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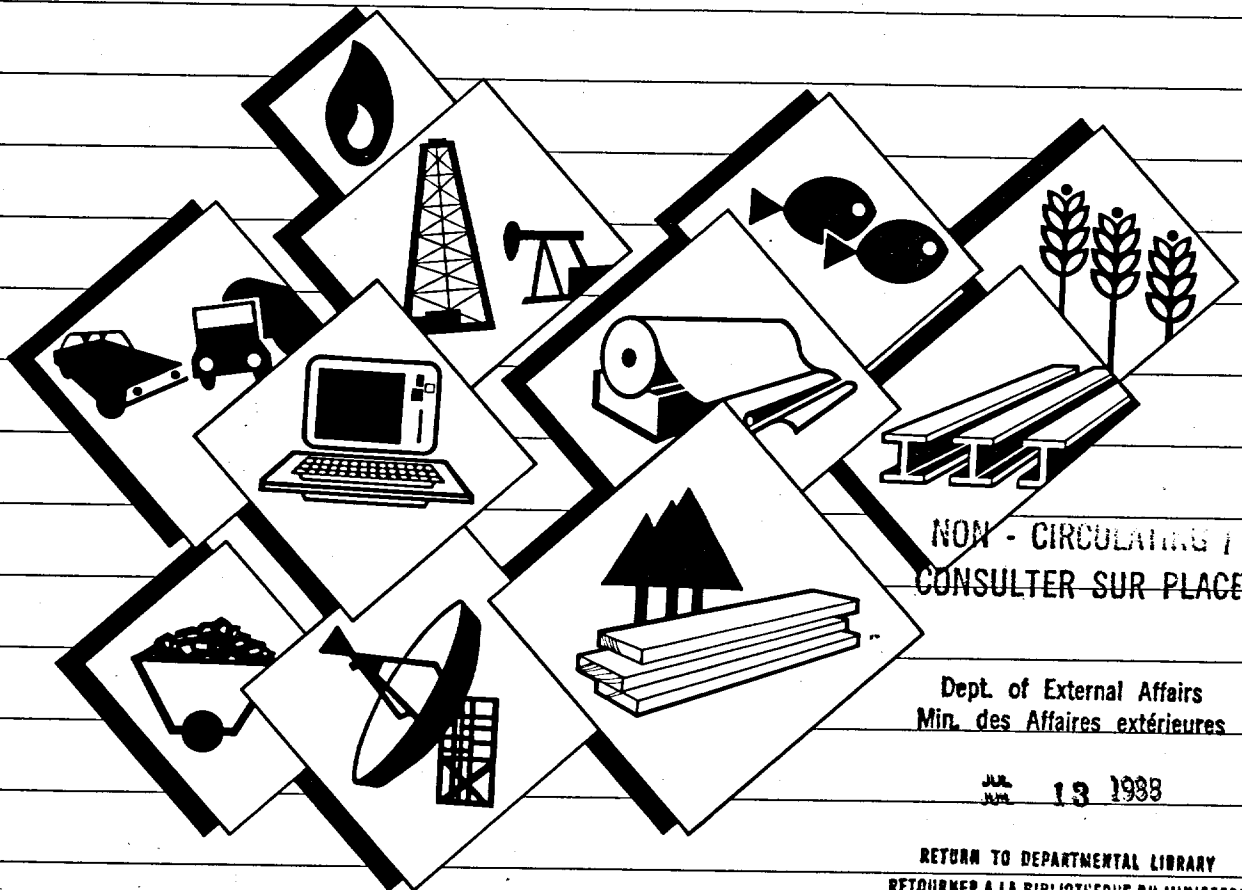
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DOCS

DRAFT
GEOGRAPHICAL SYNOPSIS
FOR CONSULTATION PURPOSES ONLY

LATIN AMERICA AND CARIBBEAN

**1988-89 EXPORT AND INVESTMENT PROMOTION
OPERATIONAL PLAN**



NON - CIRCULATING /
CONSULTER SUR PLACE

Dept. of External Affairs
Min. des Affaires extérieures

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DEPARTMENT OF EXTERNAL AFFAIRS

Export and Investment Promotion Planning System

1988/89 Geographic Synopsis

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Export and Investment Promotion Planning System

REPT: SYN-GEO 88/89 List of missions/market covered in the following report

MISSIONS

BUENOS AIRES

SANTIAGO

BRASILIA

SAO PAULO

LIMA

BOGOTA

CARACAS

MEXICO

SAN JOSE

GUATEMALA

HAVANA

PORT-OF-SPAIN

KINGSTON

BRIDGETOWN

MARKETS

ARGENTINA

URUGUAY

CHILE

BRAZIL

BRAZIL

PERU

COLOMBIA

VENEZUELA

MEXICO

COSTA RICA

PANAMA

GUATEMALA

CUBA

TRINIDAD AND TOBAGO

BAHAMAS

JAMAICA

BARBADOS

Export and Investment Promotion Planning System

1988/89 Trade and Economic Overview

Mission: 631 BUENOS AIRES

Country: 001 ARGENTINA

A LA FIN DU TROISIEME TRIMESTRE DE 87 L'ECONOMIE ARG. PRESENTAIT UN BULLETIN DE SANTE GLOBALEMENT INQUIETANT. LA CROISSANCE DU PNB CONTRAIREMENT AU 4% PREVUS, SE DIRIGEAIT AVEC DIFFICULTE VERS UN MAIGRE 2.5%. L'INFLATION ETAIT EN ROUTE VERS UN TAUX ANNUEL DE L'ORDRE DU 150/160% COMPARATIVEMENT A UN OBJECTIF DE 42% AU MEME MOMENT, LES PROJECTIONS POUR L'ANNEE INDICUAIENT LA POSSIB. D'UN DEFICIT FISCAL EQUIVALENT A 7% DU PNB, VS LE 2% DE L'ENTENT AVEC LE FMI. LA SITUATION EXTERNE ETAIT TOUT AUSSI INQUIETANTE AVEC UNE AUGMENTATION DES IMPORTATIONS DE L'ORDRE DE 20% & UNE CHUTE DES EXPORT. DE L'ORDRE DE 10%. LE SURPLUS COMM. N'ARRIVAIT PLUS A COUVRIR QU'ENVIRON 25/30% DU SERV. DE LA DETTE EXTERNE & IL ETAIT QUEST. D'UN DEFICIT DE LA BALANCE DES PAIEMENTS DE L'ORDRE DE \$3.7 MILL. VS L'HYPOTHESE DE BASE DE \$2.5 MILL DES RECENTES NEGOCIATIONS AVEC LE FMI ET LES CREANCIERS ETRANGERS. LE PANORAMA ECONOMIQUE NE LAISSAIT QUE PEU DE MARGE DE MANOEUVRE AU GOV'T & TEL QUE PREVU UN PROG. IMPORTANT DE MESURES ECONOMIQUES VISANT A REDRESSER LA SITUATION FUT ANNONCE AU DEBUT OCT 87. CES MESURES VISENT UNE FOIS PLUS A REDUIRE LE DEFICIT FISCAL & DES SALAIRES & DES SALAIRES & LES MESURES FISCALES SONT ACCOMPAGNES D'UNE REFORME DU SYSTEME FINANCIER QUI A DEJA ENTRAINE DES TAUX DE CHANGE PLUS REALISTES & UNE BAISSSE DES TAUX D'INTERET AINSI QUE DE MESURES VISANT A ENCOURAGER LES IMPORT. ET L'INVESTISSEMENT MANUFACTURIER. LE GOV'T A EGALEMENT REAFFIRME SON INTENTION D'OUVRIER L'ECONOMIE AFIN DE LA RENDRE PLUS COMPETITIVE & DE REFORMER L'ETAT ET SES SERV. FAVORISANT L'OPTION DE LA PRIVATISATION. LA DE-MONOPOLISATION DES SERV. PUBLICS EST DEJA EN VOIE DE REALISATION & D'ICI FIN 88 L'IMPORTATION LIBRE DE PLUSIEURS PROD (SECT. DU PAPIER DE LA SIDERURGIE DE LA CHIMIE & DE LA PETRO-CHIMIE) DEVRAIT ETRE UN FAIT ACCOMPLI. DE LA MEME MANIERE DES MESURES ONT ETE ANNONCEES FAVORISANT L'INVESTISSEMENT ETRANGER ENTRE AUTRES QUANT AUX MECANISMES DE LA CAPITALISATION DE LA DETTE EXTERIEURE ET AUX CONTRATS DE RISQUE DANS LE SECTEUR DES HYDROCARBURES. IL EST EVIDENT COMPTE TENU DU CLIMAT SOCIAL QUE L'APPLICATION DE CE NOUVEAU PROGRAMME ECONOMIQUE NE SE FERA PAS SANS DIFFICULTE MAIS LE GOV'T EST CEPEND. DETERMINE A MODERNISER L'ECONOMIE ARG. LE NOUVEAU PROGRAMME ECONOMIQUE IMPOSE DES LIMITE QUANT AUX POSSIBILITES D'EXPANSION DES MIN. & ENTREPRISES D'ETAT MAIS CERTAINS SECTEURS COMME L'ENERGIE OU ENCORE LES INFRASTRUC. RELIEES A L'EXPORTATION CONTINUERONT A ETRE PRIVILEGIES. SI LES POSSIBILITES DE CROISSANCE DES SECTEURS PUBLICS & PARA-PUBLICS SE VOIENT SERIEUSEMENT HYPOTHEQUEES A CE MOMENT-CI LE SECT. PRIVE ARG LUI DEMEURE UNE EXCELLENTE ALTERNATIVE POUR LES EXPORTEURS CAN. TANT DANS LE CONTEXTE DE LA DE-MONOPOLISATION DES SERV. PUBLICS QUE DANS CELUI DE LA RENOVATION INDUSTRIELLE. LA VOLONTE AFFIRMEE DU GOV'T D'ENCOURAGER L'INVESTISSEMENT MAN. EN VUE DES MARCHES D'EXPORTATION OFFRIRA DES POSSIBILITES INTERESSANTES POUR

Export and Investment Promotion Planning System

REPT: SYN-GEO 88/89 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

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

1. 005 COMM. & INFORM. EQP. & SERV

REASONS: OPENING OF PUBLIC SERVICE SECTOR THROUGH PRIVATIZATION SHOULD LEAD TO GREATER INVESTMENTS IN AREAS SUCH AS TELECOMMUNICATIONS.

2. 012 PETROCHEM & CHEM PROD, EQP, SERV

REASONS: THE PLANNED LIBERALIZATION OF PETROCHEMICAL & CHEMICAL IMPORTS SHOULD OFFER NEW OPPORTUNITIES FOR CANADIAN EXPORTERS.

3. 011 OIL & GAS EQUIPMENT, SERVICES

REASONS: THE IMPROVEMENT OF CONDITIONS OFFERED UNDER LAST VERSION OF THE HOUSTON PLAN SHOULD LEAD TO GREATER INVESTMENTS IN THE LOCAL OIL INDUSTRY.

4. 007 POWER & ENERGY EQUIP. & SERV.

REASONS: CANADIAN COMPANIES ARE ALREADY INVOLVED IN TWO MAJOR POWER PROJECTS (YACYRETA & PIEDRA DEL AGUILA) AND FURTHER OPPORTUNITIES HAVE ALREADY BEEN IDENTIFIED.

5. 014 EDUCATION, MEDICAL, HEALTH PROD

REASONS: THE \$200 BILL. (US) & PLUS HEALTH SECTOR REHABILITATION PROJECT (IADB) SHOULD OFFER OPPORTUNITIES FOR THE CANADIAN EXPORTERS RELATED TO THIS SECTOR.

6. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: IT IS A SMALL BUT INCREASING MARKETING FOR US AND NO DOUBT THERE IS STILL SOME PLACE FOR GROWTH FOR SPECIFIC PRODUCTS.

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

1. 012 PETROCHEM & CHEM PROD, EQP, SERV
2. 010 MINE, METAL, MINERAL PROD & SRV
3. 008 TRANSPORT SYS, EQUIP, COMP, SERV.
4. 009 FOREST PRODUCTS, EQUIP, SERVICES

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 011 ANIMAL, POULTRY BREEDING STOCK

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	4.00M	\$ 3.50M	\$ 4.00M	\$ 4.00M
Canadian Exports \$	0.40M	\$ 0.30M	\$ 0.60M	\$ 0.50M
Canadian Share of Import Market	10.00%	9.00%	15.00%	12.00%

Major Competing Countries

Market Share

- i) 577 UNITED STATES OF AMERICA
- ii) 349 MEXICO
- iii) 609 EUROPEAN COMMON MARKET C

050 %
015 %
025 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

- i) HOLSTEIN LIVESTOCK SEMEN
- ii) POULTRY

Current Total Imports
In Canadian \$
\$ 3.00 M
\$ 3.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

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

Activity: POST WILL ATTEND THE YEARLY FESTIVAL OF HOLSTEIN CATTLE AT VILLA MARIA (CORDOBA) WITH PROMOTIONAL MATERIAL AND TO PRODUCE A DATA BASE OF POTENTIAL CUSTOMERS.

Results Expected: INCREASE OUR PROFILE AND BETTER PENETRATION OF POTENTIAL MARKET PLUS INCREASED SALES.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 013 SEEDS & SPECIAL CROPS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	5.00M	\$ 6.00M	\$ 7.00M	\$ 7.50M
Canadian Exports \$	0.20M	\$ 0.20M	\$ 0.30M	\$ 0.30M
Canadian Share of Import Market	4.00%	3.00%	4.00%	4.00%

Major Competing Countries

Market Share

- | | |
|----------------------------------|-------|
| i) 577 UNITED STATES OF AMERICA | 040 % |
| ii) 609 EUROPEAN COMMON MARKET C | 030 % |

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) FORRAGE SEEDS	\$ 4.00 M
ii) PULSES	\$ 1.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- the unsuitability of Canadian products for this market
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:

IT IS DIFFICULT FOR CANADIAN FIRMS TO PENETRATE THIS MARKET WHICH
IS DOMINATED BY MULTINATIONALS

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: SECTORIAL STUDY, SEEDS AND SPECIAL CROPS (ACTIVITY WAS DELAYED DUE TO OTHER COMMITMENTS AND POSTPONEMENT OF EVENTUAL MISSION TO FY 88/89).

