mainland since the 1970s. Teleglobe opened a permanent office in Beijing two years ago and now accounts for 30% of China's international Internet access.

"In the next five years, China's GDP will double to US\$2 trillion and the information industry will represent over 7% of GDP and expand at a 20% compound annual growth rate (CAGR)," states Lily Zhang, Teleglobe China's managing director.

"The fixed line market will require an average annual investment of US\$12.5 billion and will grow at a 14% CAGR to 250-300 million users. The mobile market will require an annual investment of US\$7.23 billion and will grow at a 26% CAGR to 250-290 million users. There will be over 90 million Internet users, with growth of 34% CAGR. Now that's opportunity!"

Routes to success

Canadian firms entering the Chinese market may prefer to establish a toe-

For example, Positron Public Safety Systems (www.positron911.com), the Montreal-based provider of world-class public safety communications solutions, has formed partnerships and alliances to pursue opportunities with the Hong Kong police and fire services departments.

Positron is using this success as a bridge to the highly competitive mainland. According to Claude Neunlist, Positron's business development manager, "Hong Kong is a showcase for Positron in the region."

Other firms, such as AuDigital Hearing Care and Technologies (www.zhutingqi.com/eng/eng.htm), Toronto, (a subsidiary of International Audiology Centre of Canada Inc.) have been successful by entering the market directly. Using its superior technology, Chengdu-based AuDigital has been providing high-quality hearing instruments in China since 1998. According to company chairman Tao Jiang it may take up to a decade for AuDigital to reach its full potential while China develops the necessary educational and training infrastructure.

Entrust (www.entrust.com), Ottawa, a leading supplier of enhanced Internet security services also chose the direct route to the Chinese market. According to Brian O'Higgins, Entrust's chief technology officer, "We keyed in early on the fact that the potential for Internet growth in China is exponential. Through our early work with the People's Bank of China (PBOC) and



India is the world's sixth largest consumer of energy. Oil demand is expected to grow 6.3% a year to 179 million metric tons in 2006-07. Investments of \$150 billion will be required over the next 10 to 12 years to meet this demand. Domestic crude production's share of the market, currently 33%, could fall to 25% without significant new investment. With known in-place reserves of almost 7 billion tonnes (of which only 2.5 are currently recoverable) and estimated reserves of approximately 28 billion tonnes, the opportunity for exploration and new production is significant.

An invitation to foreign companies

The Indian government is implementing a New Exploration Licensing Policy (NELP), which permits foreign involvement in exploration, an activity long restricted to Indian state-owned firms. One hundred percent foreign ownership is allowed, even in the refinery sector. Until recently, the predominant importers of oil and gas equipment were government companies. Now, however, the private sector is fully involved. With revised policies in place, foreign companies are welcome as both investors and suppliers, and can pursue the following opportunities:

- Redevelopment of the Bombay High offshore oilfield has been estimated at a cost of \$2.65 billion. The five-year plan is expected to include 223 new wells, 21 well head platforms, 1 process platform, 1 water injection platform, 1 gas compression platform, modification of 50 platforms and 15 clamp-on structures.
- The world's longest liquefied petroleum gas (LPG) pipeline (1,270 km), passing from Gujarat to Uttar Pradesh, was commissioned at a cost of \$410 million. More than 12,000 km of oil and gas pipelines have been planned across the country.
- The Ministry of Petroleum and Natural Gas has recently received bids for 7 blocks under the first ever round of coal bed methane for exploration and production. The blocks are expected to be awarded soon.

India's oil and gas sector

Recent success stories

More than 150 Canadian oil and gas companies are already doing business in India, many operating in partnership with local companies and agents. Some recent success stories include:

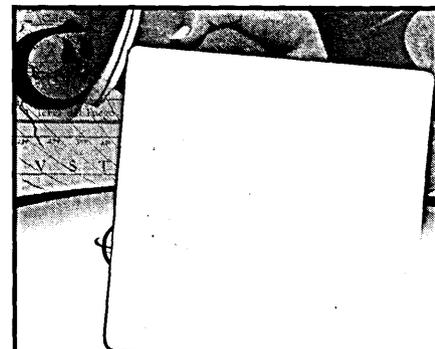
- *Global Thermoelectric* won a contract with Gas Authority of India Limited (GAIL), valued in excess of \$19 million for supply of thermoelectric generators. Global Thermoelectric received the 2001 Canada Export Award and the 2001 Innovation and Technology Achievement Award.
- *NOVA Chemicals'* polyethylene (PE) technology is utilized by Reliance Industries Limited (RIL) in two plants with collective capacity of 400 kilo tonne per annum (kta) and by Gas Authority of India Limited (GAIL) in a 160 kta PE plant. NOVA Chemicals entered into new agreements with both RIL and GAIL to expand their plant capacities by 80 kta and 50 kta respectively. The collective value of these developments is over \$75 million.
- *Niko Resources*, in association with India's Reliance Industries Limited, won 12 of the 23 exploration blocks awarded under NELP-I and recently won one exploration block under NELP II.

How can your company become involved?

Canadian companies can review international tenders issued by Indian oil and gas companies at the International Business Opportunities Centre (IBOC) Web site

www.e-leads.ca/menu-e.asp

The Consulate of Canada in Mumbai publishes a quarterly newsletter, *India Oil & Gas Hot Tips*, which will be available on-line at www.strategis.ic.gc.ca. Our trade officers can be contacted in Canada via psa@dfait-maeci.gc.ca and in India via amitabh.arora@dfait-maeci.gc.ca ✪



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Canadian mission to Tunisia

TUNIS, TUNISIA — October 22-27, 2001 — A delegation of twelve Canadian companies took part in a multisectorial trade mission to Tunisia under the auspices of the Montreal International Trade Centre

(Industry Canada), in cooperation with the Economic Representation of Tunisia in Montreal and the Foreign Investment Promotion Agency (FIPA) of Tunisia.

The mission provided the participants the opportunity to learn about the Tunisian market — trade flow, investment, creation of joint ventures and strategic partnerships, financing mechanisms and current trade practices. There were also networking meetings and site visits, including a visit to the communications technology park.

Delegation members reported that they were pleased with the mission and the market opportunities they discovered

in the following areas: packaging, telecommunications, computer technology, pharmaceutical products, agri-foods, marketing, engineering consulting and paper products.

Companies interested in the Tunisian market can take advantage of the support available from the Canadian International Development Agency (CIDA) under its Industrial Cooperation Program or Private Sector Development Fund (PSDF).

The results of this mission are promising: partnership agreements are to be signed shortly in areas such as computer assembly and packaging.

For more information, contact André Potvin, Commercial and Cooperation Counsellor, Commercial Section, Canadian Embassy, Tunis, tel.: (011-216-71) 796-577, fax: (011-216-71) 792-371, e-mail: andré.potvin@dfait-maeci.gc.ca or André Landry, Desk Officer, Mauritania and Tunisia, Maghreb and Arabian Peninsula Division, DFAIT, tel.: (613) 944-8288, fax: (613) 944-7431, e-mail: andre.landry@dfait-maeci.gc.ca *



From left to right: Rolland Coderre, Les Emballages Coderre Packaging, Inc., Saint-Germain-de-Grantham, Quebec; Guy Saucier, Met-Chem, Inc., Montreal, Quebec; Normand Ferland, NSI Communications Inc., Pointe-Claire, Quebec; André Potvin, Senior Trade Commissioner, Canadian Embassy, Tunisia; Denis Vaillant, Trade Commissioner, Montreal International Trade Centre (Industry Canada); Mahrez Rekik, Méditaix, Laval, Quebec.

Israel high-tech investment mission and new market studies

TEL AVIV, ISRAEL — March 18-21, 2002 — Israel and Canada have some of the most dynamic high-tech and investment communities in the world, particularly in biotechnology and information and communications technologies (ICT). The Canadian Embassy in Tel Aviv is organizing an investment mission to Israel to tap into the opportunities in these sectors for strategic partnerships and investments between Canadian and Israeli technology and venture capital firms.

New market studies

- *The Information and Communications Market in Israel* is now

available at www.infoexport.gc.ca under "market prospects." Silicon Wadi, as the ICT market in Israel is often called, offers a wide range of business opportunities for Canadian companies looking at exporting their products and services, or for those interested in partnerships and investment opportunities.

- *The Wine Market in Israel* has also been posted recently. The Israeli wine market is increasing rapidly, creating opportunities for Canadian wine exporters. To find out more about this market, consult www.infoexport.gc.ca under "market prospects."

For more information, contact Suzanne Szukits, Senior Trade Commissioner, Canadian Embassy, Israel, tel.: (011-972) 3-636-3350, fax: (011-972) 3-636-3385, e-mail: suzanne.szukits@dfait-maeci.gc.ca or Elaine Butcher, Middle East Division, DFAIT, tel.: (613) 944-6994, fax: (613) 944-7975, e-mail: elaine.butcher@dfait-maeci.gc.ca *

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Upcoming trade shows and conferences

For the full details on the following events, see Canadexport on-line at www.infoexport.gc.ca/canadexport and click on "Trade Fairs and Missions."

LONDON, ENGLAND — January 9-12, 2002 — **BETT** is the most comprehensive event in the U.K. education field, with sectors such as e-training and e-education becoming increasingly important.

BAHRAIN — January 14-17, 2002 — **The Bahrain Naval & Maritime 2002** is the first dedicated international naval and maritime exhibition and conference in the Middle East, complementing the air and land defence exhibitions already established in the Gulf region.

CANNES, FRANCE — January 20-24, 2002 — **Midem** is the premier event for independent companies and distributors in the sound recording industry.

LAS VEGAS, NEVADA — January 21-24, 2002 — **The National Association of TV Programming Executives (NATPE)** is the largest programming market in North America, and includes panel discussions, media demonstrations, and networking opportunities.

MUMBAI, INDIA — January 21-26, 2002 — **ELECRAMA** is the largest exhibition of electrical, professional electronics and allied products in Asia and the Middle East. The show covers a broad range of products, components and systems, with the exception of entertainment electronics.