Results Expected: A) TO IDENTIFY REQUIREMENTS & MARKETING CHANNELS. B) TO INCREASE NUMBER OR REPS OF CDN COS IN MARKET PLACE.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 015 SEMI & PROCESSED FOOD & DRINK

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	120.00M	\$ 110.00M	\$ 130.00M	\$ 120.00M
Canadian Exports \$	5.00M	\$ 6.00M	\$ 2.00M	\$ 1.50M
Canadian Share of Import Market	4.00%	5.50%	1.50%	1.20%

Major Competing Countries

Market Share

i) 047 BRAZIL	070 %
ii) 008 URUGUAY	005 %
iii) 068 CHILE	005 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports In Canadian \$
i) DAIRY PRODUCTS \$ 10.00 M
ii) SEMI PROCESSED FOOD \$ 8.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: SEMI PROCESSED AND PROCESSED FOOD MARKET SURVEY

Results Expected: A) TO IDENTIFY IMPORT NEEDS AND MARKETING CHANNELS. B) TO INCREASE CDN COYS AND REPS. IN MARKET

Export and Investment Promotion Planning System

BB/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 018 FEED, FERTILIZER & VET PRODUCTS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	8.00M	\$ 10.00M	\$ 10.00M	\$ 11.00M
Canadian Exports \$	0.20M	\$ 0.10M	\$ 0.00M	\$ 0.00M
Canadian Share of Import Market	3.00%	1.00%	0.00%	0.00%

Major Competing Countries

Market Share

i) 047 BRAZIL	040 %
ii) 609 EUROPEAN COMMON MARKET C	020 %
iii) 577 UNITED STATES OF AMERICA	015 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports
In Canadian \$
\$ 4.00 M

i) ANIMAL FEED ADITIVES

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

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

Activity: ANIMAL FEED ADDITIVE SECTORIAL STUDY

Results Expected: A) TO IDENTIFY REQUIREMENTS & MARKETING CHANNELS. B) TO INCREASE NO. OF CDN COS ACTIVE IN MARKET. C) TO INCREASE NUMBER OF REPS.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 004 DEFENCE PROGRAMS, PRODUCTS, SERV

Subsector: 043 ELECTRICAL & ELECTRONIC

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	3.00M	\$ 2.00M	\$ 1.50M	\$ 2.00M
Canadian Exports \$	0.80M	\$ 0.20M	\$ 0.10M	\$ 0.10M
Canadian Share of Import Market	0.02%	0.01%	0.01%	0.01%

Major Competing Countries

Market Share

i) 128 GERMANY WEST	040 %
ii) 112 FRANCE	015 %
iii) 237 ITALY	008 %
iv) 577 UNITED STATES OF AMERICA	005 %
v) 232 ISRAEL	002 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

In Canadian \$

i) AERONAVAL ELECTRONIC COMPONENTS	\$ 2.00 M
ii) MARINE SYSTEMS	\$ 1.50 M
iii) RADAR SYSTEM	\$ 3.50 M
iv) SONOBUOYS	\$ 0.50 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: REFITTING OF ELECTRONICS COMPONENTS IN
6 TURBOTRACTOR AIRCRAFTS

Approximate Value: \$ M

Financing Source:

For further info. please contact:

DERRICK HARD PHONE 312-9081/88 BAIRS TLX: 021-383

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:
SOURCING OF ELECTRONIC PARTS AND COMPONENTS HAS TRADITIONALLY BEEN FROM COUNTRIES OTHER THAN CANADA (U.S.A. AND EUROPE). ARMED FORCES ARE ONLY NOW BEGINNING TO LOOK TO OTHER SUPPLIERS.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

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

Activity: COMPLETE MARKET SURVEY OF FABRICACIONES MILITARES ELECTRIC/ELECTRONICS PRODUCTS REQUIREMENTS AND IDENTIFY USUAL MARKETING CHANNELS.

Results Expected: OBTAIN PRECISE INFO ON INDUSTRY NEEDS AND WAYS TO GET INVOLVED FOR CANADIAN SUPPLIERS.

Activity: COMPLETE MARKET SURVEY ON AIR AND MARINE MARKET AIDS REQUIREMENTS AND IDENTIFY MARKETING CHANNELS.

Results Expected: OBTAIN INFO ON FUTURE INDUSTRY NEEDS AND WAYS TO GET INVOLVED FOR CDN SUPPLIERS.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 005 COMM. & INFORM. EQP. & SERV

Subsector: 053 TELECOMMUNICATIONS (INC SPACE)

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	335.00M	\$ 340.00M	\$ 330.00M	\$ 330.50M
Canadian Exports \$	2.00M	\$ 1.50M	\$ 0.50M	\$ 2.50M
Canadian Share of Import Market	0.60%	0.50%	0.10%	0.80%

Major Competing Countries

Market Share

i) 128 GERMANY WEST	030 %
ii) 265 JAPAN	030 %
iii) 577 UNITED STATES OF AMERICA	010 %
iv) 237 ITALY	009 %
v) 047 BRAZIL	008 %
vi) 112 FRANCE	006 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) HIGH AND LOW CAPACITY SWITCHING SYSTEMS	\$ 85.00 M
ii) RURAL TELEPHONY	\$ 35.00 M
iii) DOMESTIC COMMUNICATIONS SATELLITES	\$ 0.00 M
iv) DIGITAL MULTIPLEXES	\$ 0.00 M
v) TELEPHONE DIRECTORIES (INTERIOR OF COUNTRY)	\$ 0.00 M
vi) CONSULTING SERVICES TO ENTEL	\$ 0.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: RURAL TELEPHONY
 Approximate Value: \$ 200 M
 Financing Source: 001 IBRD 003 IADB
 For further info. please contact:
 DERRICK HARD: PHONE 312-9081/88 BAIRS TLX: 021383

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- high tariffs
- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:

LACK OF "PRESENCE" IN ARGENTINA BY CANADIAN COMPANIES (EITHER THROUGH AGENT OR REPRESENTATIVE) WOULD ACCOUNT IN MANY CASES FOR OUR VERY LOW MARKET SHARE.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade fairs
- competitive export pricing for this market
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: PARTICIPATE IN J OR SAT II (ARG. PRIVATE/PUBLIC SECTOR INITIATIVE DESIGNED TO BUILD UP CONSTITUENCY AMONG SATELLITE SERVICE END-USERS).

Results Expected: ORGANIZATION OF THIS CONFERENCE HAS BEEN DELAYED TO THE FIRST QUARTER 1988. OUR PARTICIPATION COULD INCREASE CDN VISIBILITY IN SATELLITE SECTOR.

Activity: ENCOURAGE CANADIAN MANUFACTURERS TO ESTABLISH JOINT VENTURE FOR TELECOM EQUIPMENT MANUFACTURE FOR RURAL TELEPHONY, AND MEGATEL II 5 MILLION LINE EXTENSION.

Results Expected: MEDIUM- TERM SALES OF RURAL TELEPHONY EQUIPMENT NEEDS.

Activity: COMPLETE MARKET SURVEY OF TELEPHONE CO-OPERATIVES IN INTERIOR OF THE COUNTRY.

Results Expected: IDENTIFY CO-OPS MEDIUM AND LONG-TERM EQUIPMENT NEEDS.

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

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

Activity: ORGANIZE VISIT TO CANADA OF ARGENTINA'S SECRETARY OF COMMUNICATIONS TO MEET DOCOTT COUNTERPARTS AND INDUSTRY REPS.

Results Expected: PROVIDE SECRETARIAT WITH FIRST-HAND VIEW OF CDN CAPABILITIES AND INITIATE DIALOGUE RE SATELLITE USE.

Activity: INITIATE TRAINING IN CANADA OF SEC. OF COMMUNICATIONS SPECIALISTS IN AREAS OF SPECTRUM MANAGEMENT, SATELLITE POLICY AND TELECOMS DEREGULATION.

Results Expected: PROVIDE SECRETARIAT DECISION-MAKERS WITH OVERVIEWS OF CDA ACTIVITIES IN TELECOMS SECTOR & CDN TELECOMS CAPABILITIES.

Activity: ENSURE CDN GOVT OFFER TO ARGENTINA TO PREPARE DOMESTIC SATELLITE FEASIBILITY STUDY (IN CONJUNCTION WITH THE CDN PRIVATE SECTOR) FOR ARGENTINA.

Results Expected: PROVIDE CDN PRIVATE SECTOR WITH INSIDE TRACK ONCE ARG GOVT GOES AHEAD WITH DOMESTIC SATELLITE.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	400.00M	\$ 200.00M	\$ 200.00M	\$ 240.00M
Canadian Exports \$	20.00M	\$ 0.50M	\$ 2.00M	\$ 17.80M
Canadian Share of Import Market	5.00%	2.50%	7.40%	7.40%

Major Competing Countries

	Market Share
i) 553 UNION OF SOVIET SOC REP	025 %
ii) 047 BRAZIL	010 %
iii) 128 GERMANY WEST	025 %
iv) 112 FRANCE	010 %
v) 577 UNITED STATES OF AMERICA	020 %
vi) 237 ITALY	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) HYDRO TURBINES	\$ 0.00 M
ii) HYDRO GENERATORS	\$ 0.00 M
iii) HIGH CAPACITY COUPLING SERVICES	\$ 0.00 M
iv) LARGE ELECTRICAL TRANSFORMERS	\$ 0.00 M
v) CONTROL SYSTEMS FOR POWER GRIDS	\$ 0.00 M
vi) HEAVY ELECTRICAL SWITCH GEAR	\$ 0.00 M
vii) NON-CONVENTIONAL ENERGY SYSTEMS	\$ 0.00 M
viii) CONSULTING ENGINEERING SERVICES	\$ 0.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: YACYRETA HYDRO
Approximate Value: \$ 12000 M
Financing Source: 001 IBRD 003 IADB
023 EDC

For further info. please contact:

B. PERKINS PHONE: 312-9081/88 BAIRS TLX: 021-383

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- ii) Project Name: PIEDRA DEL AGUILA HYDRO
Approximate Value: \$ 3000 M
Financing Source: 003 IADB 023 EDC
For further info. please contact:
B. PERKINS PHONE: 312-9081/88 BAIRS TLX: 021-383

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: REPORT ON SEGBA'S DISTRIBUTION SYSTEM EXPANSION PROJECT WAS NOT COMPLETED, AS LOCAL DECISION TO SOURCE FROM LOCAL INDUSTRY VIRTUALLY PRECLUDES CDN PARTICIPATION.

Results Expected:

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: THE STUDY FOR THE FEDERAL ENERGY SECRETARIAT'S POWER ENGINEERING PROJECT IS BEING CARRIED OUT BY LOCAL EXPERTS.

Results Expected:

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

Activity: REPORT ON UP-DATED SCHEDULE OF TENDERS FOR SUPPLY OF SECONDARY EQUIPMENT FOR YACYRETA & PIEDRA DEL AGUILA HYDRO PROJECTS.

Results Expected: CDN SUPPLIERS WILL BE ALERTED ON BUSINESS OPPORTUNITIES, WITHIN PROJECTS FINANCED BY IADB, IBRD AND EDC.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	400.00M	\$ 320.00M	\$ 300.00M	\$ 240.00M
Canadian Exports \$	20.00M	\$ 16.00M	\$ 14.30M	\$ 18.10M
Canadian Share of Import Market	5.00%	5.30%	4.80%	7.50%

Major Competing Countries

Market Share

i) 047 BRAZIL	025 %
ii) 112 FRANCE	015 %
iii) 577 UNITED STATES OF AMERICA	010 %
iv) 128 GERMANY WEST	010 %
v) 237 ITALY	010 %
vi) 616 OTHER COUNTRIES	030 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) RAILWAY LOCOMOTIVE PARTS COMPONENTS & LICENSES	\$ 40.00 M
ii) OEM PARTS FOR LOCALLY MADE LIGHT TRUCKS	\$ 40.00 M
iii) REPLACEMENT AIRCRAFT TURBINES & PARTS	\$ 15.00 M
iv) TRANSPORTATION ADVISORY AND ENGINEERING	\$ 3.00 M
v) URBAN TRAFFIC CONTROL EQUIPMENT	\$ 3.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be high

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: REPORT ON RAILWAY DEVELOPMENT WAS POSTPONED DUE TO LACK OF DECISION IN RAILWAYS.

Results Expected: ALERT CDN SUPPLIERS OF OPPORTUNITIES TO SUPPLY SERVICES/PRODUCTS & ALSO TO JOINT VENTURE

Activity: AUTOPARTS STUDY PENDING IMPROVEMENT OF MARKET

Results Expected: LOCAL AUTO INDUSTRY AT LOW POINT, BUT COULD EVENTUALLY OFFER GOOD POTENTIAL FOR LICENSING /JOINT VENTURE.

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

Activity: SECTORAL STUDY, ARGENTINE AUTOPARTS INDUSTRY.

Results Expected: A) TO IDENTIFY REQUIREMENTS IN TERMS OF TECHNOLOGIES. B) TO IDENTIFY IMPORT REQUIREMENTS & MARKETING CHANNELS. C) TO INCREASE NO. CDN COY ACTIVE IN MARKET.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES

Subsector: 094 PULP AND PAPER PRODUCTS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	60.00M	\$ 45.00M	\$ 40.00M	\$ 45.00M
Canadian Exports \$	10.00M	\$ 8.00M	\$ 6.00M	\$ 6.00M
Canadian Share of Import Market	16.00%	17.00%	15.00%	13.00%

Major Competing Countries

Market Share

i) 507 SWEDEN	020 %
ii) 410 NORWAY	015 %
iii) 047 BRAZIL	010 %
iv) 577 UNITED STATES OF AMERICA	010 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

i) NEWSPRINT	In Canadian \$	\$ 10.00 M
ii) WOOD PULP		\$ 30.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

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

Activity: MARKET SURVEY, PULP AND PAPER PRODUCTS, TO TAKE ADVANTAGE OF THE EVENTUAL LIBERALIZATION OF IMPORTS.

Results Expected: A) TO IDENTIFY NEEDS & MARKETING CHANNELS.
B) INCREASE NUMBER OF CDN COYS ACTIVE IN MARKET AND NUMBER OF REPRESENTATIONS.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES

Subsector: 096 EQUIPMENT AND MACHINERY

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	25.00M	\$ 25.00M	\$ 20.00M	\$ 20.00M
Canadian Exports \$	1.00M	\$ 0.70M	\$ 0.50M	\$ 0.40M
Canadian Share of Import Market	4.00%	2.80%	2.50%	2.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	030 %
ii) 047 BRAZIL	030 %
iii) 507 SWEDEN	020 %
iv) 504 FINLAND	000 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) PULP & PAPER PRODUCTION EQUIPMENT	\$ 30.00 M
ii) EQUIPMENT FOR SAWMILLS	\$ 3.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: PULP/PAPER MILL CORRIENTES/ENTRE RIOS
Approximate Value: \$ 150 M
Financing Source: 024 BC
For further info. please contact:
H. GLANSDORP PHONE: 312-9081/88 BAIRS TLX: 021383

ii) Project Name: PAPER MILL SALTA
Approximate Value: \$ 50 M
Financing Source: 025 OTHER 023 EDC
For further info. please contact:
H. GLANSDORP PHONE: 312-9081/88 BAIRS TLX: 021383

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: PAPER MILL CHUBUT

Approximate Value: \$ 120 M

Financing Source: 025 OTHER 023 EDC

For further info. please contact:

H. GLANSDORP PHONE: 312-9081/88 BAIRS TLX: 021383

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

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

Activity: ARRANGE FOR A CATALOGUE SHOW OF CANADIAN FORESTRY EQUIPMENT AT THE CITY OF CORRIENTES WITH LOCAL AUTHORITIES & END USERS.

Results Expected: TO INCREASE NUMBER OF REPRESENTATIONS AND NUMBER OF CDN COYS IN MARKET.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 010 MINE, METAL, MINERAL PROD & SRV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	600.00M	\$ 500.00M	\$ 600.00M	\$ 450.00M
Canadian Exports \$	12.00M	\$ 10.00M	\$ 21.90M	\$ 9.20M
Canadian Share of Import Market	2.00%	2.00%	3.60%	2.00%

Major Competing Countries

Market Share

i) 047 BRAZIL	040 %
ii) 577 UNITED STATES OF AMERICA	020 %
iii) 068 CHILE	020 %
iv) 075 CANADA	010 %
v) 616 OTHER COUNTRIES	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) SULPHUR	\$ 10.00 M
ii) ASBESTOS	\$ 10.00 M
iii) TINPLATE	\$ 20.00 M
iv) INDUSTRIAL MACHINERY	\$ 140.00 M
v) NON-FERROUS METALS	\$ 80.00 M
vi) MINING SERVICES	\$ 3.00 M
vii) MINING EQUIPMENT	\$ 15.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: REPORT ON DEVELOPMENT OF MINING PROJECTS RIO TURBIO (COAL), BAJO DE LA ALUMBRERA (COPPER/GOLD) AND HIPASAM (IRON ORE).

Results Expected: TO IDENTIFY POTENTIAL FOR SERVICES AND EQUIPMENT.

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

Activity: MINERALS AND MINERAL PRODUCTS MARKET STUDY TO TAKE ADVANTAGE OF THE EVENTUAL LIBERALIZATION OF THE SECTOR.

Results Expected: A) TO IDENTIFY REQUIREMENTS & MARKETING CHANNELS. B) TO INCREASE NUMBER OF CDN COS ACTIVE IN THE MARKET. C) TO INCREASE NUMBER OF REPS.

Activity: METALS, PRIMARY AND FABRICATED MARKET SUPPLY TO TAKE ADVANTAGE OF THE EVENTUAL LIBERALIZATION OF THE SECTOR.

Results Expected: A) TO IDENTIFY REQUIREMENTS & MARKETING CHANNELS. B) TO INCREASE NUMBER OF CDN COS ACTIVE IN THE MARKET. C) TO INCREASE NUMBER OF REPS

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 011 OIL & GAS EQUIPMENT, SERVICES

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	1000.00M	\$ 1250.00M	\$ 500.00M	\$ 600.00M
Canadian Exports \$	2.00M	\$ 1.50M	\$ 1.50M	\$ 0.60M
Canadian Share of Import Market	0.20%	0.12%	3.00%	1.00%

Major Competing Countries

Market Share

i) 611 MIDDLE EAST OR NEAR EAST	030 %
ii) 423 BOLIVIA	030 %
iii) 577 UNITED STATES OF AMERICA	010 %
iv) 616 OTHER COUNTRIES	030 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

In Canadian \$

i) SERVICES FOR OIL/GAS PRODUCTION/PROCESSING	\$ 5.00 M
ii) EQUIPMENT FOR PROCESSING/HANDLING NATURAL GAS	\$ 25.00 M
iii) OILFIELD EQUIPMENT	\$ 30.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: GAS UTILIZATION AND TECHNICAL ASSISTANCE
PROJECT UNDER YPF

Approximate Value: \$ 200 M

Financing Source: 001 IBRD 012 DOM

For further info. please contact:

B. PERKINS PHONE: 312-9081/88 BAIRS TLX: 021383

- ii) Project Name: CENTRAL WEST GAS PIPELINE

Approximate Value: \$ 250 M

Financing Source: 012 DOM

For further info. please contact:

B. PERKINS PHONE: 312-9081/88 BAIRS TLX: 021383

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

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

Activity: TO ESTABLISH AND MAINTAIN CONTACTS WITH HOUSTON PLAN OPERATORS.

Results Expected: TO IDENTIFY POTENTIAL FOR CANADIAN EXPORTERS AND INTRODUCE THEM TO OPERATORS.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 012 PETROCHEM & CHEM PROD, EQP, SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	400.00M	\$ 350.00M	\$ 350.00M	\$ 300.00M
Canadian Exports \$	6.00M	\$ 5.00M	\$ 4.30M	\$ 3.00M
Canadian Share of Import Market	1.50%	1.40%	1.20%	1.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	030 %
ii) 609 EUROPEAN COMMON MARKET C	030 %
iii) 047 BRAZIL	020 %
iv) 616 OTHER COUNTRIES	020 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

In Canadian \$

i) PETROCHEMICAL PRIMARY PROD	\$ 235.00 M
ii) PLASTIC RAW MATERIAL	\$ 115.00 M
iii) RADIOACTIVE MATERIALS	\$ 20.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: IPAKO'S POLYPROPYLENE PLANT

Approximate Value: \$ 50 M

Financing Source: 023 EDC 025 OTHER

For further info. please contact:

B. PERKINS PHONE: 312-9081/88 BAIRS 021 383

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: **SECTORIAL STUDY OF PETROCHEMICAL AND CHEMICAL INDUSTRY TO TAKE ADVANTAGE OF EVENTUAL LIBERALIZATION OF THE SECTOR.**

Results Expected: A) TO IDENTIFY REQUIREMENTS & MARKETING CHANNELS. B) TO INCREASE NO. OF CDN COYS ACTIVE IN MARKET. C) TO INCREASE NO. OF REPS

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 014 EDUCATION, MEDICAL, HEALTH PROD

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	160.00M	\$ 150.00M	\$ 132.00M	\$ 155.00M
Canadian Exports \$	2.50M	\$ 1.80M	\$ 1.60M	\$ 1.80M
Canadian Share of Import Market	1.60%	1.20%	1.30%	1.20%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	040 %
ii) 128 GERMANY WEST	018 %
iii) 265 JAPAN	012 %
iv) 418 PAKISTAN	008 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) HOSPITAL EQUIPMENT	\$ 9.50 M
ii) RADIOACTIVE ELEMENTS & ISOTOPOS	\$ 1.50 M
iii) BIOLOG. & MEDICAL SUPPLIES	\$ 0.20 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: HEALTH INFRASTRUCTURE REHABILITATION

Approximate Value: \$ 300 M

Financing Source: 003 IADB 023 EDC

For further info. please contact:

E. MASCIARELLI PHONE: 312-9081/88 BAIRS TLX 021383

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: IDENTIFICATION REQUIREMENTS (HOSPITAL EQUIPMENT) REF. IADB PROJ.

Results Expected: A) TO INTEREST POTENTIAL CDN SUPPLIERS
B) TO PROMOTE GROUP APPROACH. C) TO FACILITATE
PACKAGE BIDDING AND FINANCING.

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

Activity: MEDICAL EQUIPMENT MARKET SURVEY

Results Expected: A) TO IDENTIFY NEEDS & MARKETING CHANNELS. B)
TO INCREASE NO. CDN COYS IN MARKET. C) TO IN-
CREASE NO. OF REPRES. A

26/01/88

DEPARTMENT OF EXTERNAL AFFAIRS

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Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

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

Activity: TO ORGANIZE MEDICAL EQUIPMENT CATALOGUE SHOW

Results Expected: TO INCREASE NUMBER OF REPRESENTATIONS IN MARKET.

Export and Investment Promotion Planning System

88/89 Trade and Economic Overview

Mission: 631 BUENOS AIRES

Country: 008 URUGUAY

IL EST DEJA POSSIBLE DE CONSTATER LES RESULTATS POSITIFS DES ADJUSTEMENTS ECONOMIQUES INTRODUITS EN URUGUAY AU MOMENT DE LA TRANSITION POLITIQUE DE 85. EN REGRESSION DEPUIS LES PREM. ANNEES DE LA DECADE LE PNB MONTRE ENFIN UNE CROISSANCE EN 86 AVEC EN TERMES REELS UN GAIN INTERESSANT 6.3%. LES PREVISIONS POUR 87 LAISSENT EGALEMENT ENTREVOIR UNE AUTRE ANNEE DE CROISSANCE AVEC UNE AVANCE MINIMUM DE 4%. CE GAIN IMPORTANT DU PNB EN 86 & LES PREVISIONS ENCOURAGEANTES POUR 87 SONT PRINCIPALEMENT DUS A LA PERFORMANCE FAVORABLE DU SECT. MANUFACTURIER (+7.3%) & DE L'AGRO-INDUSTRIE (+3.4%). LE REGAIN DE VIE DU SECTEUR DE LA CONSTRUCTION UNE AVANCE DE 7 POINTS SUR L'ANNEE 85 TEMOIGNE EGALEMENT DE LA REPRISE DE L'INVESTISSEMENT PRIVE AUI MONTRE QUANT A LUI UNE AUGMENTATION DE 8.3% SUR L'ANNEE ANTERIEURE. PARALLELEMENT L'INFLATION ANNUELLE EST EN REGRESSION CONSTANTE & DEVRAIT SE SITUER A UN TAUX MOYEN ANNUEL AUX ENVIRONS DE 40% POUR LA PERIODE 87-89 RECONTRANT AINSI LES ATTENTES DU FMI. LE PLAN EXTERNE FUT TOUT AUSSI FAVORABLE A L'URUGUAY EN 86 L'EXCEDENT DE LA BALANCE COMMERCIALE PASSANT DE \$172 MIL. (US) EN 85 A \$252 MIL. (US). LES EXPORTATIONS MONTRENT AU COURS DE CETTE PERIODE UNE AUGMENTATION DE 27% & LES IMPORTATIONS DUES PRINCIPALEMENT A LA REPRISE DE L'INVESTISSEMENT INDUSTRIEL MONTRENT QUANT A ELLES UN GAIN DE 18% AU COURS DE LA MEME PERIODE. L'EXCEDENT DE LA BALANCE COMMERCIALE A PERMIS A L'URUGUAY DE TERMINER L'ANNEE AVEC UN SOLDE POSITIF DES COMPTES COURANTS QUI JUMELE A UN SOLDE POSITIF DES COMPTES EN CAPITAL A PERMIS UNE AUGMENTATION DES RESERVES DE L'ORDRE DE \$256 MIL. (US). LES OBJECTIFS ECONOMIQUES DU GOV'T URUGUAYEN DEMEURENT CONSTANTS & VISENT ESSENTIELLEMENT LA CROISSANCE DES INVESTISSEMENTS AFIN DE FAVORISER LA MODERNISATION ET LA DIVERSIFICATION DES EXPORTATIONS. ON PREVOIT UNE CROISSANCE MOYENNE DE L'ORDRE DE 15% DE L'INVESTISSEMENT PRIVE AU COURS DE LA PERIODE 88-89 & AFIN DE FAVORISER CET OBJECTIF LE GOV'T EST PRET A ASSUMER UNE AUGMENTATION DES IMPORTATIONS DE L'ORDRE DE 15% COMPAREE A UNE AUGMENTATION PREVUE DES EXPORTATIONS EQUIVALENT A 5% EN TERMES REELS. L'URUGUAY EST A LA RECHERCHE DE CAPITAL MAIS AUSSI A LA RECHERCHE DE NOUVELLES TECHNOLOGIES & LE PROGRAMME DE MODERNISATION INDUSTRIELLE OFFRE D'EXCELLENTESS POSSIBILITES POUR LES EXPORTATEURS CAN.: VENTE D'EQUIPEMENT LICENSES ENTREPRISES CONJOINTES DE PRODUCTION ASSISTANCE TECHNIQUE ETC. L'INDUSTRIE AGRO-ALIMENTAIRE & LE SECTEUR DES MINES OFFRENT EN CE SENS UN POTENTIEL INTERESSANT. DE PLUS L'EMPHASE MISE SUR L'INDUSTRIE MANUFACTURIERE D'EXPORTATION OFFRIRA EGALEMENT UN POTENTIEL INTERESSANT AUX EXPORTATEURS CAN. DE MATIERES PREMIERES ET DE COMPOSANTES INDUSTRIELLES: PRODUITS CHIMIQUES RESINES DE PLASTIQUE ET METAUX COMMUNS. LE GOV'T COMPTE EGALEMENT MAINTENIR LE RYTHME DE L'INVESTISSEMENT PUBLIC GAIN DE 8% EN 86 & LES SECTEURS DE L'ENERGIE & DES TRANSPORTS EN PARTICULIER POURRAIENT OFFRIR EVENTU. DES OPPOR. INTERESSANTES.

Export and Investment Promotion Planning System

REPT: SYN-GEO BB/89 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 008 URUGUAY

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: IT IS ALREADY THE BULK OF OUR EXPORTS TO URUGUAY. WE ARE USING A GOOD AMOUNT OF SEED MONEY (IND COOP) IN THIS SECTOR AND IT SHOULD LEAD TO NEW INVEST. (MEAT SEC. & VEGETAL PROCES.) & FURTHER OPPORT. FOR CAN.

2. 014 EDUCATION, MEDICAL, HEALTH PROD

REASONS: ALMOST 40% OF PUBLIC INVESTMENTS WILL GO TO HEALTH SECTOR, THE EDUCATION BEING ALSO IN NEED OF MODERNIZATION.

3. 007 POWER & ENERGY EQUIP. & SERV.

REASONS: CANADIAN COMPANY ALREADY SHORT LISTED FOR CONSULTING CONTRACT ON GABRIEL TERRA DAM PROJECT. IF THEY WIN CONTRACT THERE WILL BE A GOOD POTENTIAL FOR CANADIAN EQUIPMENT.

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE
2. 012 PETROCHEM & CHEM PROD, EQP, SERV
3. 009 FOREST PRODUCTS, EQUIP, SERVICES

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 008 URUGUAY

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 013 SEEDS & SPECIAL CROPS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	8.00M	\$ 7.50M	\$ 7.00M	\$ 7.50M
Canadian Exports \$	7.80M	\$ 7.30M	\$ 7.00M	\$ 7.00M
Canadian Share of Import Market	98.00%	97.00%	100.00%	93.00%

Major Competing Countries

Market Share

- i) 075 CANADA
- ii) 354 NETHERLANDS

097 %
002 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector:

5-15 \$M

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

- i) SEED POTATOES
- ii) PULSES

In Canadian \$
\$ 8.00 M
\$ 0.50 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- No factors reported by mission

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 008 URUGUAY

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade missions
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

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

Activity: CIDA FUNDED STUDY FOR IRRIGATION PROJECT IN RELATION TO POTATO CULTIVATION, INCLUDING DEMONSTRATION IN SITU OF CDN TECHNOLOGY IN THIS AREA.

Results Expected: KEEP OUR PRESENT HIGH MARKET SHARE

Activity: CIDA FUNDED STUDY FOR POTATO STORAGE TECHNOLOGY AND WHICH COULD BE THE BEGINNING OF AN INDUSTRIALIZATION PLAN FOR THE POTATO INDUSTRY.

Results Expected: KEEP OUR PRESENT HIGH MARKET SHARE.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 008 URUGUAY

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	5.00M	\$ 2.00M	\$ 2.00M	\$ 5.00M
Canadian Exports \$	0.00M	\$ 0.00M	\$ 0.00M	\$ 0.00M
Canadian Share of Import Market	0.00%	0.00%	0.00%	0.00%

Major Competing Countries

	Market Share
i) 112 FRANCE	020 %
ii) 577 UNITED STATES OF AMERICA	020 %
iii) 047 BRAZIL	020 %
iv) 001 ARGENTINA	020 %
v) 616 OTHER COUNTRIES	020 %

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

Current status of Canadian exports:

Products/services for which there are good market prospects

	Current Total Imports In Canadian \$
i) CONSULTING ENGINEERING	\$ 0.00 M
ii) EQUIPMENT/MATERIALS FOR HYDRO POWER STATION	\$ 0.00 M
iii) EQUIPMENT/MATERIALS FOR TRANSMISSION LINES	\$ 0.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: GABRIEL TERRA HYDRO POWER STATION REHABILITATION

Approximate Value: \$ 35. M

Financing Source: 001 IBRD

For further info. please contact:

B. PERKINS PHONE: 312-9081/88 BAIRS. TLX: 021383 CANA.

ii) Project Name: TRANSMISSION LINES OF 500 AND 150 KV

Approximate Value: \$ 60. M

Financing Source: 001 IBRD

For further info. please contact:

B. PERKINS PHONE: 312-9081/88 BAIRS TLX: 021383 CANA.

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES COUNTRY: 008 URUGUAY

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

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

Activity: TOP LEVEL EMBASSY SUPPORT OF EFFORTS BY CONSULTING COMPANY LAVALIN, IN ORDER TO OFFSET STRONG POSITION GAINED BY FRENCH CONSULTANTS.