BANGALORE, INDIA — January 29-February 1, 2002 — **Componex/ElectronicIndia 2002**, the 7th International Conference and Exhibition of Electronic Components, Materials and Production Equipment, will be held in India's Silicon Valley, and will feature the latest products in the electronics sector. The 2001 event

drew 254 exhibitors from 24 countries and 19,000 trade professionals.

GENEVA, SWITZERLAND — January 30-31, 2002 — **International Aid and Trade Europe 2002** is a conference and trade show on the provision of emergency relief and development aid. The theme will be "The Changing Nature of Aid: Response, Rehabilitation and Development" with a special focus on Europe and Central Asia.

SAINT JOHN, NEW BRUNSWICK — January 31-February 3, 2002 — **The East Coast Music Awards** draw music industry professionals from the East Coast, across Canada, the United States and Europe.

CANNES, FRANCE — February 4-8, 2002 — **MILIA** is the leading international multimedia exhibition and conference for next-generation interactive content across all delivery platforms.

NEW YORK, NEW YORK — February 6-10, 2002 — **The Armory Show** is a continuing visual arts tradition commemorating the groundbreaking **Armory Show** of 1913.

BERLIN, GERMANY — February 6-17, 2002 — **Berlinale** is one of the most important film festivals in Europe, and the **European Film Market** attracts producers and distributors as well as those active video and television sales and acquisitions.

SANTA MONICA, CALIFORNIA — February 20-27, 2002 — **The American Film Market** is the largest motion picture trade event in the world.

SEOUL, KOREA — February 26-March 1, 2002 — **ExpoComm 2002** is the major telecommunications show in

Korea, and is expected to attract over 500 companies from 40 countries and more than 60,000 visitors. Korea's wireless sector is booming, and the country holds the record for the highest broadband Internet penetration rate in the world.

TORONTO, ONTARIO — February 28-March 3, 2002 — **Canadian Music Week** is Canada's major sound recording industry event, with increasing participation from leading international industry professionals.

MONTREAL, QUEBEC — March 5-6, 2002 — **The International Building and Design Show** is the only trade event in Canada exclusively for industry professionals and foreign buyers. The Show features all the major sectors of design plus residential, commercial and industrial construction, including building/housing systems and technology, doors and windows, furnishings, environment, healthy materials and renovation.

ROTORUA, NEW ZEALAND — March 12-16, 2002 — **The Forest Industries International Conference and Exhibition** is New Zealand's largest forest industry event. New Zealand is becoming an international forestry leader and will need to invest heavily in new processing facilities, which means opportunities for Canadian manufacturers of forestry and wood processing machinery.

LONDON, ENGLAND — March 17-19, 2002 — **The London Book Fair** is a major feature of the international publishing calendar, and attracts more visitors and exhibitors each year.

SEOUL, KOREA — March 18-19, 2002 — **Food Showcase Korea** will occur the week following **Foodex** in Japan, and is the major venue to promote food products to Korean importers. Korea is one of the most dynamic Asian economies.

Continued on page 16 - Upcoming

Upcoming trade shows and conferences

— Continued from page 15

TEL AVIV, ISRAEL — March 19-21, 2002 — **Bio-Tech Israel 2002, National Biotechnology Week, Conference and Exhibition** — The Canadian Embassy in Tel Aviv, in co-operation with Technology Partnership Canada and Industry Canada, is planning a number of activities in conjunction with this event including a partnering event for Canadian biotech companies with Israeli counterparts.

LONDON, U.K. — April 5-6, 2002 — **The British and International Franchise Exhibition** focuses on quality franchisors accredited by the British Franchise Association. As well as face-to-face meetings with franchisors, visitors will have the opportunity to obtain free advice from leading banks, solicitors and franchise consultants.

CAIRO, EGYPT — April 9-11, 2002 — **Middle East and Africa Ports and Maritime Exhibition and Conference** — will showcase technological advancements in the ports and maritime transport sector, and is expected to be regarded as one of the leading events of its kind. The event coincides with substantial investment and major reforms in the Middle East and Africa, as well as the Egyptian government's plans to build new ports and modernize existing ports.

BOLOGNA, ITALY — April 10-13, 2002 — **The Bologna Children's Book Fair** is the major international event in children's publishing.

GLASGOW, SCOTLAND — April 18-20, 2002 — **Aquaculture International 2002** covers all aspects of cold water aquaculture, including salmon and shellfish, and will feature exhibits of all types of equipment and services for this industry.

SYDNEY, AUSTRALIA — May 28-30, 2002 — **CeBIT Australia** is Australia's premier information and communications technologies (ICT) exhibition and conference. Based on **CeBIT Hannover**, **CeBIT Australia** is expected to draw more than 12,000 visitors including decision makers involved in specifying, recommending or approving the purchase of ICT.

MELBOURNE, AUSTRALIA — June 2-5, 2002 — Following the success of the 2001 show, held in Sydney, Canadian exporters will be able to participate in **Interbuild Australia 2002**, Australia's largest building exhibition, which showcases the latest in building products and technology for residential, commercial and industrial construction.

HONG KONG — June 11-14, 2002 — **The 10th Asian International Electrical,**

Electronic Engineering, Lighting Technology, Ventilation and Heating, and Refrigeration Show, Asian Elenex 2002, is the region's leading international electrical engineering show, and highlights all aspects of building and infrastructure projects. This year the show's focus will be on automation.

The 7th Asian International Security, Safety and Fire Protection Show and Conference, **Asian Securitex 2002**, will be held in conjunction with **Asian Elenex**. It is the region's leading international security show, and links the latest high-tech electronics with the newest developments in building-related technologies. In the wake of September 11, the interest should be even stronger.

SINGAPORE — June 17-21, 2002 — "Beyond broadcasting... worldcasting" is the theme for **BroadcastAsia 2002**, the 8th Asian Broadcast and Multimedia Technology Exhibition and Conference. Canadian exhibitors will benefit from a marketing support program delivered by DFAIT, Canadian Heritage, and Industry Canada under Trade Team Canada Inc.—Information and Communications Technologies.

BroadcastAsia 2002 will be held in conjunction with **CommunicAsia 2002** (June 18-21, 2002), the 14th Asian International Communications and Information Technology Exhibition and Conference, and Asia's largest telecommunications and information technology event. Last year's event drew 2,400 participating companies and 48,000 visitors. ★

Enquiries Service

DFAIT's Enquiries Service provides counselling, publications, and referral services to Canadian exporters. Trade-related information can be obtained by calling **1-800-267-8376** (Ottawa region: **944-4000**) or by fax at **(613) 996-9709**; by calling the Enquiries Service FaxLink (from a fax machine) at **(613) 944-4500**; or by accessing the

Enquiries Service FaxLink (from a fax machine) at (613) 944-4500; or by accessing the

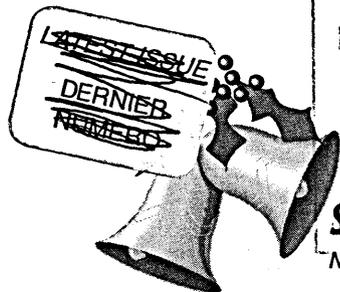
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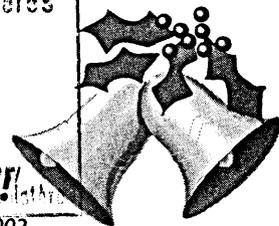
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Return to Departmental Library
Season's Greetings!
Next issue will be January 15, 2002



CanadaExport

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Vol. 19, No. 21 -
December 17, 2001

Embassy helps Toronto-based computer company Xploring the U.A.E.

It's just as well Xplore Technology Corp. president and CEO Brian Groh doesn't always believe "it's too good to be true." If he did, his customers might not have received computers tailor-made to their needs and specifications. And Xplore would not have experienced its phenomenal 500% year-over-year increase in sales thanks to its computers' instant popularity.

Now a Toronto-based leader in the rugged mobile computing industry, Xplore stands to match, or exceed,
Continued on page 16 - Xploring



Xplore's rugged mobile, wireless pen-based computer system in action.

Tips for Canadian exporters

Supplying international disaster relief

by Louis Poliquin, a Canadian international procurement consultant based in Washington for DFAIT's Export Financing Division

Modern high-tech gadgets can warn us of impending hurricanes, tsunamis, floods or earthquakes, but these devices are powerless to repair the damage caused by these cataclysmic events or by global conflict. No product yet devised can match the capacity of our international aid network to mitigate disaster and alleviate the resulting human suffering.

We may not know where or when the next disaster will strike, but we can take comfort in the certainty that governments and the international aid community are ready to take immediate, concerted action. They are standing by, prepared to send pre-identified and pre-positioned supplies into a crisis situation, with

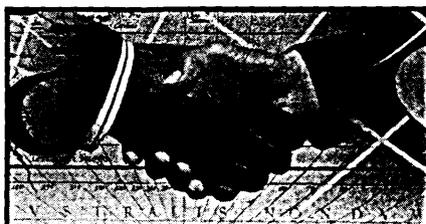
Continued on page 3 - Disaster



International Business Opportunities Centre

JORDAN — Switching Gear, Capacitor Banks and Ancillary Equipment — The National Electric Power Company (NEPCO) is calling for tenders (tender no. 23/2001) for turnkey solutions at Amman North, Amman South and Qatrana 400/132/33 kV substations, to be carried out under a single contract.

At Amman North: (a) extension to existing 400-kV capacity by addition of a new diameter with two bays and three circuit breakers (2,500 A 1-1/2 open terminal); (b) construction of a new 15-switch bay, double-bus bar type GIS 132 kV, 2,500 A substation; (c) 2 x 20 MVAR 33-kV capacitor banks.



International Business Opportunities Centre

As Team Canada Inc's Sourcing Centre, the International Business Opportunities Centre (IBOC) matches business opportunities from around the world with the business interests of Canadian exporters, particularly small and medium-sized enterprises. IBOC offers a value-added service to trade commissioners by directly contacting Canadian companies about foreign trade leads.

To pursue our international trade leads, check out our Web site at www.iboc.gc.ca (particularly our E-Leads® and Web-Leads®).