Results Expected: AWARD OF CONSULTANCY CONTRACT FOR GABRIEL TERRA REHABILITATION, WHICH COULD LEAD TO A) TRANSMISSION LINES CONSULT. & B) SPEC. OPPORT. FOR CDN SUPPLIERS OF EQPT/MAT. FOR BOTH PROJ.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 008 URUGUAY

Sector: 014 EDUCATION, MEDICAL, HEALTH PROD

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	9.20M	\$ 9.20M	\$ 8.70M	\$ 9.20M
Canadian Exports \$	0.40M	\$ 0.20M	\$ 0.20M	\$ 0.02M
Canadian Share of Import Market	4.30%	2.20%	2.30%	0.20%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	035 %
ii) 265 JAPAN	015 %
iii) 128 GERMANY WEST	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports
In Canadian \$

i) BIOLOGICAL PRODUCTS	\$ 0.30 M
ii) MEDICAL PRODUCTS	\$ 0.10 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 008 URUGUAY

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market

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

Activity: MARKET SURVEY, MEDICAL AND BIOLOGICAL PRODUCTS

Results Expected: A)TO IDENTIFY NEEDS & MKTG CHANNELS. B)TO INCREASE NUMBER OF CDN COYS IN MARKET & NUMBER OF REPRESENTATIONS.

Activity: MARKET SURVEY, MEDICAL EQUIPMENT

Results Expected: A)TO IDENTIFY NEEDS & MARKETING CHANNELS
B)TO INCREASE NUMBER OF CDN COYS IN MARKET AND NUMBER OF REPS.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		
Mission: 631 BUENOS AIRES		
Sector: 001 AGRI & FOOD PRODUCTS & SERVICE		
024 MISSION INCOMING		
SEED POTATO MISSION FROM URUGUAY		1088
SEED & SPECIAL CROPS MISSION FM URUGUAY		0688
ARG. MISSION TO ROYAL WINTER FAIR	TORONTO	1188
SEED & SPECIAL CROPS MISS. FM ARGENTINA		0688
Sector: 005 COMM. & INFORM. EQP. & SERV		
020 MISSION OUTGOING		
PART. IN JOR-SAT II SEMINAR	BUENOS AIRES	0488
Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.		
024 MISSION INCOMING		
RAILWAY MAINTENANCE & COMPONENTS MISS. FM ARGENTINA		0988
Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES		
024 MISSION INCOMING		
PULP & PAPER EQUIPMENT MISSION FM ARGENTINA		0688
Sector: 011 OIL & GAS EQUIPMENT, SERVICES		
024 MISSION INCOMING		
ARG. MISSION TO NATIONAL PETROLEUM SHOW	CALGARY	0688
Sector: 012 PETROCHEM & CHEM PROD, EQP, SERV		
020 MISSION OUTGOING		
PETRO-CHEMICAL EQUIP. MISS. TO ARGENTINA	BUENOS AIRES	0389
Sector: 014 EDUCATION, MEDICAL, HEALTH PROD		
020 MISSION OUTGOING		
HOSPITAL & MEDICAL EQUIP. MISS. TO ARGENTINA	BUENOS AIRES	0988
HOSPITAL & MEDICAL EQUIP. MISSION TO URUGUAY	MONTEVIDEO	0988
Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 631 BUENOS AIRES		
Sector: 001 AGRI & FOOD PRODUCTS & SERVICE		
024 MISSION INCOMING		
POULTRY MISSION FROM URUGUAY		0689

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 631 BUENOS AIRES		
Sector: 001 AGRI & FOOD PRODUCTS & SERVICE		
024 MISSION INCOMING		
ARG. MISSION TO ROYAL WINTER FAIR	TORONTO	1190
POULTRY MISSION FROM ARGENTINA		0689
Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.		
020 MISSION OUTGOING		
RAILWAY EQUIPMENT MISSION TO ARGENTINA	BUENOS AIRES	1091
AUTOMOBILE COMPONENTS PARTS MISS. TO ARGENTINA	BUENOS AIRES	1089
Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES		
020 MISSION OUTGOING		
PULP & PAPER PRODUCT MISSION TO URUGUAY	MONTEVIDEO	0589
PULP & PAPER PRODUCT MISS. TO ARGENTINA	BUENOS AIRES	0589
Sector: 010 MINE, METAL, MINERAL PROD & SRV		
020 MISSION OUTGOING		
MINERALS, MINERAL & METAL PRODUCT MISS. TO ARG.	BUENOS AIRES	0390
MINING EQUIPMENT MISSION TO ARGENTINA	BUENOS AIRES	0989
MINING EQUIPMENT MISSION TO URUGUAY	MONTEVIDEO	0989
Sector: 011 OIL & GAS EQUIPMENT, SERVICES		
020 MISSION OUTGOING		
OIL & GAS EQUIPMENT MISSION TO ARGENTINA	BUENOS AIRES	0391
024 MISSION INCOMING		
ARG. MISSION TO NATIONAL PETROLEUM SHOW	CALGARY	0690
OIL & GAS EQUIPMENT MISS. FROM ARGENTINA		0689
Sector: 012 PETROCHEM & CHEM PROD, EQP, SERV		
020 MISSION OUTGOING		
CHEMICAL & PETRO-CHEMICAL PROD. MIS. TO ARG.	BUENOS AIRES	0990
Sector: 015 CONSTRUCTION INDUSTRY		
020 MISSION OUTGOING		
WATERSUPPLY SANITATION & POLL. CONTROL EQUIP. MISS.	BUENOS AIRES	0589
WATER SUPPLY, SANIT. & POLL. CONTROL EQUIP. MISS. TO URUGUAY	MONTEVIDEO	0589

Export and Investment Promotion Planning System

88/89 Trade and Economic Overview

Mission: 633 SANTIAGO

Country: 068 CHILE

THE MAJOR SURPRISE IN 87 WAS THE INCREASE IN COPPER PRICE FROM \$.65 PER LB TO OVER \$1 BRINGING THE AVERAGE PRICE FOR 87 AT ABOUT \$.75 OR \$.10 PER LB OVER THE FORECASTED PRICE. THIS COUPLED WITH THE SUCCESS OF THE INVESTMENT PROGRAM USING CHAPTERS 18 AND 19 OF THE INVESTMENT LAW (CAPITALIZATION OF DEBT) HAS PERMITTED CHILE TO REDUCE ITS FOREIGN DEBT BY US\$2 BIL. TO FORECAST A TRADE SURPLUS OF US\$1 BIL. FOR 87 & IN GENERAL PROPEL THE CHILEAN ECONOMY TO NEW HEIGHT. CHILE IS NOW CONSIDERED THE BEST MANAGED COUNTRY IN SOUTH AMER. & THIS FACT OUTWEIGHS THE NEGATIVE POLITICAL IMAGE OF THE COUNTRY IN ATTRACTING FOREIGN INVESTORS. MAJOR MINING & FORESTRY COMPANIES FROM CANADA ARE PLANNING LONG TERM INVESTMENTS AND THE FACT THAT CAN. HAS FINALLY SIGNED A FOREIGN INVESTMENT & INSURANCE AGREEMENT WITH CHILE IS LIKELY TO ATTRACT MORE COYS. OUR EXPORTS TO CHILE ARE GROWING AND AN INTERESTING FACT IS THAT WHEREAS IN 86 EXPORTS OF COMMODITIES SUCH AS SULPHUR COAL AND ASBESTOS ACCOUNTED FOR NEARLY HALF OF CAN. EXPORTS THEY REPRESENT LESS THAN 1/3 IN 87 WITH MANUFACTURED PRODUCTS REPRESENTING OVER 60%. THE ECONOMIC TRADE OUTLOOK FOR 88/89—AN AMBITIOUS PRIVITIZATION PROG. SUPPORTED BY A LIBERAL FOREIGN INVESTMENT POLICY AND THE FACT THAT CHILE IS MORE THAN COMPETITIVE ON EXPORT MARKETS WILL PERMIT THE ECONOMY TO ACHIEVE THE SAME GROWTH RATE (5-6%) THAN THE LAST FEW YEARS. INFLATION HOWEVER IS LIKELY TO INCREASE IF THE GOV'T DOESN'T TAKE APPROPRIATE MEASURES TO CONTROL IT. THE PRICE OF COPPER IS EXPECTED TO REMAIN HIGH AT LEAST FOR THE 1ST SEMESTER OF 88. THE GOV'T & LOCAL COPPER PRODUCERS KNOW THAT IF THE TREND PERSISTS AMER. & CAN. COPPER PRODUCERS MAY BE TEMPTED TO INCREASE PRODUCTION. SUCH A DECISION COULD CHANGE THE SUPPLY/ DEMAND SITUATION WHICH COUPLED TO THE DEVALUATION OF THE US \$ WAS RESPONSIBLE FOR RECENT INCREASE IN COPPER PRICE. ON TRADE SIDE CAN. EXPORTS OF GOODS & SERVICES WILL INCREASE AS MAJOR PROJECTS WILL BE IMPLEMENTED NEXT YEAR. IN THE MINING SECTOR UTAH MINES WILL INCREASE AS MAJOR PROJECTS WILL BE IMPLEMENTED NEXT YR. IN THE MINING SECTOR UTAH MINES WILL START SOURCING FOR EQUIP. FOR ITS US\$1.2 BIL. LA ESCONDIDA COPPER MINE. CMPC AND CELCO ARAUCO HAVE EACH ANNOUNCED THAT THEY WILL INVEST BETWEEN US\$400 & 500 MIL. FOR CONSTRUCTION OF PULP MILLS & RELATED FORESTRY ACTIVITIES MINCO WILL BUILD ITS US\$400 MIL. UREA PLANT IN PUNTA ARENAS & US \$800 MIL HYDRO ELEC. PEHUENCHE PROJ. IS ON SCHEDULE. IN ADDITION THERE WILL BE MANY SMALLER PROJECTS IN THE FISHING FORESTRY MINING & AGRIC. SECTORS AS WELL AS IN TELECOM. SECTOR. ONE FACTOR AFFECTING CAN. EXPORTS IS THAT OUR COMPETITION IN ORDER TO WIN EXPORT MARKET HAS USED THE CHAP. 19 OF INVESTMENT LAW TO BUY AN EQUITY IN COMPANIES EITHER DEVELOPING NEW PROJ. OR REHABILITATING OLD PLANTS. THIS WAS PARTICULARLY TRUE WITH A STEEL MILL PROJECT THE METHANOL PROJ. TWO FORESTRY & ONE MINING PROJECT. THE TREND IS CONTINUING & IF CAN. COYS DON'T CONSIDER DOING THE SAME OUR

Export and Investment Promotion Planning System

REPT: SYN-GEO 88/89 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

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

1. 009 FOREST PRODUCTS, EQUIP, SERVICES

REASONS: THE 2 PULP MILL PROJ. (US 800M) WILL BE BUILT STARTING END 88. LOGGING & SAWMILLING WILL BE NATURAL FOLLOWUP OF PULP MILLS CONSTRUCTION. OPENING IN 88 OF FORESTRY EQUIP. CTR FOR CAN COYS FACILITATE INTRO OF

2. 010 MINE, METAL, MINERAL PROD & SRV

REASONS: LA ESCONDIDA PROJECT (1.2 BILLION) WILL START IN 88. THREE MAJOR CDN COYS WILL DEVELOP GOLD MINE. CODELCO HAS EXPANSION PROJECTS.

3. 008 TRANSPORT SYS, EQUIP, COMP, SERV.

REASONS: METRO DE SANTIAGO TO BUY WAGONS FOR EXISTING LINES & TO TAKE DECISION ON CONSTRUCTION OF THIRD LINE. TROLLEY BUS SYSTEM LIKELY TO BE IMPLEMENTED. SANTIAGO AIRPORT PROJECT TO BE DONE.

4. 005 COMM. & INFORM. EQP. & SERV

REASONS: RURAL TELEPHONE PROJECT WILL BE IMPLEMENTED IN 88/89. PRIVITIZATION OF TELEPHONE COMPANY AND EXPANSION PROGRAM WILL NECESSITATE BETWEEN 100 TO 200 MILL INVESTMENT.

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

1. 010 MINE, METAL, MINERAL PROD & SRV
2. 009 FOREST PRODUCTS, EQUIP, SERVICES
3. 005 COMM. & INFORM. EQP. & SERV

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 002 FISHERIES, SEA PRODUCTS & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	40.00M	\$ 30.00M	\$ 25.00M	\$ 0.00M
Canadian Exports \$	2.00M	\$ 0.50M	\$ 0.25M	\$ 0.00M
Canadian Share of Import Market	5.00%	1.50%	1.00%	0.00%

Major Competing Countries

Market Share

i) 265 JAPAN	040 %
ii) 577 UNITED STATES OF AMERICA	025 %
iii) 410 NORWAY	010 %
iv) 616 OTHER COUNTRIES	025 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

i) DESIGN AND CONSULTING	In Canadian \$
ii) USED FISH TRAWLERS	\$ 0.00 M
iii) GENERAL FISHING GEAR	\$ 20.00 M
	\$ 10.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- the presence of CIDA programs which have opened the market to Canadian companies

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- the adequacy of exporter information in Canadian Directories
- sourcing assistance from Canadian federal/provincial governments departments
- product/service information from Canadian companies

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

Activity: CONSTRUCTION OF CANADIAN - CHILEAN FISHING TRAWLERS IN 1988 WHERE CDN WILL PROVIDE DESIGN AND SOME EQPT.

Results Expected: SALE OF 2 - 3M OF SERVICE AND EQPT. OVER THE NEXT 2 YEAR.

Activity: SALE OF USED FISHING BOATS

Results Expected: 1 - 2 MILLIONS

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 004 DEFENCE PROGRAMS, PRODUCTS, SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	0.00M	\$ 0.00M	\$ 0.00M	\$ 0.00M
Canadian Exports \$	0.00M	\$ 0.00M	\$ 0.00M	\$ 0.00M
Canadian Share of Import Market	0.00%	0.00%	0.00%	0.00%

Major Competing Countries

Market Share

i) 051 UNITED KINGDOM	000 %
ii) 499 SPAIN	000 %
iii) 112 FRANCE	000 %
iv) 288 SOUTH AFRICA	000 %
v) 232 ISRAEL	000 %
vi) 047 BRAZIL	000 %

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

Current status of Canadian exports: No Export results to date

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) SPARE PARTS	\$ 0.00 M
ii) AIRCRAFT OVERHAUL	\$ 0.00 M
iii) NAV AIDS AND RADARS	\$ 0.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be low

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- other factor(s) described by the Trade Office as follows:

GENERAL EMBARGOE ON MILITARY EQUIPMENT TO CHILE MAKES EXPORT LICENSE FROM CANADA A SIGNIFICANT BARRIER TO ANY EXPORT TO THE MILITARY EVEN IF PRODUCT NOT FOR MILITARY USE.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- No factors reported by mission

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: KEEP SOURCING CANADIAN EQUIPMENT FOR NON MILITARY USE SUCH AS COLD WEATHER EQUIPMENT FOR ANTARTIC.

Results Expected: POTENTIAL MARKET OF MORE THAN 1 M.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 005 COMM. & INFORM. EQP. & SERV

Subsector: 053 TELECOMMUNICATIONS (INC SPACE)

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	50.00M	\$ 35.00M	\$ 25.00M	\$ 25.00M
Canadian Exports \$	8.00M	\$ 5.00M	\$ 1.10M	\$ 0.00M
Canadian Share of Import Market	16.00%	20.00%	4.00%	0.00%

Major Competing Countries

	Market Share
i) 577 UNITED STATES OF AMERICA	035 %
ii) 128 GERMANY WEST	020 %
iii) 507 SWEDEN	020 %
iv) 265 JAPAN	020 %
v) 616 OTHER COUNTRIES	005 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

	Current Total Imports In Canadian \$
i) HF - VHF EQPT	\$ 3.00 M
ii) TEL. SWITCHING EQPT.	\$ 20.00 M
iii) MICROWAVE EQPT	\$ 0.00 M
iv) PABX	\$ 20.00 M
v) DATA RADIO	\$ 0.00 M
vi) SATELLITE RECEIV.	\$ 0.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: PRIVATIZATION OF CTC WILL MEAN MAJOR INVESTMENT IN NEW EQUIPMENT

Approximate Value: \$ 20 M

Financing Source: 024 BC

For further info. please contact:

MISSION: PHONE 696 2256 TLX: 240341 (DMCAN CL)

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO COUNTRY: 068 CHILE

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: SATELLITE RECEIVING EQUIPMENT

Approximate Value: \$ 8 M

Financing Source: 024 BC

For further info. please contact:

MISSION: PHONE: 696 2256 TLX: 240341 (DMCAN CL)

iii) Project Name: TELECOM EQUIPMENT (VTR - ENTEL - CTC)

Approximate Value: \$ 20 M

Financing Source: 024 BC

For further info. please contact:

MISSION: PHONE: 696 2256 TLX: 240341 (DMCAN CL)

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: MONITOR PRIVATIZATION PROCESS OF CTC (COMPANIA DE TELEFONOS DE CHILE) WHICH SHOULD RESULT IN EXPANSION OF MARKET FOR EQUIPMENT.

Results Expected: OBTAIN 20% OF NEW EQUIPMENT SALES IN NEXT 3-5 YEARS.

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: PROVIDE SUPPORT TO CDN CONSULTANTS AND SUPPLIERS ON RURAL TELEPHONY PROJECT IN SOUTH OF CHILE. SPILL OVER EFFECT COULD BE IMPORTANT.

Results Expected: SALES OF 2M OF EQUIPMENT IN 88 AND 5M IN 89.

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

Activity: OBTAIN FINANCING TO PREPARE STUDY ON RURAL TELEPHONY FOR OTHER REGIONS OF CHILE.

Results Expected: MAJOR SALES OF EQUIPMENT THAT COULD REACH 15-20M IN 3 YEARS.

Activity: LOBBY TELEX-CHILE TO CONVINCED THEM OF CANADIAN SUPERIORITY IN SATELLITE EARTH STATION TECHNOLOGY. MONITOR THEIR EFFORTS TO OBTAIN PERMIT TO OPERATE STN FM MIN OF DEFENCE AND ENTEL.

Results Expected: SALE OF SATELLITE EARTH STATION BY THIRD QUARTER OF 1989.

Export and Investment Promotion Planning System

BB/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 006 ELECTRONICS EQUIP. & SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	100.00M	\$ 100.00M	\$ 100.00M	\$ 85.00M
Canadian Exports \$	2.50M	\$ 1.50M	\$ 1.00M	\$ 0.50M
Canadian Share of Import Market	2.50%	1.50%	1.00%	0.50%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	060 %
ii) 265 JAPAN	020 %
iii) 128 GERMANY WEST	015 %
iv) 616 OTHER COUNTRIES	005 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) UPS RECTIFIERS	\$ 0.00 M
ii) SECURITY EQUIPMENT	\$ 0.00 M
iii) USED COMPUTERS	\$ 0.00 M
iv) SONAR/FISHERIES	\$ 0.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:

VERY COMPETITIVE MARKET WHICH NEEDS PROPER IDENTIFICATION AND A VERY DYNAMIC AGENT. CDN. COES SEE CHILE AS PART OF LATIN MARKET WHICH IS NOT APELLING FOR HI-TECH CO. IT IS A MISTAKE.

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- competitive export pricing for this market

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: MONITOR THE TREND OF COMPUTERIZATION THAT SHOULD STABILIZE AND POTENTIALLY REGRESS AFTER THE "BOOM" OF THE LAST THREE YEARS.

Results Expected: CONVINCING CDN COS TO LOOK AT CHILE AS MOST IMPORTANT SOUTH AMERICAN MARKET FOR COMPUTER AND PERIPHERALS.

Activity: CONVINCING SOME UPS MANUFACTURERS TO TAKE A LOOK AT CHILE & APPOINT AN AGENT. SOUNDS SIMPLE BUT IT IS NOT.

Results Expected: APPOINTMENT OF TWO AGENTS FOR CDN COS. FIRST SALES OF UPS.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 071 HYDRO

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	400.00M	\$ 250.00M	\$ 175.00M	\$ 150.00M
Canadian Exports \$	5.00M	\$ 0.50M	\$ 0.10M	\$ 0.10M
Canadian Share of Import Market	1.20%	0.20%	0.00%	0.00%

Major Competing Countries

Market Share

i) 068 CHILE	040 %
ii) 112 FRANCE	025 %
iii) 609 EUROPEAN COMMON MARKET C	010 %

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

Current status of Canadian exports: No Export results to date

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) TURBINES AND GENERATORS	\$ 100.00 M
ii) ELECTRICAL EQUIPMENT	\$ 45.00 M
iii) SERVICES	\$ 30.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: RIO TURBID PROJECT. HYDRO ELECTRICITY
IN NORTH OF CHILE. CIDA FINANCED STUDIES

Approximate Value: \$ 60 M

Financing Source: 012 DOM 011 CIDA
023 EDC

For further info. please contact:
MISSION TLX 240341 (DMCAN CL)

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- non competitive financing from Canada
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- difficulties in obtaining credit facilities in Canada
- other factor(s) described by the Trade Office as follows:

CHILE HAS VERY GOOD CAPACITY IN ENGINEERING AND TRADITIONALLY TURNS TO FRANCE FOR WHAT IT CANNOT DO. CDA LACKS THE EXPERTIZE IN PUTTING TOGETHER A PACKAGE DEAL.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- No factors reported by mission

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- product/service information from Canadian companies

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: MAINTAIN CONTACTS WITH ALL HYDRO ELECTRIC COMPANIES AS ALTHOUGH MAJOR PROJECTS ARE UNLIKELY TO BE IMPLEMENTED, THERE IS A REGULAR NEED FOR EQUIPMENT.

Results Expected: INSURE THAT CDN COMPANIES ARE CONSIDERED FOR NEEDS OF EQUIPMENT.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	50.00M	\$ 6.00M	\$ 4.30M	\$ 4.00M
Canadian Exports \$	25.00M	\$ 0.20M	\$ 0.10M	\$ 0.10M
Canadian Share of Import Market	50.00%	3.00%	2.00%	2.50%

Major Competing Countries

Market Share

i) 112 FRANCE	040 %
ii) 349 MEXICO	000 %
iii) 577 UNITED STATES OF AMERICA	015 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: No Export results to date

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) METRO ROLLING STOCK	\$ 0.00 M
ii) METRO EQUIPMENT AND SERVICES	\$ 0.00 M
iii) TURNSTILE SYSTEM	\$ 0.00 M
iv) TROLLEY BUSES	\$ 0.00 M
v) RAILWAY EQUIP. AND SERVICES	\$ 1.50 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: METRO OF SANTIAGO HAS DECIDED TO BUILD THE THIRD LINE

Approximate Value: \$ 400 M
 Financing Source: 024 BC
 For further info. please contact:
 MISSION TLX 240341 (DMCAN CL)

ii) Project Name: METRO AUTHORITIES TO EXPAND SYSTEM TO INCLUDE TROLLEY BUSES

Approximate Value: \$ 20 M
 Financing Source: 024 BC
 For further info. please contact:
 MISSION TLX 240341 (DMCAN CL)

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: NEW WAGONS NEEDED FOR LINE 1 AND 2 OF METRO

Approximate Value: \$ 32 M

Financing Source: 024 BC

For further info. please contact:

MISSION TLX 240341 (DMCAN CL)

iv) Project Name: FFCC REHABILITATION PROJECT

Approximate Value: \$ 45 M

Financing Source: 001 IBRD

For further info. please contact:

MISSION TLX 240341 (DMCAN CL)

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- other factor(s) described by the Trade Office as follows:
 1. METRO LINES HAVE BEEN BUILT BY FRENCH. THEY ALSO PROVIDED EQUIPMENT.
 2. THE LOCAL RAILWAY AUTHORITIES ARE WAITING FOR MAJOR LOAN FROM IRDB TO REHABILITATE RAILWAY SYSTEM.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- No factors reported by mission

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: TO CONTINUE PROMOTIONAL EFFORTS WITH FFCC IN VIEW OF UP COMING REHABILITATION PROGRAM OF RAILWAY.

Results Expected: INCREASE THE NUMBER OF CANADIAN COMPANIES TO BE CONSIDERED AS SUPPLIERS.

Activity: KEEP CONTACT WITH METRO AUTHORITIES TO SUPPORT BG CHECO IN THEIR EFFORTS TO SELL A TURNSTILE SYSTEM.

Results Expected: CDN. CO. TO WIN THIS CDN 6 M PROJECT.

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DEPARTMENT OF EXTERNAL AFFAIRS

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Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

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

Activity: PROMOTE CDN CAPABILITIES IN THE URBAN AND RAIL TRANSPORTATION SYSTEMS IN VIEW OF UPCOMING MAJOR PROJECTS.

Results Expected: INCREASE POSSIBILITIES OF HAVING CDN FIRMS INVITED TO BID.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES

Subsector: 094 PULP AND PAPER PRODUCTS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	150.00M	\$ 20.00M	\$ 10.00M	\$ 40.00M
Canadian Exports \$	20.00M	\$ 1.00M	\$ 0.60M	\$ 0.00M
Canadian Share of Import Market	13.00%	5.00%	6.00%	0.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	020 %
ii) 499 SPAIN	010 %
iii) 504 FINLAND	025 %
iv) 047 BRAZIL	020 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

- i) PAPER MILL EGPT
- ii) CONSULTING

Current Total Imports In Canadian \$
\$ 9.00 M
\$ 0.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: COPEC PULP MILL PROJECT
Approximate Value: \$ 400 M
Financing Source: 024 BC
For further info. please contact:
MISSION TLX 240341 (DMCAN CL)

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- the adequacy of exporter information in Canadian Directories
- product/service information from Canadian companies

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: COMPLETE SOURCING OF LOCAL AGENTS AND CDN MANUFACTURERS FOR EQUIPMENT AND SPARE PART PULP AND PAPER SECTOR.

Results Expected: HAVE CDN CO. REPRESENTED IN CHILE IN TIME FOR THE MARKET EXPLOSION TO BE WITNESSED IN THE NEXT 3 YEARS.

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

Activity: PROMOTE CDN SERVICES AND EQUIPMENT FOR THE POTENTIAL CONSTRUCTIONS OF A MINI-PULP MILL (100 T/D) TO BE BUILT BY LOCAL INVESTOR

Results Expected: HAVE CDN SOURCES AND EQUIPMENT CONSIDERED BY LOCAL GROUP.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES

Subsector: 096 EQUIPMENT AND MACHINERY

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	40.00M	\$ 25.00M	\$ 20.00M	\$ 0.00M
Canadian Exports \$	4.00M	\$ 1.80M	\$ 0.40M	\$ 0.00M
Canadian Share of Import Market	10.00%	7.00%	2.00%	0.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	020 %
ii) 265 JAPAN	015 %
iii) 499 SPAIN	010 %
iv) 504 FINLAND	020 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) LOGGING EQUIPMENT	\$ 10.00 M
ii) SAWMILLING EQUIPMENT	\$ 8.00 M
iii) DRYING EQUIPMENT	\$ 2.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: LOGGING AND SAWMILLING PROJECT FOR CMPC

Approximate Value: \$ 15 M

Financing Source: 024 BC

For further info. please contact:

MISSION: PHONE: 696 2256 TLX: 240341 (DMCAN CL)

ii) Project Name: LOGGING AND SAWMILLING PROJECT FOR COPEC FORESTRY DIVISION

Approximate Value: \$ 15 M

Financing Source: 024 BC

For further info. please contact:

MISSION: PHONE: 696 2256 TLX: 240341 (DMCAN CL)

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- strong sectoral capability in Canada

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: ESTABLISHMENT OF A CDN FORESTRY EQUIPMENT AND SERVICES CENTER IN CONCEPCION. CENTER WOULD ALSO PROVIDE COUNSELLING TO LOCAL COES ON EQPT NEEDED. CIDA INC TO FINANCE.

Results Expected: PARTICIPATION OF AT LEAST 20 CDN COES. IN THIS OPERATION. EXPORT SALES EXPECTED TO DOUBLE WITHIN 3 YEARS.

Activity: LOBBYING OF THE TWO MOST IMPORTANT FORESTRY COMPANIES. THEY HAVE ANNOUNCED CONSTRUCTION OF 2 NEW PULP MILLS AND LOGGING AND SAW-MILLING WILL BE SPIN OFF OPERATIONS.

Results Expected: EXPORT AT LEAST 15M OF EQUIPMENT OVER NEXT 2 YEARS.

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

Activity: INTRODUCE CONCEPT OF PORTABLE SAWMILL TO MEDIUM SIZED OPERATIONS. FIRST SAWMILL TO BE READY FOR MARKET BY SECOND QUARTER OF 88.

Results Expected: SALE OF 3 TO 5 SAWMILL BY END OF FISCAL YEAR 88/89.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 010 MINE, METAL, MINERAL PROD & SRV

Subsector: 102 MINERALS AND MINERAL PRODUCTS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	80.00M	\$ 80.00M	\$ 85.00M	\$ 81.00M
Canadian Exports \$	40.00M	\$ 45.00M	\$ 45.00M	\$ 40.00M
Canadian Share of Import Market	50.00%	55.00%	53.00%	50.00%

Major Competing Countries

	Market Share
i) 577 UNITED STATES OF AMERICA	010 %
ii) 011 AUSTRALIA	005 %
iii) 288 SOUTH AFRICA	005 %
iv) 423 BOLIVIA	001 %

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are good market prospects

	Current Total Imports In Canadian \$
i) SULPHUR	\$ 20.00 M
ii) MOLYBDENUM	\$ 10.00 M
iii) COAL	\$ 10.00 M
iv) ASBESTOS	\$ 5.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low
- approval of technical standards can present problems in the case of some imported products

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- other factor(s) described by the Trade Office as follows:

BOLIVIA IS STARTING TO EXPORT SULPHUR TO CHILE AND CHILE IS DEVELOPING ITS OWN SULPHUR MINES. AUSTRALIA AND ARGENTINA ARE BECOMING COMPETITORS FOR THE CHILEAN COAL MARKET.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: KEEP ADVISING CANADIAN EXPORTERS NOT ONLY OF WHAT COMPETITION IS DOING BUT ALSO OF ANY CHILEAN MINING PROJECT IN THAT SECTOR.