At Qatrana: (a) construction of a new three-diameter 400-kV substation, each diameter having two bays with three circuit breakers (2,500 A 1-1/2 open terminal); (b) extension of the existing 132-kV open-terminal double-bus bar substation to accommodate two incoming transformer circuits; (c) 4 x 20 MVAR 33-kV capacitor banks.

At Amman South: supply and installation of 2 x 20 MVAR 33-kV capacitor banks.

Scope of the work includes design, manufacture, factory testing, packing, on-site delivery and off loading, installation, relevant civil and electro-mechanical engineering work, commissioning and warranty. Cost of bid documents: US\$2,000. Tender security: JD650,000 [C\$1.00 = 0.442 Jordan Dinars] bank guarantee for 180 days from the tender closing date. Closing date: **January 15, 2002**. For bid documents, contact M. Azzam, Managing Director, Procurement Dept., National Electric Power Company, Zahran Street, 7th Circle, Jabal Amman, P.O. Box 2310, Amman, Jordan, 11181, tel.: (011-962-6) 585-8615, fax: (011-962-6) 581-8336. Contact Hala Helou, Senior Commercial Officer, fax: (011-962-2) 567-3088, e-mail: hala.helou@dfait-maeci.gc.ca quoting case no. 011025-04854. (Notice received from the Canadian Embassy in Amman.)

GUYANA — Guyana Hydroelectric Power Generation and Utilization — Trinidad-based ENMAN Services Limited will be leading a consortium of major international companies in the development of a US\$1-billion hydroelectric power plant on the Mazaruni River and is seeking

Canadian partners to join in the project.

For more information, visit the ENMAN Web site at www.enman-group.com Contact Tom Bearss, Counsellor (Commercial), Canadian High Commission in Trinidad and Tobago, fax: (1-868) 628-2576, e-mail: tom.bearss@dfait-maeci.gc.ca quoting case no. 010810-03787. (Notice received from the Canadian High Commission in Trinidad and Tobago.) ✽

IBOC trade opportunities — find out more at www.iboc.gc.ca

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CanadExport

— Continued from page 1

the utmost speed and efficiency.

The humanitarian aid business is a highly specialized one, but the keys to success are the same as for any business: being in the right place at the right time, and thoroughly understanding the clients' needs. This report introduces Canadian exporters to the aid business, and offers practical guidance for positioning their products in the international aid delivery system.

Defining disaster relief

Disaster relief is a broad concept, encompassing assistance to survivors of natural disasters (e.g. earthquakes and floods) and complex emergencies (e.g. violent conflicts), as well as the resources needed for reconstruction. It involves the cooperation of six UN agencies, 200 international non-governmental organizations (NGOs) and governments from around the world. Unofficial figures place the value of the aid market at US\$4 billion, with 60-70% of that money spent close to the disaster regions themselves.

Cash or goods?

Experience has taught the international aid community a basic lesson: making financial contributions to well-established relief agencies is often the fastest and most efficient way to help the greatest number of people. Cash gives aid organizations the flexibility to purchase standardized goods, to get volume discounts and to choose where they buy. In the end, they are concerned with stretching relief dollars and will often purchase local goods because it is faster and cheaper to do so and boosts the battered local economy.

Canada's response

Canadian companies wishing to sell their goods or services to the international aid system can start by contacting the Department of Foreign Affairs and International Trade (DFAIT), the Department of National Defence (DND), the Canadian International Development Agency (CIDA) and

Canada's NGOs. Each plays a role in mitigating the effects of a disaster.

- **DFAIT** (www.dfait-maeci.gc.ca) — receives situation updates from Canadian embassies and consulates which the Foreign Affairs Minister uses to compose a response on behalf of the Government of

post their procurement requirements on-line using the MERX (www.merx.cebra.com/) system, a Public Works and Government Services Canada procurement tool.

- **Canadian NGOs** — The NGO community is a large and disparate

Disaster relief

Canada. The department also acts as a liaison between workers in the disaster area, the media and the community. The department does not purchase any equipment or supplies directly.

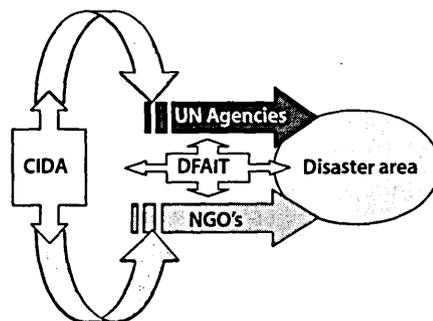
group of non-profit organizations, many of which are part of a worldwide network.

In an emergency, most international NGOs based in Canada, such as the Canadian Red Cross (www.redcross.ca), Care Canada (www.care.ca) and World Vision Canada (www.worldvision.ca), will route proceeds from their fundraising activities to a central procurement branch which purchases necessary items. All of these NGOs are prepared to purchase Canadian goods and services wherever possible.

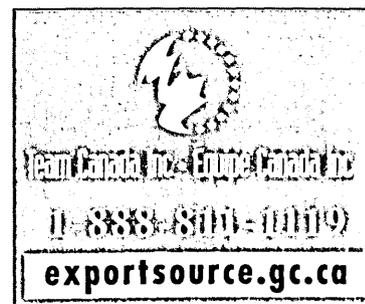
The second installment of this report examines the aid business further, discussing methods of procurement and introducing various international aid organizations.

For more information, contact DFAIT's Export Financing Division's IFI Unit, tel.: (613) 995-7251, e-mail: ifinet@dfait-maeci.gc.ca

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "International Financial Institutions")



- **IFInet** (www.infoexport.gc.ca/ifinet) is a Web site maintained by DFAIT's Export Financing Division providing information on procurement that is financed by International Financial Institutions and United Nations agencies which the Trade Commissioner Service can help you pursue.
- **CIDA** (www.acdi-cida.gc.ca) — delivers funding (including funds for food assistance) to international NGOs working in the disaster area. The agency does not purchase any equipment or supplies directly.
- **DND** — deploys an emergency response team or air transports humanitarian relief items at the request of the Government of Canada and other agencies. They



FRANCE

With a team of 500 business professionals in more than 130 cities around the world, the **Trade Commissioner Service** has the market knowledge you need to succeed in your target market. Our Market Research Centre and our offices abroad have prepared over 600 market studies available for free on our Web site. These studies will help you identify foreign business opportunities and learn more about your target market.

This is an overview of the market. For a more in-depth study of this market and for other studies, visit our Web site. When you are prepared to do business abroad, you can use our Web site to get in touch with our offices around the world and request personalized services electronically.

www.infoexport.gc.ca



The Book P

After four years of decline, the book market in France stabilized in 1999 at a value of \$3.3 billion.

According to the Syndicat National de l'Edition, France's National Publishing Union, book sales in 2000 increased by an estimated 6% over 1999.

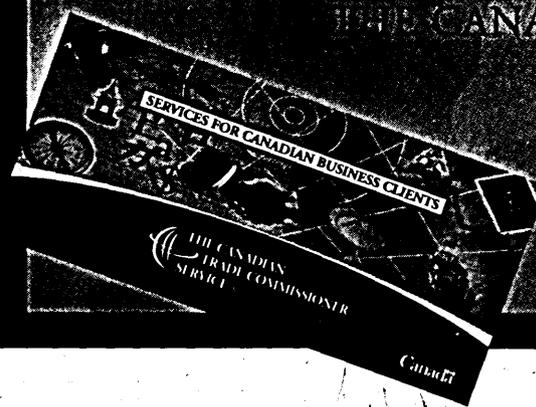
Market Trends

The best-selling book genre in 1999 was general literature. This category generated \$615.7 million and represented almost 30% of the total number of books sold that year. Children's books followed with about 18% of the total book sales in France. Success in this sector is due to the evolution of the paperback format for children's books and the continuing development of new graphics and design, including pop-up and musical books. Comic books are also widely read in this market. Both the children's and comic book sectors are expected to experience strong growth as publishers focus on value-added products.

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Book Publishing Market



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Opportunities

The sale of foreign translation rights is the most effective way to successfully

Market Access Issues

The potential barriers to this market can be minimized with careful market

Canadian publishers are encouraged to enlist the services of an experienced literary agent to introduce new books to the French market.

Book Sales by Sector - 1999

Genre	Market Value (\$ millions)	% of Market Value	% of Total Books Sold
Education	515.5	15.5	16.2
Science/technical	580.7	16.8	7
Religion	58.7	1.8	1.7
Spiritual/occult	13.9	0.4	0.4
Encyclopedias and dictionaries	386.6	11.7	2.6
General literature	615.7	18.6	28.7
Current affairs	79.5	2.4	1.8
Art	151.1	4.6	2.1
Children's books	293.1	8.8	17.6
Comic books	134.7	4.1	4.1
Directories (e.g., telephone books)	27.9	0.8	0.5
Practical books	484	14.6	17
Other	1.9	0.1	0.1
Total	3343.3	100	100

Source: Syndicat National de l'Édition. Statistiques France 1999, 2000

The success of a published work in France highly depends on effective advertising and marketing. Foreign publishing houses should expect to make substantial financial commitments toward marketing their authors in France. Foreign publishing firms should also expect to invest three to five years of research and marketing before experiencing any success in this market.

See Potential?

To learn more about this market, read *The Book Publishing Market* prepared by the Market Research Centre. You can access this report and hundreds of others free at the Trade Commissioner Service Web site:

www.infoexport.gc.ca

penetrate France's book publishing market. Translations are very strong in France, and the translations that sell best are those that originate in the English language. In 1999, almost 70% of translation rights acquired by leading publishers were English-language books (969 titles out of 1090). Canadian authors, such as Margaret Atwood and Robertson Davies, have had enormous success selling French translations of their works in the French market. The new title output in fiction for 2001 is expected to consist of English-language translations.



research and exploration, sensitivity to local conditions and requirements, extensive work on costs and pricing, and good follow-up. Legal representation is strongly recommended for Canadian publishers looking to sell foreign rights to French publishers.

The French market is very discerning and is heavily influenced by brand loyalty.

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The Book Publishing Market

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CanadExport December 17, 2001
www.infoexport.gc.ca/canadexport

Back on firm ground

The construction sector in Switzerland

Boom times are back again for the Swiss construction industry after a decade during which 800 construction companies closed their doors and the number of jobs in the core sector fell from 166,000 to 96,000. Now, supported by growing private and public sector investment, the construction industry in Switzerland is on a firm footing once more.

Market overview

Following a lingering depression that lasted almost a decade and saw housing starts and construction projects exceed demand, the construction industry in Switzerland is building again. Since mid-1999, consumers have begun to spend more and the core construction sector has generated an estimated annual turnover of 14 billion Swiss francs (Sfr) [C\$1.00 = 1.036 Sfr], or closer to 20 billion Sfr including sub-trades. The public sector (federal, cantonal and municipal) is spending again too, pouring money into major infrastructure projects, such as airport expansions and upgrades to railways and highways.

Two trends are worth noting. First, investment into below-ground projects such as tunnels has increased from 33% to 47% over the last decade, and second, civil engineering-related activities are becoming more important.

Rent or renovate

Switzerland has one of the world's lowest rates of private home ownership, and with good reason: Swiss real estate is extremely expensive and Swiss banks require purchasers to make a 20% down payment on a house. With a three-bedroom home costing anywhere between 0.5 and 1.0 million Sfr, renting is often the only remaining alternative.

The average Swiss home owner is not particularly mobile and likes to settle down, preferring home renovation to relocation. Considering that 33% of all construction activity in the private sector (and 55% in the public sector) can be attributed to upgrading Switzerland's aging buildings, a mini-boom can be expected in the do-it-yourself (DIY) market. Large DIY retail markets are in all major Swiss cities, catering to home owners who prefer to tackle minor renovations themselves.



Opportunities

Opportunities exist for competitively priced, high-quality niche products in all sub-sectors. Specialities of interest include timberframe construction, density boards, inner- and outer-panelling, window frames (e.g. hemlock), garage doors, staircases, construction chemicals, prefabricated houses and log homes, insulation and energy conservation technologies, and equipment used for civil engineering, geophysical measurement and exploration.

Market access considerations

The typical Swiss building, whether commercial, industrial or residential, is built to last. It is a very solid structure, with all-brick walls and a concrete

basement, constructed using high-quality building, insulation and roofing materials. Construction standards are high because the average Swiss home-owner, who tends to "stay put", expects this quality.

While not essential, a local partner firm can come in handy when it comes to understanding and anticipating customer needs.

Public tenders for federal, cantonal and municipal projects are published daily in the *Schweizerisches Handelsamtsblatt* (SHAB). SHAB also publishes calls for tenders for projects abroad.

Although Switzerland is not a member of the EU, it has adopted most of the EU's standards and regulations and, thanks to recent bilateral agreements, enjoys almost full access to the Union.

Major competition

Competition arises mainly from Swiss firms and from other European countries, primarily Germany. Calls for tenders are, however, open to any qualified bidders.

Trade shows

Trade shows are an excellent way for Canadian companies to evaluate market potential, identify partners and build relationships in the Swiss construction market. Swissbau (www.swissbau.ch), one of Europe's leading construction industry events, takes place annually in Basel and focuses on different sub-sectors each year.

Other popular trade shows in the industry include BAU (www.bau-muenchen.de) in Munich and BATIMAT (www.batimat.com) in Paris.

For more information, contact Werner Naef, Commercial Officer, Canadian Embassy, Bern, tel.: (011-41-31) 357-3206, fax: (011-41-31) 357-3210, e-mail: werner.naef@dfait-maeci.gc.ca Web site: www.canada-ambassade.ch and www.infoexport.gc.ca/ch ✪

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "The European Advantage")

The Romanian aerospace industry is a global supplier of products and services, ranging from civil and military aircraft and helicopters, to engines, under-carriages and hydraulic and electronic equipment. With the demise of the former communist bloc, Romanian companies in the aerospace and defence sector are looking to regroup. They now welcome alliances with overseas partners to help launch new programs — and keep them aloft.

At present, the aerospace industry in Romania comprises 11 joint-stock companies and employs well over 13,000 workers. The country's aerospace and defence capabilities span everything from R&D, manufacturing, assembly, avionics integration, maintenance, repair and overhaul (MRO), to flight testing, certification and customer support.

The sector exports 40% of its output, which amounts to goods and services valued at US\$100 million. Destination markets include the U.A.E., Vietnam, India, Pakistan, Sudan, Angola, Ecuador, Hungary, the U.K., Germany, Belgium, France, Italy, the U.S., Israel, China, Australia, Canada and South Africa.

At present, the domestic market for aerospace and defence equipment is small, but the decision by Romania and Bulgaria to join NATO will spur defence spending in both of these countries to meet the mandatory requirements of the organization.

On the civil aviation side, TAROM, Romania's national airline, now operates a fleet of Airbus and ATR aircraft and will likely be privatized by the end of 2001. Several attempts over the last few years to privatize other major Romanian companies such as Turbomecanica, Romaero and IAR S.A. Brasov have failed. However, Eurocopter and IAR are in the process of forming Eurocopter-Romania, with Eurocopter holding 51% of the stock in the new company. Bombardier, Spar Aerospace and Intelcan are involved in the market as well.

Five stars in Romanian aerospace
The following companies are industry leaders in Romanian aerospace.

AEROSTAR S.A. — Established in 1953 as an aircraft repair base for the Romanian Air Force, this ISO 9001-certified, joint-stock company is now listed on the Bucharest Stock Exchange. Strategic alliances with

in cooperation with Britten-Norman and BAC 1-11s in cooperation with British Aerospace. The company is now focusing on aircraft manufacturers in the West, and has become an important subcontractor for companies such as Boeing, Bombardier, I.A.I., British Aerospace and Britten-Norman.

The aerospace sector in Romania

foreign partners such as A-E Electronics S.A. and Aerothom Electronics S.A. show the company means business and is looking for access to advanced technologies.

AVIOANE CRAIOVA S.A. — Established in 1972, this ISO9001-certified company is one of Romania's major suppliers of products and services for military and civil aircraft.

IAR S.A. BRASOV — Established in 1925, this ISO 9000-certified company was fully modernized in 1968 to supply western European companies such as Aerospatiale and Britten-Norman. Since 1970, the company has become the sole Romanian manufacturer of both military and commercial helicopters.

The company has recently partnered with the French-German consortium Eurocopter to form Eurocopter-Romania. A potential first contract for the new company could be a two-to-three year deal with the U.A.E. to sell ten new AS-330 Puma transport helicopters and upgrade 15 more.

ROMAERO S.A. — With 75 years of experience in the aircraft industry, the company has operated as a major aircraft maintenance and repair base since the Second World War.

Since the early '70s, the company has been manufacturing BN-2 Islanders

TURBOMECANICA S.A. — Established in 1975, the company manufactures aircraft engines and dynamic systems for helicopters to the highest technical standards. It was the first Romanian company to be granted ISO 9002 certification.

OPIAR

OPIAR, [Romanian Aeronautical Employers' Organization] a non-profit, non-governmental organization, was established in 1998 to support and protect the interests of its member companies in the Romanian aeronautical industry. OPIAR functions as a liaison between its members and unions, state representatives, and legislative and governmental bodies. The organization is active in developing policies that foster cooperation and ensure that Romanian companies remain competitive in the new global economy.

For more information, contact Corina Stanescu, Commercial Assistant, Canadian Embassy, Bucharest, tel.: (011-40-1) 307-5093, fax: (011-40-1) 307-5015, e-mail: corina.stanescu@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/bucharest ✽

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "The European Advantage.")

CCC : U.S. Government business opportunities

From a presentation by Judy Bradt, Director of Business Development (Aerospace, Defence and Information Technology), Canadian Embassy, Washington, D.C. at a special Canadian Commercial Corporation seminar on Doing Business with the U.S. Government held in Montreal last November.

The United States federal government is the world's largest customer, with an annual budget for acquisition contracts alone of US\$200 billion — larger than the total spending of some countries.

Three key factors combine to create an ideal environment for conducting business with the U.S. federal government: Canadian supply and capability; U.S. government demand; and coverage by trade agreements, which means that Canadian goods and services can compete on an equal basis with those of American competitors.

Follow the money

One of the good things about selling to the government is that public funds are involved and buyers must therefore make purchasing information available to the public. Through the Federal Procurement Data Center (www.fpdc.gov), you can find data on past contracts, free of charge, including who spent the money, what they spent it on, who they are, when is the contract going to be let, and so on.

Strategies for buyers

It is important for buyers to understand the range of business options available to the public. Invitations for bid are becoming less common and relate to situations with strict binding requirements for commercial items. On the other hand, requests for proposal are more elaborate and involve a special kind of negotiated contract called the General Services Administration (GSA) schedule contract, similar to a Master Standing Offer, which sets the central

terms and conditions under which vendors are able to offer their goods and services.

On-line and front line

It is important to research opportunities thoroughly through Web sites and other methods. But once you have done your homework the most effective method of marketing your products and services is still face to face.

Key points of contact

FirstGov.gov is your starting point and will bring you to the front door of the U.S. federal government. This site includes links to all federal departments and independent agencies. It tells you what they are, what they do, how they are organized, where to find potential customers and what their needs are.

FedBizOpps.gov is the mandatory site for all federal agency solicitations. As of January 1, 2002, this site will replace the *Commerce Business Daily* and is where every U.S. government department and agency must post its bid notices for every opportunity over US\$25,000. FedBizOpps also allows you to set up a profile so you can choose the goods and services about which you would like to be notified when there is a solicitation offer.

The Canadian Commercial Corporation's (CCC) U.S. Bid Matching Service (www.ccc.ca) surveys all of the solicitations posted on FedBizOpps and removes everything that is not covered under the NAFTA so you can access only those opportunities without restrictions.

DoDBizOpps.com is an example of an individual agency site that not

SHAPING TRADE SOLUTIONS FOR OUR EXPORTERS



Canadian Commercial Corporation

The Canadian Commercial Corporation (CCC) is an export sales agency of the Government of Canada providing special access to the U.S. defence and aerospace markets and specializing in sales to foreign governments.