Results Expected: PROTECT CANADIAN EXPORT AND IF LOCAL PROJECTS DEVELOP, ENSURE CDN EGPT IS CONSIDERED.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 010 MINE, METAL, MINERAL PROD & SRV

Subsector: 106 EQUIPMENT AND MACHINERY

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	550.00M	\$ 400.00M	\$ 375.00M	\$ 400.00M
Canadian Exports \$	60.00M	\$ 34.00M	\$ 24.00M	\$ 11.00M
Canadian Share of Import Market	11.00%	8.50%	6.40%	2.75%

Major Competing Countries

	Market Share
i) 577 UNITED STATES OF AMERICA	040 %
ii) 609 EUROPEAN COMMON MARKET C	025 %
iii) 265 JAPAN	015 %
iv) 047 BRAZIL	010 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are
good market prospects

	Current Total Imports In Canadian \$
i) SAG MILL EQUIPMENT	\$ 15.00 M
ii) MINING TRUCKS AND LOADERS	\$ 40.00 M
iii) EQUIPMENT FOR SMELTERS	\$ 75.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: LA ESCONDIDA COPPER MINE
Approximate Value: \$ 1600 M
Financing Source: 023 EDC
For further info. please contact:
MISSION TLX 240341 (DMCAN CL)

ii) Project Name: GOLD MINE PROJECTS
Approximate Value: \$ 100 M
Financing Source: 024 BC
For further info. please contact:
MISSION TLX 240341 (DMCAN CL)

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- iii) Project Name: SAG MILL PROJECT
Approximate Value: \$ 12 M
Financing Source: 023 EDC
For further info. please contact:
MISSION TLX 240341 (DMCAN CL)

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive financing from Canada
- other factor(s) described by the Trade Office as follows:
IF WE EXCEPT CODELCO, MOST MINES ARE AMERICAN OWNED AND THEY FAVOR AMERICAN EQUIPMENT. RECENT MAJOR PROJECTS WERE ATTRIBUTED TO JAPAN AS THEIR PRICE AND FINANCING WAS VERY COMPETITIVE; EEC ALSO WELL INTRODUCED.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: LA ESCONDIDA PROJECT IS SCHEDULED TO START IN 1988. EDC TO FINANCE 50 US M.

Results Expected: WE ARE ENSURED OF AT LEAST US 50 M TO IMPROVE THAT FIGURE BY AT LEAST 25M.

Activity: CODELCO HAS SLOWED DOWN ON ITS INVESTMENT PROGRAM IN 1987. IT IS LIKELY THAT 88/89 WILL WITNESS ACCELERATED ACTION.

Results Expected: MAXIMIZE CHANCES THAT CDN COMPANIES ARE SHORT LISTED ON PROJECTS.

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO COUNTRY: 068 CHILE

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

Activity: LAC MINERAL IS TO INVEST OVER US 30 M. IN GOLD MINE. THEY HAVE OPENED OFFICE IN CHILE. TO MEET EXECUTIVES TO PROMOTE CDN EQUIPMENT.

Results Expected: ENSURE THAT CDN COMPANIES WILL BE CONSIDERED WHEN TIME TO BUY EQUIPMENT COMES.

Activity: ECHO BAY MANAGEMENT IS CONTEMPLATING INVESTMENT IN MINING. TO FOLLOW VERY CLOSELY ALL DEVELOPMENTS. MAINTAIN EXCELLENT RELATIONS WITH LOCAL MANAGEMENT.

Results Expected: ENSURE THAT CDN COMPANIES WILL BE CONSIDERED WHEN TIME TO BUY EQUIPMENT COMES.

Activity: THERE ARE ONE OTHER GOLD MINE PROJECT AND ONE SULPHUR MINE PROJECT UNDER STUDY BY CDN INVESTORS.

Results Expected: ENSURE THAT CDN COMPANIES WILL BE CONSIDERED WHEN TIME TO BUY EQUIPMENT COMES.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 012 PETROCHEM & CHEM PROD, EQP, SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	80.00M	\$ 75.00M	\$ 75.00M	\$ 75.00M
Canadian Exports \$	10.00M	\$ 7.00M	\$ 6.00M	\$ 6.00M
Canadian Share of Import Market	11.50%	8.50%	8.00%	8.00%

Major Competing Countries

Market Share

- | | |
|----------------------------------|-------|
| i) 577 UNITED STATES OF AMERICA | 050 % |
| ii) 609 EUROPEAN COMMON MARKET C | 030 % |

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

- i) CHEMICAL PRODUCTS
- ii) STORAGE EQUIPMENT

Current Total Imports
In Canadian \$
\$ 40.00 M
\$ 1.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- other factor(s) described by the Trade Office as follows:

MAJOR CDN PRODUCERS ARE SUBSIDIARIES OF FOREIGN FIRMS OR ARE MOSTLY INTERESTED IN AMERICAN MARKET. CDN COMPANIES DO NOT EVEN BOTHER TO ANSWER OUR TELEXES.

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- the adequacy of exporter information in Canadian Directories
- sourcing assistance from Canadian federal/provincial governments departments
- product/service information from Canadian companies

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CIL/CHEMETIC HAS OFFERED CODELCO TO BUY SULPHURIC ACID PRODUCTION AND TO BUILD STORAGE AND TRANSPORT FACILITIES. CODELCO INTERESTED BUT HESITATES.

Results Expected: EXPORT OF EQUIPMENT AND SERVICES VALUED AT 3 M.

Activity: KEEP SOURCING FOR CHEMICAL PRODUCTS FROM CANADA AS WE HAVE NUMEROUS REQUESTS.

Results Expected: INCREASE OUR SHARE OF THE MARKET, ESTABLISH NEW AGENCIES.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 015 CONSTRUCTION INDUSTRY

Subsector: 151 BUILDING PRODUCTS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	7.00M	\$ 5.50M	\$ 4.00M	\$ 4.20M
Canadian Exports \$	2.00M	\$ 0.00M	\$ 0.00M	\$ 0.00M
Canadian Share of Import Market	30.00%	0.00%	0.00%	0.00%

Major Competing Countries

Market Share

- | | |
|----------------------------------|-------|
| i) 577 UNITED STATES OF AMERICA | 040 % |
| ii) 609 EUROPEAN COMMON MARKET C | 030 % |

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

Current status of Canadian exports: No Export results to date

Products/services for which there are good market prospects

Current Total Imports

In Canadian \$

- | | |
|-------------------------|-----------|
| i) TIMBER FRAME SYSTEMS | \$ 0.00 M |
| ii) HARDWARE | \$ 2.00 M |

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: HOUSING PROJECT (50 HOMES) USING CDN TECHNIQUE

Approximate Value: \$ 1 M

Financing Source: 012 DOM 011 CIDA

For further info. please contact:

MISSION: TEL: 696 2256 TLX: 240341 (DMCAN CL)

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

- other factor(s) described by the Trade Office as follows:

DIFFICULTY OF FINDING CDN COMPANY READY TO INVEST IN JOINT VENTURE WITH CHILEAN COMPANY TO INTRODUCE YECHNIQUE AND SELL CDN HARDWARE. FINLAND AND NEW ZEALAND ARE MAKING SIMILAR EFFORTS.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- No factors reported by mission

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: KNOWING THAT INTRODUCTION OF TIMBERFRAME TECHNIQUE WILL INCREASE TIMBER PRODUCTION THUS THE NEED FOR MORE FORESTRY EQUIPMENT, WE PURSUE OUR EFFORTS TO PROMOTE TECHNIQUE.

Results Expected: INTEREST A CDN COMPANY TO JOINT VENTURE WITH CHILEAN CO AND INTRODUCE TF TECHNIQUE.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 633 SANTIAGO		
Sector: 002 FISHERIES, SEA PRODUCTS & SERV.		
020 MISSION OUTGOING FISHING EQUIPMENT AND SERVICES	STAGO/VALPARAISO	0489
Sector: 005 COMM. & INFORM. EQP. & SERV		
024 MISSION INCOMING TELECOMMUNICATIONS EQUIPMENT MISSION		0589
Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES		
010 FAIRS FORESTRY EQUIPMENT SHOW FORESTRY SEMINAR AND SHOW	CONCEPCION CONCEPCION	1189 1290
Sector: 010 MINE, METAL, MINERAL PROD & SRV		
020 MISSION OUTGOING MINING EQUIPMENT MISSION	STAGO	0889
024 MISSION INCOMING MINING MISSION		0391
Sector: 999 MULTIPLE SECTORS		
010 FAIRS FISA 89 FISA 90	STAGO STAGO	1089 1090

Export and Investment Promotion Planning System

88/89 Trade and Economic Overview

Mission: 635 BRASILIA

Country: 047 BRAZIL

TRADE PROMOTION OVERVIEW: EMBASSY TERRITORY COVER 65% OF BRAZIL & ACCOUNTS FOR 60M OF BRAZIL'S 138M INHABITANTS. HOWEVER LEVEL OF URBANIZATION IS LOW & OUR TERRITORY ACCOUNTS FOR A MERE 25% OF BRAZIL'S GDP. AS A RESULT THE MAJOR INDUSTRIAL & CONSUMER MARKETS ARE HANDLED BY OUR CONSULATE IN SAO PAULO. CONSEQUENTLY OUR TRADE PRIORITY IS CENTERED ON LOBBYING GOV'T MINISTRIES & AGENCIES. PRIORITIES IN COMING YEAR WILL BE 1)RENEWAL OF LONG-TERM WHEAT AGREEMENT. WE WILL WORK CLOSELY WITH CWB TO SEEK RENEWAL OF LONG-TERM WHEAT AGMT ENSURING THAT ANNUAL SALES LEVEL BE AT LEAST 750,000 TONS. 2)PROMOTION OF SALE OF SPARS THIRD SATELLITE. EMBASSY WILL WORK CLOSELY WITH SPAR IN ITS LOBBYING EFFORTS WITH MINISTRY OF COMMUNICATIONS & TELEBRAS AS 1988-89 WILL BE A DECISION-MAKING YEAR FOR BRAZILIAN GOV'T IN TERMS OF PLANNING FOR SECOND GENERATION OF BRAZILIAN SATELLITES. 3)NEW MOU FOR SANTA ISABEL HYDRO PROJECT. WE WILL PURSUE NEW MEMORANDUM OF UNDERSTANDING (MOU) WITH BRAZILIAN GOV'T TO REPLACE MOU SIGNED IN 82 & WILL CONTINUE TO LIAISE CLOSELY WITH CGE. 4)LOBBY EBTU FOR CDN PARTICIPATION IN IMPLEMENTATION OF BRAZILIAN NATIONAL MASS TRANSIT PLAN. TO THIS END WE WILL MOUNT MISSION TO CDA OF MIN. FOR URBAN DEVELOPMENT & OF PRESIDENT OF EBTU (BRAZILIAN URBAN TRANSIT CO) WE WILL CONTINUE TO WORK CLOSELY WITH TTCL/STCUM & ASSIST LAVALIN. 5)PROMOTE SALE OF BELL TEXTRAN HELICOPTERS TO BRAZILIAN ARMY & POLICE FORCES. WE WILL LOBBY AUTHORITIES ON BELL'S BEHALF & PROVIDE BELL WITH REQUIRED SUPPORT IN PURSUIT OF THIS \$100M PROJECT. 6)PROMOTION OF CDN NATURAL GAS TRANSMISSION & DISTRIBUTION TECHNOLOGY TO MIN. OF MINES & ENERGY, & NAT'L ENERGY COMMISSION & STATE POWER COMPANIES. 7)ASSIST CDN COAL EXPORTERS IN THEIR EFFORTS TO OBTAIN INCREASED QUOTAS FROM SIDERBRAS BY LOBBYING VARIOUS MINISTRIES IN SUPPORT OF CDN COUNTER-TRADE PROPOSALS. 8)PROMOTE CDN PARTICIPATION IN \$168M IBRD TRAINING PROJECT BY ORGANIZING MISSION TO CDA OF DECISION-MAKERS FROM BRAZILIAN EXECUTING AGENCIES. WHILE GOVT-RELATED INDIRECT TRADE PROMOTION IS THE PRIMARY ACTIVITY OF THE EMBASSY THERE ARE SIGNIFICANT TRADE OPPORTUNITIES WITHIN OUR OWN TERRITORY. THESE INCLUDE URBAN TRANSIT PROJECTS IN BRASILIA, GOIANIA, FORTALEZA & SALVADOR; A MOBILE CELLULAR TELEPHONE PILOT PROJECT IN BRASILIA; A VARIETY OF OPPORTUNITIES FOR DIRECT EXPORT & BUSINESS ASSOCIATIONS IN BELO HORIZONTE SPAWNED BY THE BRAZIL-CDA CHAMBER OF COM. INDI AGREEMENT; & STRONG NEW MARKETS FOR CDN DAIRY CATTLE, SEMEN & EMBRYOS & OTHER LIVESTOCK PARTICULARLY IN THE STATES OF GOIAS, MINAS GERAIS, BAHIA & PERNAMBUCO. THE EMBASSY WILL CONTINUE TO ENCOURAGE OUTGOING MISSIONS TO INCLUDE BELO HORIZONTE IN ITS PLANS FOR VISITS TO BRAZIL IN RECOGNITION OF ITS STATUS AS BRAZIL'S 3RD LARGEST URBAN CENTRAL & AS THE CAPITAL OF BRAZIL'S 2ND MOST IMPORTANT STATE IN TERMS OF ECONOMIC/INDUSTRIAL ACTIVITY. ONE OF THE EMBASSY'S PRIORITIES IS TO IDENTIFY A POTENTIAL HONOURARY

Export and Investment Promotion Planning System

REPT: SYN-GEO 88/89 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 635 BRASILIA

Market: 047 BRAZIL

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: CDN LIVESTOCK ESPECIALLY DAIRY & GOATS RECOGNIZED IN BRAZIL FOR HIGH GENETIC QUALITY. INTENSIVE MKTG EFFORT BY POSTS THROUGH SEMINARS, FAIRS & INCOMING MIS. HAVE FURTHER INCR. AWARENESS OF SUPERIOR GENETIC

2. 005 COMM. & INFORM. EQP. & SERV

REASONS: DUE TO VERY SUCCESSFUL BRASISAT PROGRAM (SPAR) BRAZILIAN OFFICIALS WELL-DISPOSED TOWARD CDA. SUCCESS OF SPAR OFFSET PGM ENSURES THAT SPAR IS FRONTRUNNER FOR 2ND GENERATION SATELLITES.

3. 008 TRANSPORT SYS, EQUIP, COMP, SERV.

REASONS: BRAZIL LOOKING FOR FOREIGN WILLING TO DEVELOP 3RD COUNTRY OPPOR. WITH BRAZILIAN FIRMS-CDA VIEWED AS POTENTIAL PARTNER. LAVALIN/MAFERSA CO-OP. IN US MKT IS POSITIVE EX. EBTU NAT'L MASS TRANSIT PLAN IS PRIORITY

4. 007 POWER & ENERGY EQUIP. & SERV.