Canadian exporters can gain greater access to government and other markets, as well as a competitive advantage, through CCC's contracting expertise and unique government-backed guarantee of contract performance.

CCC can facilitate export sales that often result in the waiving of performance bonds, advanced payment arrangements and generally better project terms.

When requested, CCC acts as prime contractor for government-to-government transactions and provides access to pre-shipment export financing from commercial sources.

For more information, contact CCC, tel: (613) 996-0034, toll-free in Canada: (800) 748-8191, fax: (613) 947-3903, e-mail: info@ccc.ca Web site: www.ccc.ca

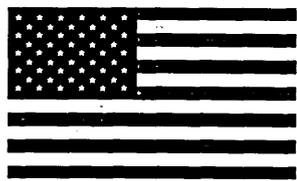
only posts opportunities but provides information about doing business with that specific agency.

ARNet.gov (Acquisition Reform Network) is your acquisition library. It has links to the FPDC and information about acquisition regulations and details you will need to know at all stages of the bidding process.

Federal Acquisition Regulations (FAR) are structured in 53 parts, a number of which are very important to guide you through the various stages of selling to the U.S. federal government. Part 25 deals with foreign acquisition and provides information about products and services covered under the NAFTA or that fall under certain requirements of the Buy American Act.

The Canadian Trade Commissioner Service and Team Canada Inc (www.infoexport.gc.ca and www.exportsource.gc.ca) provide information about export services and programs available to you.

Other links on doing business with the U.S. federal government are posted on the CCC Web site, www.ccc.ca ✪



The U.S. Connection

The U.S. Connection is produced in co-operation with DFAIT's U.S. Business Development Division. For information about articles on this page, fax (613) 944-9119 or e-mail commerce@dfait-maeci.gc.ca For all other export enquiries, call the Team Canada Inc Export Info Service toll-free at 1-888-811-1119.

Revolutionary security software

Electramedia wins COMDEX award

Mr. Caneohed lives. Former Frantics Comedy Troupe member Paul Chato — "Canada's aluminum-headed crime-fighter" of the 1980s — is now president of G + A Electramedia, a leading Toronto-based Web design and development company. But he can't seem to suppress his talent for fighting crime — now cybercrime, of course. This November, exhibiting in the Canada Pavilion at COMDEX Fall 2001, G + A Electramedia unveiled its revolutionary security software, AccessArmor™ — and then went on to snag the Best of COMDEX award for Best Security Product.

The Best of COMDEX awards recognize the most innovative and influential products and technologies introduced at COMDEX Fall. Electramedia's award is thus a major coup for this small (50-employee) firm, which had never before exhibited at any trade show, let alone COMDEX, the largest and most influential information technology (IT) trade fair in the Americas.

G + A Electramedia, a strategic alliance of new media development company Electramedia and leading branding and identity firm Toronto-based Gottschalk + Ash, is a pioneer in database-driven, thin-client Web-based applications. With offices in Toronto, Montreal and Zurich, the company conducts business in Canada, Hong Kong, Germany and the United States and counts Mercedes-Benz

Canada, DaimlerChrysler, Bell Mobility, and Ernst & Young among its many prestigious clients.

Ever-changing password ensures security

The company's latest product, AccessArmor™, is the world's first managed secure password authentication service for Internet users. It ensures Web security by replacing the static ID and password log-on process with a revolutionary technology. "Most hackers work by stealing existing passwords," explains Chato. "So we've come up with a system that randomly generates a new password every time you use it. You enter your PIN number into our program, which generates a secure password that you then copy into the password field on the Internet. It's just one extra step."

Electramedia was all ready to launch AccessArmor™ when it received a call about COMDEX from the Department of Foreign Affairs and International Trade (DFAIT). "It was perfect timing," says Chato. "The beauty of a show like COMDEX is that you're going to meet a highly focused, highly targeted audience."



G + A Electramedia President, Paul Chato holding the Best of COMDEX prize.

That audience includes IT decision makers from around the world. As Pat Fera, Trade Commissioner with DFAIT's U.S. Business Development Division, explains, "If you're looking for exposure, COMDEX Fall, held every November in Las Vegas, is the place to go." He recites impressive figures from COMDEX Fall 2000: 2,500 exhibitors, 3,500 media representatives and over 200,000 attendees.

Fewer numbers, larger commitment

With the recent economic downturn, registrations were down for COMDEX

Continued on page 13 - Electramedia

Check the Business Section of the Canada-U.S. Relations Web site at www.can-am.gc.ca ... for valuable information on doing business in and with the United States.

A message to the Canadian business community

From the Minister for International Trade

Pierre Pettigrew



*Minister for International Trade,
Pierre Pettigrew*

The September 11 attacks on New York City and Washington, D.C. have had a profound impact on North American security, the Canada-U.S. border and, by extension, on our trade relationship with the United States, our most important trading partner.

In light of these new realities, we must be more vigilant than ever in ensuring the security and integrity of our common border. In recent weeks, Canada has taken several steps to secure the flow of bilateral trade, and we continue to work closely with U.S. authorities to develop effective ways to implement these.

An important priority for Canada is to share this strong commitment to action with our U.S. partners, both in government and business, so that they fully understand what we are doing to achieve our common goal, a secure and open border. As Canadian businesspeople, you can make a significant contribution to this effort by informing your American business partners and clients about Canada's initiatives to improve the flow of goods and people across the border.

To help you get these messages across, and to make sure that you have the essential facts you need when faced with questions about Canada's actions since September 11, we have prepared an information sheet "The Canada-U.S. Border: Secure and Open to Trade" (see opposite).

This information sheet has been designed in such a way that it can be used as a convenient handout at business meetings, trade shows or other events. Additional copies are available from the United States Relations Division of the Department of Foreign Affairs and International Trade at (613) 944-7960, or can be downloaded from the Business Development page of the Canada-U.S. Relations Web site (<http://www.can-am.gc.ca>).

These are challenging times — quite unlike anything we have ever experienced before. But Canada and the United States share the most important, the most successful and the most dynamic trading relationship in the world, and that does not change. We will cope together with temporary slowdowns, whether they are in the world economy or our own border traffic, and will overcome problems together, as we have in the past.

As Minister for International Trade, I invite you to be part of this collective effort to help Canada — and therefore each one of us — remain competitive and prosperous.

Should you have any questions or concerns, please don't hesitate to call (613) 944-7960.

Together we shall succeed.



THE CANADA-U.S. BORDER: SECURE AND OPEN TO TRADE

ALL DAY, EVERY DAY

- The Canada-U.S. border has been open every day and all day since September 11. Contrary to some media coverage, the border was *never* closed.
- Traffic flows are somewhat lower than pre-September 11, but occasional border delays still occur, especially at major ports of entry in Southern Ontario and British Columbia.
- Border wait times are updated every four hours and can be checked on the Internet at www.ccr-aadrc.gc.ca/customs/general/times/menu-e.html
- On both sides of the border, extraordinary measures have been put in place to deal with the delays resulting from the heightened level of vigilance.
- Canadian and U.S. agencies working at the border have increased the use of overtime and part-time staff, cancelled leave and reassigned resources from less critical activities to ensure security at the border and the continued flow of legitimate travellers and goods.

TOWARD A SMARTER BORDER

- The Canadian government has provided US\$65 million to Canada Customs to proceed rapidly with the implementation of new risk-based initiatives. This will be used for new technology to enhance sharing of intelligence information, screening procedures for front-line officers at the border, and the hiring of additional customs officers.
- Canada is committed to looking at different technologies to develop a "smart border" that would fast track the flow of legitimate travellers.
- Several initiatives are under way to create more effective and enhanced monitoring at the Canada-U.S. border ports of entry. These include joint immigration-security interviews, the use of more advanced information technology, including electronic passport scanners and licence plate readers, and improved Canada-U.S. information exchanges.
- Legislation being considered by Parliament includes measures for the expedited processing of shipments coming into Canada by preapproved, low-risk businesses.
- Canada Customs has co-operated closely with U.S. Customs, even performing export checks on trucks leaving Canada to assist in reducing delays.



THE BORDER

SECURE AND SEAMLESS

- In response to the attacks on the United States, Canada has acted vigorously to counter the terrorist threat and to enhance security not only domestically but also at ports of entry, including the land border and abroad.
- Prime Minister Chrétien has established an ad hoc Committee of Cabinet Ministers on Public Security and Anti-Terrorism, chaired by Foreign Affairs Minister John Manley. It is reviewing policies, legislation, regulations and programs across government to adjust all aspects of Canada's public security approach to new realities.
- An immediate result is Canada's Anti-Terrorism Plan (Bill C-36), which has four objectives:
 - > prevent terrorists from getting into Canada and protect Canadians from terrorist acts;
 - > bring forward tools to identify, prosecute, convict and punish terrorists;
 - > work with the international community to bring terrorists to justice and address root causes of violence; and
 - > keep the Canada-U.S. border secure and a contributor to economic security.
- New security measures at airports and the border are being implemented to secure trade and travel between Canada and the United States.
- Immigration and refugee procedures are being tightened and new measures instituted to upgrade security at ports of entry.
- Canadian law enforcement agencies are continuing to collaborate closely with U.S. authorities in the investigation of the terrorist attacks.
- Canadian Ministers have met their U.S. counterparts and Homeland Defense Director Ridge to emphasize the critical importance of finding immediate solutions that would improve traffic flow at our borders.

A SPECIAL TRADE RELATIONSHIP

- The Canada-U.S. border is a potent symbol of the interdependence and enduring partnership between our countries.
- The spirit of cooperation between us has produced tremendous benefits to both nations. Together we have built a trading relationship that is unique in its scope and scale, and which now generates more than US\$475 billion dollars a year in two-way trade.
- A secure flow of goods and people across the border is crucial for the economic prosperity of both countries. Millions of jobs, on both sides of the border, depend on trade and the continued integration of our two economies.
- Both Prime Minister Chrétien and President Bush have said that the movement of goods and services across our border should be normalized as soon as possible.

For more information on the Canadian Government's initiatives at the border, visit these sites:

Government of Canada Fighting Terrorism http://canada.gc.ca/wire/2001/09/110901-US_e.html

Department of Foreign Affairs & International Trade www.dfait-maeci.gc.ca

Canada Customs & Revenue www.ccr-a-drc.gc.ca/customs/general/measures

— Continued from page 9

Fall 2001. But that didn't scare off Electramedia — in fact, the reverse. "We realized a lot of our competitors wouldn't be there because people are pulling back on their budgets. We decided this was an opportunity — to advance rather than retreat, especially with our product to unveil. And those who did come were the serious people wanting serious products and willing to make serious commitment."

The fact that Electramedia could exhibit in the Canada Pavilion was also key to its decision. "You're going down with a family of other Canadians," says Chato. "That's really good for newbies like us. The fact that we were totally new to the world's biggest computer show was intimidating. So to be under the wing of the Canadian government was a huge thing for us."

Chato appreciated the location, price, and support provided by the Canada Pavilion. Because the Canadian government has been at

ness but generally the participants are first-timers."

This year, 11 companies (including Electramedia), two municipal economic development agencies, and two provincial government organizations exhibited under the Government of Canada banner. They were: Canada's

Best of COMDEX award

Electramedia

Technology Triangle, Databeacon Inc., E-CTI Inc., the Government of Alberta (with Alta Terra Ventures Corporation, Athabasca University, Baseline Technologies Inc., and Web Host Canada), Alberta Innovation & Science, Alberta's Investment Attraction Branch, Lava Computer Mfg. Inc., Navitrak, the Town of Richmond Hill (with A&L Computer Software Ltd.) and Valt-X Technologies.

on their own. And being a turn-key operation, the Pavilion saves companies from the tremendous amount of logistical detail they would have to deal with on their own. "It was great to have a turn-key booth," says Chato. "Every single one of those things — table, chair, power-source —

is optional, extra cost. All we had to do was arrive with our marketing materials, plug in our laptop and we were set to go."

Says Fera: "If you do your homework in setting up meetings in advance with potential partners or clients, have a good leading-edge product, and are prepared to market yourself to the exhibitors, attendees and media, you can go from being unknown to the darling of the show."

That was certainly the case with Electramedia, whose award announcement caused a crush at the booth. The company was interviewed by TV crews from Korea, China and Japan and received a flood of leads. "Security is the hottest concern in the world," says Chato. "So to be standing with the top executives when the awards were being announced, and then to win in such a hot category, we felt like we were riding a skateboard on a tsunami."

As the tsunami of calls and media attention gathers even more force in the wake of the show, Chato may well be reaching for his trusty old aluminum canoe. But the ride promises to be both smooth and exciting for this dynamic Canadian company.

For more information, contact Paul Chato, President, G + A Electramedia, tel.: (416) 361-6161, e-mail: paul@electramedia.com Web site: www.electramedia.com



G + A Electramedia President, Paul Chato (right), with CIO judge Chris Lindquist at COMDEX Fall 2001 in Las Vegas.

the show for more than 20 years, its pavilion enjoys a high-profile, high-traffic location that most companies could not get on their own. "We're looking for small and medium-sized companies that have not been in the show before, but have some experience in the U.S. already," explains Fera. "We do get some repeat busi-

Pavilion provides value-added services

Companies exhibiting with the Canada Pavilion receive value-added services, such as channel marketing advice, assistance with development of press materials, and a press conference that provides media exposure beyond what they could achieve

What does a highly adjustable bed have in common with a 3-D color digitizer or a device that holds a laptop computer? The answer is "Canadian innovation" and there was plenty of that on display at this year's Home Care and Rehabilitation

Canadian companies show they care

Home Care and Rehabilitation Show

Show, held October 24-26, 2001 at Tokyo Big Sight in Japan. The trade section of the Canadian Embassy in Tokyo made use of the Show to support Canadian firms specializing in long-term care products.

The Embassy's trade representatives squeezed extra value into the Show on behalf of 11 Canadian firms (see below), creating a cost-effective and informative program that included on-site product demonstrations, a pre-show visit to a local geriatric facility and a cocktail reception held at the Embassy. Each company had originally planned to attend the Show independently, but thanks to Embassy support they were able to create a solid Canadian presence — at minimal cost — before an audience of potential Japanese business partners.

Pre-show warm-up

The tour of a geriatric hospital in Sagami-hara on October 22 presented attendees Broda Seating, Vision Wheelchair Seating Systems, and Bi-Op Inc. with a valuable opportunity to assess the market potential for their products in Japan. The Embassy arranged for companies to make presentations at the hospital, a prime example of a Japanese western-style modern facility which focuses on rehabilitation and social interaction between patients.

Show time

Given Japan's aging population, the long-term care industry in the country represents one market that is sure to grow. Despite the fact that Canadian products are competing with well-known American and Scandinavian

brands, cheaper manufactured goods from southeast Asia and high-tech Japanese products, Embassy reps nevertheless proceeded with their plan to capture the attention of the Japanese. They made the most of the Show's venue by arranging to visit the participating companies and view their product demonstrations, and by encouraging companies to share their business experiences and knowledge.

And now presenting...

Most of the eleven Canadian participants can attest to the show's success: Here's a peek at their products.

- **Bi-Op Inc. (www.bi-op.com)** — foot orthotics;
- **InSpeck Inc. (www.inspeck.com)** — 3-D digitizing system that creates and transmits accurate digital images of a foot, eliminating the need for cumbersome plaster models;
- **Broda Seating (www.brodaseating.com)** — specialized chairs and beds for patients suffering from aggressive conditions such as Huntington's disease;
- **Daedalus Technologies Inc. (www.daessy.com)** — wheelchair attachments to support communication devices such as laptop computers and voice synthesizers;
- **Garaventa (Canada) Ltd. (www.garaventa.com)** — stair lifts;
- **Vision Wheelchair Seating Systems**

- Inc.** — wheelchair cushions, head and neck rests and table assemblies;
- **Carroll Healthcare (www.carrollhealthcare.com)** — adjustable beds that can be lowered to 17 cm from the floor;
- **Verg Inc. (www.verg.com)** — pressure mapping systems;
- **BHM Medical (www.bhm-medical.com)** — easy-to-use patient lift and transfer systems for home and institutional use;
- **AbsorbPlus (www.absorb-plus.com)** — adult incontinence products;
- **Ackerman International Inc.** — rocker gliders.

After the show

At the end of day, the Embassy arranged yet another demonstration of its support for the industry — a cocktail reception hosted by Minister (Commercial/Economic) Peter Campbell to facilitate networking between the Canadian companies and current or potential Japanese partners. Canadian firms hoping to enter the market were introduced to independent trade consultants and key players in the Japanese industry.

Encore

The trade section of the Embassy plans to continue working on behalf of Canadian companies, helping them form strong business relationships by connecting them to reliable Japanese representatives. These companies may not be household names today, but with this kind of support — and an aging population — they could well become tomorrow's corporate stars.

For more information, contact Sara Wilshaw, Trade Commissioner, Canadian Embassy, Tokyo, tel.: (011-81-3) 5412-6200, fax: (011-81-3) 5412-6247, e-mail: tokyo.htech@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/ni-ka/ or Jean-Pierre Petit, Trade Commissioner, Japan Division, DFAIT, tel.: (613) 996-2467, fax: (613) 994-2397, e-mail: jeanpierre.petit@dfait-maeci.gc.ca ✽

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "A Yen for Japan")



If when you imagine Hong Kong, you imagine toy manufacturers, junks, and "knock-off" products, your view is outdated. Those stereotypes may have been true 30 years ago, but they are far from accurate today.

Hong Kong is a prosperous city of approximately 7 million people, whose economy is based on excellence in the financial and business services sector. For Canadian information and communications technologies (ICT) firms interested in the Asia-Pacific market, Hong Kong is a city which should be pursued for both strategic and market considerations.

Why choose Hong Kong?

Last year, the slowdown in the ICT sector was both global and painful. One market that has provided sanctuary for beleaguered ICT firms is China. In fact, during the first six months of 2001, Canadian ICT exports to the Mainland rose a whopping 200% compared to the same period in 2000!

Furthermore, China is widely anticipated to continue to be a shining star with ICT development being a priority for Beijing, and with many economists predicting GDP growth rates of 7-8% annually. Market liberalization in ICT with China's accession to the WTO can only be seen to brighten an already glowing situation.

Under the "one country, two systems" approach, Hong Kong offers Canadian firms facilitated access to the China market, along with its traditional advantages of English as an official language, Western business practices, and the "rule of law". Furthermore, Hong Kong with its world-class telecommunications and information technology infrastructure and competitive free market, is often regarded by the Mainland as an excellent test ground for new products. Success in Hong Kong can only facilitate a company's ability to penetrate the Mainland market.

However, Hong Kong should not be viewed solely as a gateway to

China and Asia. Last year, Hong Kong ranked as the third-largest market for Canadian ICT exports, after the United States and the United Kingdom. In 2000, Canada exported some \$481 million worth of ICT goods to Hong Kong, \$100 million of this being re-exported

their knowledge of source and destination markets.

And for financial excellence, Hong Kong's strengths are legendary! With 265 banking institutions from more than 30 countries, Hong Kong offers all of the ingredients to support

Canada's gateway to Asia

Hong Kong ICT

to China. Canadian firms of all sizes have announced significant contract signings.

Opportunities

In May, Hong Kong released its new "2001 Digital 21 Strategy: Connecting the World", with the objective of positioning Hong Kong as a leading e-business community and global digital city. Implementation of this Strategy will offer Canadian firms a number of potential opportunities in areas including:

- Internet and Intranet
- E-government
- E-commerce and M-commerce
- Wireless technology
- Broadband
- Computer Telephony Integration
- Multimedia content development
- Digital broadcasting technologies; and
- Outsourcing network support and consulting services

Canadian firms interested in pursuing these opportunities could initially partner with one of the numerous local firms.