REASONS: AFTER SEVERAL YEARS HIATUS NEW HYDRO GENERATION PROJECTS NOW BEING UNDERTAKEN. BRAZILIAN GOV'T PREPARED TO RENEW MOU WITH CDN GOV'T & IDENTIFY NEW PROJECTS FOR CDN PARTICIPATION (CGE).

5. 003 GRAINS AND OILSEEDS

REASONS: CDA HAS REPUTATION AS RELIABLE LONG-TERM SUPPLIER OF GOOD QUALITY GRAIN. PRESIDENT OF JUNTA DO TRIGO IS STRONG ALLY OF CANADA.

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

1. 003 GRAINS AND OILSEEDS
2. 010 MINE, METAL, MINERAL PROD & SRV
3. 005 COMM. & INFORM. EQP. & SERV
4. 008 TRANSPORT SYS, EQUIP, COMP, SERV.
5. 009 FOREST PRODUCTS, EQUIP, SERVICES

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 635 BRASILIA

Market: 047 BRAZIL

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	900.00M	\$ 800.00M	\$ 1200.00M	\$ 400.00M
Canadian Exports \$	90.00M	\$ 85.00M	\$ 80.00M	\$ 50.00M
Canadian Share of Import Market	10.00%	10.00%	6.50%	13.00%

Major Competing Countries

	Market Share
i) 001 ARGENTINA	030 %
ii) 008 URUGUAY	015 %
iii) 577 UNITED STATES OF AMERICA	020 %
iv) 609 EUROPEAN COMMON MARKET C	015 %
v) 607 COMECON	010 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

	Current Total Imports In Canadian \$
i) DAIRY/BEEF BREEDING STOCK	\$ 10.00 M
ii) SEMEN AND EMBRYOS	\$ 8.00 M
iii) GOATS AND SHEEP AND SWINE	\$ 2.00 M
iv) POULTRY BREEDING STOCK	\$ 2.00 M
v) SEED POTATOES AND PULSES	\$ 5.00 M
vi) SAUSAGE AND MEAT CASINGS	\$ 3.00 M
vii) DAIRY PRODUCTS	\$ 100.00 M
viii) FERTILIZER (POTASH)	\$ 300.00 M
ix) FROZEN BEEF/PORK	\$ 50.00 M
x) AGRICULTURAL MACHINERY	\$ 10.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: GRAIN STORAGE/HANDLING PROJECTS
Approximate Value: \$ M
Financing Source: 002 IDA 023 EDC
For further info. please contact:
EMBASSY/CONGEN

Export and Investment Promotion Planning System

MISSION: 635 BRASILIA

COUNTRY: 047 BRAZIL

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non-tariff protectionist measures which are difficult to overcome
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: TECHNICAL COOPERATION PROGRAM (EITHER THROUGH CIDA III OR CIDA INSTITUTIONAL PROGRAM) WITH GOATBREEDING ASSOCIATIONS IN NORTHEAST STATES.

Results Expected: INCREASED ANNUAL SALES OF LIVE ANIMALS AND GENETIC MATERIAL

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DEPARTMENT OF EXTERNAL AFFAIRS

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Export and Investment Promotion Planning System

MISSION: 635 BRASILIA

COUNTRY: 047 BRAZIL

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: COOPERATION AGREEMENT BETWEEN CANADIAN HOLSTEIN ASSOCIATION AND BRAZILIAN MINISTRY OF AGRICULTURE.

Results Expected: FACILITATE APPROVAL PROCESS OF HOLSTEIN DAIRY CATTLE SELECTED FOR IMPORT.

Activity: DELIVERY OF SEED POTATOES FOR BRAZILIAN NATIONAL SEED POTATO TESTING PROGRAM.

Results Expected: PENETRATION (ESPECIALLY) IN CASE OF INDUSTRIAL VARIETIES) INTO BRAZILIAN SEED POTATO MARKET.

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

Activity: VISIT TO CANADA OF BRAZILIAN MINISTRY OFFICIAL TO INVESTIGATE CDN BEEF CATTLE INDUSTRY.

Results Expected: PENETRATION OF BRAZILIAN BEEF CATTLE MARKET (PIEDMONTESE, HEREFORD, SHAVER BEEFOLEND).

Activity: FOLLOW UP TO TECHNICAL DAIRY CATTLE SEMINARS HELD IN MARCH 1987.

Results Expected: INCREASED SALES DAIRY CATTLE BREEDING STOCK.

Activity: MARKETING TRIP IN COMPANY OF YAKULT (SEMEX REP) TO RELATIVELY NEW AND UNTAPPED TERRITORIES IN NORTHEAST.

Results Expected: INCREASE SALES OF QUALITY DAIRY CATTLE BREEDING STOCK.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 635 BRASILIA

Market: 047 BRAZIL

Sector: 003 GRAINS AND OILSEEDS

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	600.00M	\$ 600.00M	\$ 900.00M	\$ 1000.00M
Canadian Exports \$	100.00M	\$ 100.00M	\$ 140.00M	\$ 200.00M
Canadian Share of Import Market	17.00%	17.00%	16.00%	20.00%

Major Competing Countries

Market Share

i) 001 ARGENTINA	045 %
ii) 577 UNITED STATES OF AMERICA	010 %
iii) 112 FRANCE	015 %
iv) 609 EUROPEAN COMMON MARKET C	010 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Market share declining

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) WHEAT	\$ 450.00 M
ii) CORN	\$ 50.00 M
iii) CANARY SEEDS	\$ 0.00 M
iv) BARLEY	\$ 50.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- No factors reported by mission

Export and Investment Promotion Planning System

MISSION: 635 BRASILIA COUNTRY: 047 BRAZIL

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada
- the existence of a bilateral economic/trade arrangement between Canada and this country
- the availability of competitive Canadian financing

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

Activity: FOCUSED & SUSTAINED LOBBYING VIS-A-VIS MFA, MINISTRY OF FINANCE, SUNAB, MINISTRY OF AGRICULTURE, JUNTA DO TRIGO RE. VALUE TO BRAZIL OF LONG-TERM GUARANTEED WHEAT SUPPLIES FROM CANADA.

Results Expected: SIGNING OF NEW LONG-TERM WHEAT AGREEMENT IN 1988.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 635 BRASILIA

Market: 047 BRAZIL

Sector: 005 COMM. & INFORM. EQP. & SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	900.00M	\$ 800.00M	\$ 750.00M	\$ 775.00M
Canadian Exports \$	15.00M	\$ 15.00M	\$ 10.00M	\$ 95.00M
Canadian Share of Import Market	1.60%	1.80%	1.30%	12.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	040 %
ii) 265 JAPAN	020 %
iii) 507 SWEDEN	010 %
iv) 112 FRANCE	010 %
v) 128 GERMANY WEST	015 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) TELECOM SATELLITES	\$ 0.00 M
ii) LOW CAPACITY EARTH STATIONS	\$ 5.00 M
iii) REMOTE SENSING EQUIPMENT	\$ 5.00 M
iv) TELEPHONE SWITCHING EQUIPMENT AND COMP.	\$ 20.00 M
v) RADIO TRANSMIT. EQUIP.	\$ 5.00 M
vi) MOBILE CELLULAR TELEPHONE EQUIPMENT	\$ 20.00 M
vii) ISDN	\$ 0.00 M
viii) SARSAT GROUND STATIONS	\$ 0.00 M
ix) MICROWAVE LANDING SYSTEMS	\$ 10.00 M
x) SCADA SYSTEMS	\$ 5.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: SARSAT (CDN ASTRONAUTICS LTD)
Approximate Value: \$ 20 M
Financing Source: 023 EDC
For further info. please contact:
EMBASSY

Export and Investment Promotion Planning System

MISSION: 635 BRASILIA

COUNTRY: 047 BRAZIL

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: BRASILSAT III & IV (SPAR)

Approximate Value: \$ 150 M

Financing Source: 023 EDC

For further info. please contact:

EMBASSY

iii) Project Name: LOW COST/LOW CAPACITY EARTH STATIONS FOR
RURAL TELEPHONY (SPAR)

Approximate Value: \$ 20 M

Financing Source: 023 EDC

For further info. please contact:

EMBASSY

iv) Project Name: BRASILIA MOBILE CELLULAR TELEPHONE PILOT
PROJECT (NOVATEL)

Approximate Value: \$ 10 M

Financing Source: 023 EDC

For further info. please contact:

EMBASSY

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non-tariff protectionist measures which are difficult to overcome

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade missions
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

Export and Investment Promotion Planning System

MISSION: 635 BRASILIA COUNTRY: 047 BRAZIL

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: UNCOMPLETED CIDA-FINANCED PROGRAM FOR INSTALLATION OF SARSAT GROUND STATION (LUT).

Results Expected: SALE OF ONE OR TWO ADDITIONAL GROUND STATIONS AND LOCATOR BEACONS.

Activity: SPAR PROPOSAL TO DEVELOP LOW COST/LOW CAPACITY EARTH TERMINAL IN COOPERATION WITH BRAZILIAN INDUSTRY.

Results Expected: IMPORTANT NEW PRODUCT DEVELOPMENT FOR SPAR & SIGNIFICANT SALES IN BRAZIL AND THIRD MARKETS

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

Activity: SEND SENIOR PLANNING OFFICIALS FROM MINISTRY OF COMMUNICATIONS AND TELEBRAS TO CANADA.

Results Expected: INCREASED AWARENESS OF CANADIAN EXPERIENCE IN ADVANCED TELECOM TECHNOLOGY.

Activity: TELEBRAS OFFICIAL TO PARTICIPATE IN DOC ISDN TRIALS.

Results Expected: FUTURE SALES OF ISDN CHIPS AND CONSULTING SERVICES.

Activity: VISITS TO STATE METEOROLOGY AGENCIES TO MARKET CANADIAN REMOTE SENSING EQUIPMENT AND SERVICES.

Results Expected: INCREASED SALES OF GREGORY GEOSCIENCE, MACDONALD DETWILER AND OTHER EQUIP.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 635 BRASILIA

Market: 047 BRAZIL

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	550.00M	\$ 525.00M	\$ 500.00M	\$ 500.00M
Canadian Exports \$	8.00M	\$ 5.00M	\$ 4.00M	\$ 3.00M
Canadian Share of Import Market	1.50%	1.00%	0.80%	0.50%

Major Competing Countries

Market Share

i) 112 FRANCE	025 %
ii) 128 GERMANY WEST	020 %
iii) 577 UNITED STATES OF AMERICA	025 %
iv) 553 UNION OF SOVIET SOC REP	005 %
v) 265 JAPAN	015 %
vi) 088 CZECHOSLOVAKIA	005 %

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) LARGE HYDRD GENERATORS AND PARTS	\$ 100.00 M
ii) NETWORK PROTECTORS	\$ 5.00 M
iii) BOILER SYSTEMS	\$ 10.00 M
iv) PDA EQUIPMENT	\$ 3.00 M
v) CIRCUIT BREAKERS	\$ 5.00 M
vi) INSTRUMENTATION	\$ 25.00 M
vii) SPARE PARTS	\$ 200.00 M
viii) THERMAL GENERATORS	\$ 40.00 M
ix) SCADA SYSTEMS	\$ 10.00 M
x) HIGH VOLTAGE TRANSFORMERS	\$ 5.00 M

Export and Investment Promotion Planning System

MISSION: 635 BRASILIA COUNTRY: 047 BRAZIL

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non-tariff protectionist measures which are difficult to overcome

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- use of Canadian Government export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: RENEW MOU BETWEEN BRAZILIAN AND CANADA GOVERNMENTS RE. CDN PARTICIPATION IN FUTURE HYDRO PROJECTS.

Results Expected: IDENTIFY EXPORT OPPORTUNITIES FOR CGE GENERATORS.

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

Activity: FOLLOW-UP WITH ELETRONORTE AND CHESF RE. THEIR NEED FOR PDA TECHNOLOGY.

Results Expected: EXPORT SALES OF \$10M OVER NEXT THREE YEARS.

Activity: CONTINUE TO REPORT ON IFI - FINANCED PROCUREMENT BY BRAZILIAN UTILITIES.

Results Expected: ADDITIONAL SALES OF NETWORK PROTECTORS AND OTHER EQUIPMENT.

Export and Investment Promotion Planning System

MISSION: 635 BRASILIA

COUNTRY: 047 BRAZIL

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

Activity: FOLLOW UP ON ELETROBRAS INCOMING ENVIRONMENTAL MISSION.

Results Expected: POTENTIAL SALE OF ENVIRONMENTAL CONSULTING SERVICES.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 635 BRASILIA

Market: 047 BRAZIL

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	1500.00M	\$ 1400.00M	\$ 1200.00M	\$ 1100.00M
Canadian Exports \$	125.00M	\$ 125.00M	\$ 105.00M	\$ 93.00M
Canadian Share of Import Market	8.50%	8.00%	8.50%	8.50%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	040 %
ii) 128 GERMANY WEST	015 %
iii) 237 ITALY	015 %
iv) 051 UNITED KINGDOM	010 %
v) 265 JAPAN	010 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) AUTO PARTS	\$ 500.00 M
ii) AIRCRAFT ENGINES	\$ 60.00 M
iii) LOCOMOTIVE COMPONENTS	\$ 35.00 M
iv) RAILWAY CONSULTING SERVICES	\$ 0.50 M
v) LRT SYSTEMS DESIGN & ENGINEERING/EQUIPMENT	\$ 100.00 M
vi) CARGO/RAIL TRANSPORT MANAGEMENT SYSTEMS	\$ 20.00 M
vii) FIREFIGHTING AIRCRAFT	\$ 0.00 M
viii) AIRCRAFT CONVERSION KITS	\$ 0.00 M
ix) CONSULTING SERVICES	\$ 10.00 M
x) MARINE VESSELS EQUIP.	\$ 10.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: BRASILIA MASS TRANSIT PROJECT
Approximate Value: \$ 400 M
Financing Source: 023 EDC
For further info. please contact:
EMBASSY

Export and Investment Promotion Planning System

MISSION: 635 BRASILIA

COUNTRY: 047 BRAZIL

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: HELICOPTER SALE TO BRAZILIAN ARMY

Approximate Value: \$ 150 M

Financing Source: 023 EDC

For further info. please contact:

EMBASSY

iii) Project Name: NORTH/SOUTH RAILWAY

Approximate Value: \$ 2400 M

Financing Source: 023 EDC

For further info. please contact:

EMBASSY

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- high tariffs
- non-tariff protectionist measures which are difficult to overcome
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: SIGNING OF COOPERATION-AGREEMENT BETWEEN GOVERNMENT FEDERAL DISTRICT AND TTCL/SCTUM

Results Expected: ASSIST IN PACKAGING CDN BID FOR PARTICIPATION IN BRASALIA MASS TRANSIT PROJECT

Export and Investment Promotion Planning System

MISSION: 635 BRASILIA

COUNTRY: 047 BRAZIL

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

Activity: EMBASSY TO WORK CLOSELY WITH LAVALIN TO INTRODUCE UTDC LRT TECHNOLOGY TO EBTU AND TO ENCOURAGE RELATIONSHIP BETWEEN LAVALIN AND LOCAL PARTNER.

Results Expected: CANADA WILL BE BETTER POSITIONED TO MAKE SERIOUS BID FOR BRASILIA OR OTHER MASS TRANSIT PROJECTS.

Activity: EMBASSY TO PROMOTE EARLY VISIT TO CANADA OF NEW MINISTER FOR URBAN DEVELOPMENT AND PRESIDENT OF EBTU.