Asia-Pacific trade hub

As the world's 10th-largest trading economy, Hong Kong is Asia-Pacific's premier import/export hub for intra-Asian trade, as well as between East and West. In operations delivery, Hong Kong firms can add value through

Canadian firms, whether they be pursuing venture capital, or financing complex billion-dollar deals.

Canadian presence

Hong Kong is home to the largest Canadian business community in Asia with over 100 local or regional Canadian corporate offices. In fact, the Canadian Chamber of Commerce in Hong Kong is the largest outside Canada with over 700 members.

Canadian ICT companies can benefit not only from the expert services of this organization, but also from the active Canadian government presence, including Trade Commissioner services, which are supported by a Memorandum of Understanding on ICT cooperation between Industry Canada and Hong Kong's Information Technology and Broadcasting Bureau.

For more information, contact:

- Brian Wong, Canadian Consulate General, Hong Kong, tel.: (011-852-2) 847-7414, e-mail: brian.wong@dfait-maeci.gc.ca
- Marcel Belec, DFAIT, tel.: (613) 995-6962, e-mail: marcel.belec@dfait-maeci.gc.ca
- Dale Forbes, Industry Canada, tel.: (613) 990-9092, e-mail: forbes.dale@ic.gc.ca
- Eric Barker, Industry Canada, tel.: (604) 666-1407, e-mail: barker.eric@ic.gc.ca ✉

(For the unabridged version, see www.infoexport.gc.ca/canadexport and click on "Roadmap to China and Hong Kong")



— Continued from page 1

that growth with its recent success — a three-year \$300-million contract with a United Arab Emirates (U.A.E.) company introduced to Xplore by the Canadian Embassy in Abu Dhabi.

Unmet customer need was the impetus for the creation of Xplore

GeneSys IIR and RamlineR computer products distributed in more than 30 countries in the Middle East, North Africa and parts of Asia over the next three years.

"The Ambassador was fabulous," says Groh, who had had no previous experience of the Canadian Trade

Consulate were clearly a big help to us — I will definitely be contacting our missions as we expand into other countries."

Taking the time to find out if an opportunity is real is one of Groh's key pieces of advice to other Canadian exporters. "You have to take the time to visit the market and investigate the opportunities. But there's no point in turning over a lot of stones that you don't have to; the commercial officers clearly have the connections and can point you to the right partners."

Groh speaks with the authority of a man who has found an opportunity so good it's true.

For more information, contact Brian Groh, President and CEO, Xplore, tel.: (905) 814-9122, toll-free: (888) 252-9757, fax: (905) 814-9124, e-mail: bgroh@xploretech.com Web site: www.xploretech.com *

Embassy helps Toronto-based computer company Xploring the U.A.E.

Technology Corp. in 1996. The need was for a powerful, mobile, wireless, pen-based computer rugged enough to withstand extreme outdoor conditions. The customers are in industries such as public safety, utilities, and field services — anyone that needs a computer while moving around. Working directly with its customers for two years in the lab, Xplore developed its GeneSysR II and RamlineR ruggedized computer systems.

In the past two years, the 66-employee Xplore (Toronto Stock Exchange under TSE:XPL), has penetrated the North American market and has a dedicated focus on expansion in Europe and Asia. "We've had brokers tell us we've accomplished more, faster, than any other company they've ever seen," says Groh.

Tailor-made help, Embassy style
It seems fitting that a company that has spent the last few years working with its customers to meet their specific needs should find itself on the receiving end of tailor-made assistance. This spring Groh received a call from Emaar Properties PJSC, a Dubai property development and information technology company that had been given Xplore's name by Canada's Ambassador to the U.A.E., Christopher Thomson.

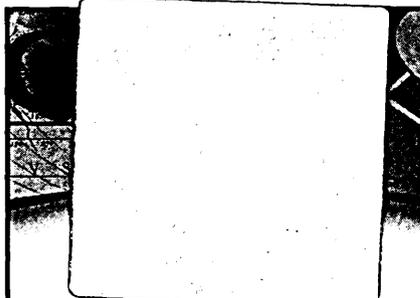
The introduction led to a \$300-million contract, signed in July, which will see 50,000 of Xplore's

Commissioner Service (TCS). "He supplied a lot of information about the company and the country. I also know he did a great deal of work internally to make sure that the right people in Emaar were aware of our company and what we had to offer."

Emaar, a leading property development company in the region, is diversifying to become a major IT presence in the Middle East and beyond. Its chairman, H. E. Mohamed Alabbar, is also Director General of Dubai's Department of Economic Development, whose goal is to develop Dubai and confirm the city as a centre of high technology. "Emaar is helping to expand wireless communications into areas where currently it does not exist," says Groh. "The Commercial officers were absolutely correct — Emaar is a very strong partner for us."

Senior Commercial Officer Fouad Soueid at the Canadian Consulate in Dubai also supplied company and country information to Groh. "Most exporters tend to overlook the Middle East because it's perceived as a difficult place. I was very impressed with the business environment; the U.A.E. government is making it very attractive to foreign investment."

Converted to benefits of TCS
Groh has also been converted to the benefits of TCS. "With the experience I've had now — the Embassy and



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business abroad!**

Over 30,000 companies are registered members of WIN. Are you? WIN is a commercially confidential database of Canadian exporters and their capabilities. WIN is used by trade commissioners in Canada and abroad to help members to succeed in international markets. To become a registered member of WIN, call 1-888-811-1119. Or go to www.infoexport.gc.ca and register on line.



Canada wins Best Pavilion at Havana

Canada, again this year, had a large presence at the Havana International Trade Fair (FIHAV), held October 28 to November 4, 2001, in which 57 countries participated. Canada's pavilion housed approximately 50 companies, including a delegation from the province of Manitoba.

The third day of the fair was branded Canada Day, when the pavilion was officially opened by the Cuban Minister of Trade Raul de la Nuez and the Canadian Ambassador Michael Small.

Besides providing core Trade Commissioner Service (TCS) services, the Trade Section at the Canadian Embassy in Havana ensured that the pavilion was an excellent representation of Canada as a country and the

Trade Commissioner Service as an organization. The pavilion's attractive design highlighted Canada by featur-

ing the waving-flag design of the new Government of Canada Web site (www.canada.gc.ca), enlarged photos from the Canada-in-a-suitcase program, and TCS signage (www.infoexport.gc.ca). The pavilion turned out so well that FIHAV organizers presented Canada with the award for Best Pavilion.

For more information, contact Brigette Walenius, Trade Commissioner, Canadian Embassy, Havana, tel.: (011-53-7) 204-2516, fax: (011-53-7) 204-2044, e-mail: havan-td@dfait-maeci.gc.ca ✪



Left to right: Virginia Ayala, Trade Assistant; Brigette Walenius, Trade Commissioner; Tino Romaguera, Senior Commercial Officer; Francisco Rodriguez, Commercial Officer; Sylvain Fabi, Trade Program Manager; and Alicia Gonzalez, Senior Trade Assistant.

Saudi Telecommunications 2002

RIYADH, SAUDI ARABIA — February 3-7, 2002 — Held every two years in the largest telecommunications market in the Middle East, Saudi Telecommunications 2002, the 9th International Telecommunications Exhibition and Conference, will offer ideal opportunities to showcase the latest technologies. Under the current phase of the Middle East's largest US\$4 billion telecommunications expansion project, demand continues to grow for the full range of communications hardware, software and services. The show will also provide the opportunity to meet the most important

buyers and industry professionals in the Middle East.

The Canadian Embassy in Riyadh is planning to have an information booth as part of a Canadian pavilion. Companies wishing to participate only through the information booth should send a minimum of 100 catalogues/other materials to the Department of Foreign Affairs and International Trade (attention Maher Abou-Guendia or Keri Holtby) by January 15, 2002. On the package include the following reference: TAMS 4216 Saudi Communications 2002. The Embassy will forward potential leads to companies after the show.

For more information, including space reservation and booth cost, visit www.recepo.com or contact Imad Arafat, Commercial Officer, Canadian Embassy, Riyadh, tel.: (011-966-1) 488-2288, ext. 3360, fax: (011-966-1) 488-0137, e-mail: imad.arafat@dfait-maeci.gc.ca or Maher Abou-Guendia, Senior Adviser for Trade, Maghreb and Arabian Peninsula Division, DFAIT, tel.: (613) 944-5984, fax: (613) 944-7431, e-mail: maher.abou-guendia@dfait-maeci.gc.ca ✪

Hong Kong Information Infrastructure Expo and Conference

HONG KONG — March 7-10, 2002 — At the Hong Kong Information Infrastructure Expo and Conference (HK II Expo), Canadian information and communications technologies (ICT) firms can tap into the Hong Kong and Greater China market, presenting more opportunities than ever before now that China has joined the World Trade Organization.

Over 70,000 trade and individual visitors are expected at this high-

profile event. This is an opportunity to find new business partners, demonstrate your company's latest electronic and ICT applications, and gain insight into ICT industry developments throughout Asia Pacific.

A business mission to HK II Expo is being organized by Trade Team Canada — Information and Communications Technologies (www.ttcinfotech.ca), including the Canadian Consulate General in Hong Kong

(www.hongkong.gc.ca), Industry Canada and several provincial governments, in partnership with the Hong Kong Trade Development Council (HKTDC) (www.tdctrade.com).

Assistant Deputy Minister Jean-Claude Bouchard of Industry Canada will lead the mission. On-site support will be provided by the Trade Commissioner Service. HKTDC offers exhibitors a complimentary match-making service to make contact with suitable Hong Kong companies before the opening of HK II Expo.

Applications will be processed on a first-come, first-served basis. The application deadline is February 1, 2002.

For more information on HK II Expo, visit: <http://hkiexpo.com>

To participate in the Canadian delegation, contact:

- Ken Fong, project coordinator, Hong Kong Trade Development Council, tel.: (416) 366-3594, e-mail: ken.kk.fong@tdc.org.hk
- Dale Forbes, Industry Canada, tel.: (613) 990-9092, e-mail: forbes.dale@ic.gc.ca
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Edxpo 2002

CAIRO, EGYPT — April 16-19, 2002 — The Middle East Education, Training and Development Exhibition and Conference, Edxpo 2002, is a showcase where educational institutions, training organizations and suppliers of systems/technologies can promote their products and services to Middle East markets.

Among the over 10,000 visitors expected at Edxpo will be students, parents, education professionals, human resources and training specialists, policy makers, and researchers from both corporate and government sectors.

For the 200-plus exhibitors from around the world, Edxpo is an opportunity to recruit students, make sales, launch new products, establish contacts, negotiate partnerships, recruit agents or distributors, analyse the competition, network with leaders and decision makers, meet new and prospective clients, and gain a better understanding of the Middle East education sector.

With its strong economy — the third largest in the Middle East and North Africa — and a fast-growing population eager for education/training, Egypt is an ideal setting for Edxpo 2002. As well, the Egyptian government alone has

allocated over \$12.5 billion to education, research, development, and training.

The Canadian Embassy in Cairo will have a booth at Edxpo and will assist Canadian exhibitors to meet key Egyptian contacts. For more details, contact Tarek Abdel Meguid, Commercial Officer, Canadian Embassy, Cairo, tel.: (011-202) 794-3110, fax: (011-202) 794-7659, e-mail: tarek.meguid@dfait-maeci.gc.ca

For more information on Edxpo, contact Maha Surani, Project Manager, Trade Links International, tel.: (011-20-2) 414-5158/-5202, fax: (011-20-2) 415-5212, e-mail: msurani@trade-links.org Web site: www.trade-links.org

For more information on business opportunities in Egypt, contact Tarek Abdel Meguid, Commercial Officer, Canadian Embassy, Cairo, tel.: (011-202) 794-3110, fax: (011-202) 794-7659, e-mail: tarek.meguid@dfait-maeci.gc.ca Web site: www.canada-eg.com or J.M.Scott-Harston, Middle East Division, DFAIT, tel.: (613) 944-6346, fax: (613) 944-7975, e-mail: michael.scott-harston@dfait-maeci.gc.ca Web site: www.dfait-maeci.gc.ca/middle_east/country-e.asp?cid=126



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Upcoming trade shows and conferences

For the full details on the following events, see *Canadexport* on-line at www.infoexport.gc.ca/canadexport and click on "Trade Fairs and Missions."

BANGALORE, INDIA — January 29-February 1, 2002 — **Componex/ElectronicIndia 2002**, the 7th International Conference and Exhibition of Electronic Components, Materials and Production Equipment, will be held in India's Silicon Valley, and will feature the latest products in the electronics sector. The 2001 event drew 254 exhibitors from 24 countries and 19,000 trade professionals.

GENEVA, SWITZERLAND — January 30-31, 2002 — **International Aid and Trade Europe 2002** is a conference and trade show on the provision of emergency relief and development aid. The theme will be "The Changing Nature of Aid: Response, Rehabilitation and Development" with a special focus on Europe and Central Asia.

SAINT JOHN, NEW BRUNSWICK — January 31-February 3, 2002 — The **East Coast Music Awards** draw music industry professionals from the East Coast, across Canada, the United States and Europe.

CANNES, FRANCE — February 4-8, 2002 — **MILIA** is the leading international multimedia exhibition and conference for next-generation interactive content across all delivery platforms.

NEW YORK, NEW YORK — February 6-10, 2002 — The **Armory Show** is a continuing visual arts tradition commemorating the groundbreaking Armory Show of 1913.

BERLIN, GERMANY — February 6-17, 2002 — **Berlinale** is one of the most important film festivals in Europe, and the **European Film Market** attracts producers and distributors, as well as those active in video and television sales and acquisitions.

SANTA MONICA, CALIFORNIA — February 20-27, 2002 — The **American Film Market** is the largest motion picture trade event in the world

SEOUL, KOREA — February 26-March 1, 2002 — **ExpoComm 2002** is the major telecommunications show in Korea, and is expected to attract over 500 companies from 40 countries and more than 60,000 visitors. Korea's wireless sector is booming, and the country holds the record for the highest broadband Internet penetration rate in the world.

TORONTO, ONTARIO — February 28-March 3, 2002 — **Canadian Music Week** is Canada's major sound recording industry event, with increasing participation from leading international industry professionals.

BARCELONA, SPAIN — March 4-8, 2002 — Considered one of the most comprehensive food and beverage exhibitions in the world, the 14th **Alimentaria International Food and Beverage Exhibition** will feature 3,000 exhibitors from 51 countries, and more than 117,000 visitors from 98 countries are expected to attend. The Canadian Embassy in Madrid will again organize a Canadian pavilion for the show.

MONTREAL, QUEBEC — March 5-6, 2002 — The **International Building and Design Show** is the only trade event in Canada exclusively for industry professionals. The show features all the major sectors of design plus residential, commercial and industrial construction, including building/housing systems and technology, doors and windows, furnishings, environment, healthy materials and renovation.

ROTORUA, NEW ZEALAND — March 12-16, 2002 — The **Forest Industries International Conference and Exhibition** is New Zealand's largest forest industry event. New Zealand will need to invest heavily in new processing facilities, which means opportunities for Canadian manufacturers of forestry and wood processing machinery.

LONDON, U.K. — March 17-19, 2002 — The **London Book Fair** is a major feature of the international publishing calendar, and attracts more visitors and exhibitors each year.

SEOUL, KOREA — March 18-19, 2002 — **Food Showcase Korea** will occur the week following **Foodex** in Japan, and is the major venue to promote food products to Korean importers. Korea is one of the most dynamic Asian economies.

TEL AVIV, ISRAEL — March 19-21, 2002 — **Bio-Tech Israel 2002, National Biotechnology Week, Conference and Exhibition** — The Canadian Embassy in Tel Aviv, in cooperation with Technology Partnership Canada and Industry Canada, is planning a number of activities in conjunction with this event, including a partnering event for Canadian biotech companies with Israeli counterparts.

LONDON, U.K. — April 5-6, 2002 — The **British and International Franchise Exhibition** focuses on quality franchisors accredited by the British Franchise Association. As well as face-to-face meetings with franchisors, visitors will have the opportunity to obtain free advice from leading banks, solicitors and franchise consultants.

CAIRO, EGYPT — April 9-11, 2002 — **Middle East and Africa Ports and Maritime Exhibition and Conference** will showcase technological advancements in the ports and maritime transport sector and is expected to be regarded as one of the leading events

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Upcoming trade shows and conferences

— Continued from page 19

of its kind. The event coincides with substantial investment and major reforms in the Middle East and Africa, as well as the Egyptian government's plans to build new ports and modernize existing ports.

BOLOGNA, ITALY — April 10-13, 2002 — The Bologna Children's Book Fair is the major international event for children's publishing.

GLASGOW, SCOTLAND — April 18-20, 2002 — **Aquaculture International 2002** will cover all aspects of cold water aquaculture, including salmon and shellfish, and will feature exhibits of all types of equipment and services for this industry.

GLASGOW, SCOTLAND — April 18-20, 2002 — **Fishing**, Europe's premier commercial fisheries trade fair and largest gathering of fishing professionals, attracts over 10,000 visitors each year from 38 countries and approximately 400 exhibitors from 20 countries. **Fishing 2002** will include a vast range of equipment and services.

LONDON, U.K. — May 21-23, 2002 — **London International Wine Trade Fair** is recognized as the U.K.'s most important trade event for the wine and spirit industry. The 2001 show had representation from 33 wine-producing countries and attracted a

large number of international visitors, reinforcing the show's status as a global tasting arena for buyers.

SYDNEY, AUSTRALIA — May 28-30, 2002 — **CeBIT Australia** is Australia's premier information and communications technologies (ICT) exhibition and conference. Based on **CeBIT Hannover**, **CeBIT Australia** is expected to draw more than 12,000 visitors including decision makers involved in specifying, recommending or approving the purchase of ICT.

MELBOURNE, AUSTRALIA — June 2-5, 2002 — Following the success of the 2001 show, held in Sydney, Canadian exporters will be able to participate in **Interbuild Australia 2002**, Australia's largest building exhibition, which showcases the latest in building products and technology for residential, commercial and industrial construction.

HONG KONG — June 11-14, 2002 — The 10th Asian International Electrical, Electronic Engineering, Lighting Technology, Ventilation and Heating, and Refrigeration Show, **Asian Elenex 2002**, is the region's leading international electrical engineering show, and highlights all aspects of building and infrastructure projects. This year the show's focus will be on automation.

The 7th Asian International Security, Safety and Fire Protection Show and Conference, **Asian Securitex 2002**,

will be held in conjunction with **Asian Elenex**. It is the region's leading international security show, and links the latest high-tech electronics with the newest developments in building-related technologies. In the wake of September 11, the interest should be even stronger.

ALGIERS, ALGERIA — June 13-24, 2002 — The 35th **Algiers International Fair (FIA)** will offer Canadian companies opportunities to enter the Algerian market. (Algeria is Canada's largest trading partner in the Middle East and North Africa.) An internationally renowned multisectoral exhibition, the 2001 show featured 1,500 exhibitors and attracted more than 500,000 visitors.

SINGAPORE — June 17-21, 2002 — "Beyond broadcasting...worldcasting" is the theme for **BroadcastAsia 2002**, the 8th Asian Broadcast and Multimedia Technology Exhibition and Conference. Canadian exhibitors will benefit from a marketing support program delivered by DFAIT, Canadian Heritage, and Industry Canada under Trade Team Canada Inc.—Information and Communications Technologies. **BroadcastAsia 2002** will be held in conjunction with **CommunicAsia 2002** (June 18-21, 2002), the 14th Asian International Communications and Information Technology Exhibition and Conference, and Asia's largest telecommunications and information technology event. Last year's event drew 2,400 participating companies and 48,000 trade visitors. ★

Enquiries Service

DFAIT's Enquiries Service provides counselling, publications, and referral services to Canadian exporters. Trade-related information can be obtained by calling 1-800-267-8376 (Ottawa region: 944-4000) or by fax at (613) 996-9709; by calling the Enquiries Service FaxLink (from a fax machine) at (613) 944-4500; or by accessing the DFAIT Internet site at www.dfait-maecd.gc.ca

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