Results Expected: INCOMING MINISTERIAL MISSION WILL PROVIDE HIGH PROFILE EXPOSURE TO CDN TECHNOLOGY.

Activity: FOLLOW UP WITH MUNICIPAL AUTHORITIES IN SALVADOR, GOIANIA, BELO HORIZONTE, VITTORIA RE. PLANS FOR URBAN TRANSIT SYSTEMS.

Results Expected: INCREASE AWARENESS OF CDN LRT TECHNOLOGY.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		

Mission: 635 BRASILIA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

020 MISSION OUTGOING
OUTGOING MISSION

BRASILIA ETC

89

024 MISSION INCOMING
INCOMING MISSION (AGRICULTURE CANADA)

89

Type of Event

Location

Date

Promotional projects proposed for the two following fiscal years.

Mission: 635 BRASILIA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

010 FAIRS

GOIANIA AGRICULTURAL FAIR
GOIANIA AGRICULTURAL FAIRGOIANIA
GOIANIA0589
0590

020 MISSION OUTGOING

DAIRY CATTLE TECHNICAL SEMINARS

BRASILIA ETC

0889

024 MISSION INCOMING

INCOMING LIVESTOCK BUYERS MISSION
INCOMING SWING ROP MISSION

TORONTO

1189
90

Sector: 006 ELECTRONICS EQUIP. & SERV

020 MISSION OUTGOING

ONTARIO MISSION
ONTARIO MISSIONBELO HORIZONTE
BELO HORIZONTE90
1289

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

020 MISSION OUTGOING

URBAN/RAIL MISSION TO BRAZIL

BRASILIA, ETC.

0489

Sector: 010 MINE, METAL, MINERAL PROD & SRV

020 MISSION OUTGOING

CONSTRUCTION/THIRD COUNTRIES MISSION
OUTGOING MINING MISSIONBEL HORIZONTE
BELO HORIZONTE0689
0989

Sector: 999 MULTIPLE SECTORS

010 FAIRS

CANADA DAY IN BELO HORIZONTE

BELO HORIZONTE

1190

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 635 BRASILIA		
Sector: 999 MULTIPLE SECTORS		
010 FAIRS CANADA DAY IN BELO HORIZONTE	BELO HORIZONTE	1189
024 MISSION INCOMING MARKETPLACE '90		1090
MARKETPLACE '89		1089

Export and Investment Promotion Planning System

88/89 Trade and Economic Overview

Mission: 637 SAO PAULO

Country: 047 BRAZIL

POST TERRITORY CONSTITUTES THE ECONOMIC HEARTLAND OF BRAZIL WITH APPROX. 80% OF INDUSTRIAL OUTPUT, 2/3 OF AGRICULTURAL PRODUCTION & A STRONG & DYNAMIC PRIVATE SECTOR. GLOBAL ECONOMIC SITUATION CONTINUES TO BE CHARACTERIZED BY HIGH INFLATION UNSUSTAINABLE PUBLIC SECTOR DEFICIT & LARGE EXTERNAL DEBT WHICH DICTATE EXTENSIVE IMPORT CONSTRAINTS BUT HAVE NOT PREVENTED HIGH ECONOMIC GROWTH SINCE 84 (7%-8%) ALBEIT AT REDUCED PACE THIS YEAR (LIKELY AROUND 3-4%). BRAZILIAN GOV'T HAS PUBLICLY STATED ITS INTENTION TO IMPORT MORE IN THE FUTURE AS LONG AS IT IS ABLE TO EXPORT MORE & TREND IS IN THIS DIRECTION. CONSEQUENTLY POST BELIEVES THERE WILL CONTINUE TO BE INCREASING OPPORTUNITIES FOR SALE OF HIGH TECHNOLOGY PRODUCTS IN PROCESS CONTROL INSTRUMENTATION & STATE OF ART TECHNOLOGY IN OIL & GAS PULP & PAPER COMMUNICATIONS & INFORMATICS & OTHER SECTORS. TERMS OF MARKET ARE LIKELY TO CONTINUE TO DEMAND MORE OFTEN THAN NOT JOINT VENTURE/TRANSFER OF TECHNOLOGY APPROACH IN FORESEEABLE FUTURE. GIVEN THIS COMPLEX ENVIRONMENT POST WILL CONTINUE TO INITIATE LARGE NUMBER OF PROMOTIONAL EVENTS INCLUDING AN OIL & GAS SEMINAR IN CDA PARTICIPATION OF CDN SPEC. IN SATELLITE COMMUNICATIONS CELLULAR TELEPHONY & OTHER SEMINARS IN HIGH TECHNOLOGY SECTORS AS WELL AS LIVESTOCK DAIRY/BEEF CATTLE & GENETIC MATERIAL. SEVERAL PROV. (ONT. QUE. ALTA. ETC) & FEDERAL TRADE MISSIONS AS WELL AS OFFICIAL PARTICIPATION IN SPECIALIZED TRADE FAIRS SUCH AS EXPDINTER (AG) OIL & GAS SHOW INFORMATICA ARE PLANNED TO INTRODUCE NEW CDN EXPORTERS TO BRAZILIAN MARKET IN ORDER TO INCREASE EXPOSURE OF CAREFULLY SELECTED CDN FIRMS THAT WILL LEAD TO DIVERSIFICATION OF OUR EXPORT MIX TO BRAZIL. EXTENSIVE USE OF OTHER GOV'T PROGRAMS SPECIALLY CIDA INC & INCOMING BUYERS WILL CONTINUE TO BE ESSENTIAL IN THIS PROCESS GIVEN COMPLEXITIES OF DIRECT/INDIRECT INVESTMENTS IN BRAZIL. GREATER EMPHASIS WILL BE GIVEN TO RENEWED LARGE PROJECTS ACTIVITIES SUCH AS THE PRODUCTION RAILWAY IN PARANA SAO PAULO STATE RAIL TRANSPORTATION PROJECT (FEPASA) CBTU URBAN TRANSPORTATION PROJECTS. AVAILABILITY OF OFFICIAL EXPORT FINANCING FROM EDC WILL PLAY A MAJOR ROLE IN THIS REGARD. GEOGRAPHIC DIVERSIFICATION OF OUR COOPERATION ACTIVITIES IN FIELD OF AGRICULTURE WILL BE AGGRESSIVELY PURSUED VIA PROMOTION OF AN AGREEMENT WITH STATE OF PARANA IN LIVESTOCK GENETIC MATERIALS. IN ADDITION POST WILL CONTINUE TO ACTIVELY SEEK TO PROTECT OUR TRADITIONAL COMMODITY EXPORT BASE BY MONITORING BRAZILIAN COAL POTASH SULPHUR NEWSPRINT IMPORTS & MAKING APPROPRIATE REPRESENTATIONS WHEN REQUIRED. THIRD COUNTRY COOPERATION & TRIANGULAR TRADE ACTIVITIES WILL BE PURSUED VIA TRADING HOUSES WHICH POST HAVE DEVELOPED CONTACTS WITH & THROUGH SAME POST WILL TRY TO ENHANCE OUR ABILITY TO HANDLE COUNTERTRADE BARTER & OTHER UNCONVENTIONAL FINANCING ACTIVITIES WHICH MAY BE NEEDED MORE FREQUENTLY IN FUTURE. POST WILL CONTINUE TO DEVELOP ITS CONTACTS WITH MAJOR INSTITUTIONS ORGANIZATIONS & STATE/PRIV.

Export and Investment Promotion Planning System

REPT: SYN-GEO 88/89 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

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

1. 011 OIL & GAS EQUIPMENT, SERVICES

REASONS: OIL EXPLORATION/PRODUCTION CONSUMES MORE INVESTMENT THAN ANY OTHER SECTOR; NEED TO DEVELOP VERY DEEP WATER OIL ACTIVITIES & IMPLEMENTATION OF NATIONAL NATURAL GAS/PLAN WILL REQUIRE ACCESS TO FOREIGN

2. 008 TRANSPORT SYS, EQUIP, COMP, SERV.

REASONS: AT LEAST 4 MAJOR CARGO SUBURBAN AND/OR URBAN TRANSPORTATION PROJECTS TO BE INITIATED IN COMING YEAR. SUBSTANTIAL INTEREST FOR CDN KNOW-HOW AND TECHNOLOGY HAS BEEN GENERATED.

3. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: APART FROM ONGOING BRAZILIAN REQ'TS FOR WHEAT MARKET FOR LIVESTOCK & GENETIC MATERIAL IS OPENING UP & ASSUMING COOPERATION AGREEMENT WITH PARANA POTENTIAL FOR INCREMENTAL SALES IS GOOD. POSTS PROMOTIONAL

4. 005 COMM. & INFORM. EQP. & SERV

REASONS: IN MEDIUM TERM BRAZIL INTENDS TO ACQUIRE NEW TELECOMMUNICATIONS SATELLITES & IN SHORT TO MED. TERM IT NEEDS TO INCR. USE OF EXISTING ONES & DEFINE FUTURE USES. VERY FAVORABLE PERCEPTION OF CDA IN BOTH AREAS

5. 010 MINE, METAL, MINERAL PROD & SRV

REASONS: RENEWED PROJECT ACTIVITIES AT PRELIMINARY STAGES PARTICULARLY IN GOLD & ALSO IN VARIETY OF OTHER METALS/MINERALS. SOME SIG. OPPOR. FOR CONSULTING/ENGINEERING SERVICES WILL RESULT.

6. 009 FOREST PRODUCTS, EQUIP, SERVICES

REASONS: PROJECTS TOTTALLING SEV. BIL. DOLLARS ENVISAGED IN NEXT 5 YRS. HIGHLY SPECIALIZED EQUIP. WILL BE IMPORTED WHILE FOREIGN CONSULTING/ENGINEERING SERVICES WILL ALSO BE POSS. WITH BRAZILIAN PARTNERS.

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

1. 003 GRAINS AND OILSEEDS
2. 010 MINE, METAL, MINERAL PROD & SRV
3. 008 TRANSPORT SYS, EQUIP, COMP, SERV.
4. 009 FOREST PRODUCTS, EQUIP, SERVICES
5. 005 COMM. & INFORM. EQP. & SERV

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	900.00M	\$ 800.00M	\$ 1200.00M	\$ 400.00M
Canadian Exports \$	90.00M	\$ 85.00M	\$ 80.00M	\$ 58.00M
Canadian Share of Import Market	10.00%	10.00%	6.50%	13.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	020 %
ii) 001 ARGENTINA	030 %
iii) 609 EUROPEAN COMMON MARKET C	015 %
iv) 008 URUGUAY	015 %
v) 616 OTHER COUNTRIES	010 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) FERTILIZER (POTASH)	\$ 300.00 M
ii) DAIRY & BEEF BREEDING CATTLE	\$ 10.00 M
iii) GENETIC MATERIAL	\$ 8.00 M
iv) GOATS, SHEEP, SWINE	\$ 2.00 M
v) POULTRY AND HATCHING EGGS	\$ 2.00 M
vi) SEED POTATOES	\$ 4.00 M
vii) FOOD PROCESSING EQUIPMENT	\$ 15.00 M
viii) AGRICULTURAL MACHINERY	\$ 10.00 M
ix) DAIRY PRODUCTS	\$ 100.00 M
x) FROZEN BEEF/PORK	\$ 50.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: GRAIN STORAGE/HANDLING
Approximate Value: \$ M
Financing Source: 001 IBRD
For further info. please contact:
CON GEN S. PAULO/EMBASSY, BRSLA

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- ii) Project Name: IRRIGATION PROJECTS
Approximate Value: \$ M
Financing Source: 001 IBRD
For further info. please contact:
CON GEN S. PAULO/EMBASSY, BRSLA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:

IN NON-TRADITIONAL EXPORTS, PROSPECTS ARE ERRATIC OR NEW AS WELL AS OFTEN LIMITED BY AVAILABILITY OF CANADIAN PRODUCTS.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FOLLOW UP TO OFFICIAL PARTICIPATION IN EXPOINTER'87 & EXPOTIBA'87 AS WELL AS SPONSORED VISITS OF BRAZILIAN OFFICIALS TO ROYAL WINTER FAIR AND WESTERN AGRIBITION SHOW

Results Expected: FIRM UP NEW REPRESENTATION AGREEMENTS (2) AND SALES OF LIVESTOCK AND SEMEN (2 TO 3 MILLION)

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: MAINTAIN/EXPAND CONTACTS WITH POULTRY, GOATS, SWINE AND HORSES BREEDERS.

Results Expected: DETERMINE WHETHER THESE AREAS SHOULD BE PURSUED AND IF SO WHICH AND HOW.

Activity: MONITOR AND REPORT ON VARIOUS MARKET ACCESS ISSUES AFFECTING CDN EXPORTS IN THIS SECTOR PARTICULARLY BILATERAL BRAZILIAN TRADE ARRANGEMENTS FOR POTASH.

Results Expected: ENSURE EQUAL ACCESS TO CANADIAN SUPPLIERS.

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

Activity: PURSUE ACTIVELY ELABORATION OF A COOPERATION AGREEMENT IN AGRICULTURE WITH STATE OF PARANA RELATIVE TO LIVESTOCK AND GENETIC MATERIAL.

Results Expected: SIGN COOPERATION AGREEMENT THEREBY CREATING OPPORTUNITIES FOR SALES AND TECHNICAL COOPERATION.

Activity: ARRANGE CANADIAN PARTICIPATION AT CATTLE BREEDING SEMINAR/CONVENTION IN PARANA, MAY 88.

Results Expected: ENLARGE EXPOSURE OF CANADIAN BREEDING AND MANAGEMENT TECHNIQUES TO TAKE ADVANTAGE OF EXPECTED AGREEMENT SIGNING WITH PR

Activity: PURSUE ACTIVELY OPPORTUNITIES FOR JV/TT IN AGRICULTURAL MACHINERY IDENTIFIED VIA SASK. GOVERNMENT SPONSORED VISIT OF ABIMAG REPRESENTATIVE TO FARM PROGRESS SHOW, E.G. SPRAYING EQUIPMENT.

Results Expected: TWO JOINT-VENTURE/TECHNOLOGY TRANSFER IN MEDIUM TERM.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 002 FISHERIES, SEA PRODUCTS & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	80.00M	\$ 75.00M	\$ 60.00M	\$ 55.00M
Canadian Exports \$	5.00M	\$ 4.00M	\$ 3.10M	\$ 0.80M
Canadian Share of Import Market	6.00%	6.00%	5.60%	2.30%

Major Competing Countries

	Market Share
i) 410 NORWAY	035 %
ii) 405 ICELAND	020 %
iii) 068 CHILE	015 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) COD FISH	\$ 40.00 M
ii) VARIOUS DRIED FISH	\$ 10.00 M
iii) SMOKED SALMON	\$ 5.00 M
iv) CANNED FISH	\$ 8.00 M
v) CLAMS, LOBSTER, SCALLOPS	\$ 5.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- other factor(s) described by the Trade Office as follows:
TARIFFS VARY WIDELY AND CAN BE AN IMPEDIMENT DEPENDING ON PRODUCT

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE TO ASSIST VARIOUS CANADIAN EXPORTERS OF COD BY PUTTING THEM IN TOUCH WITH IMPORTERS AND PROMOTING QUALITY OF PRODUCT AND RELIABILITY OF SUPPLY.

Results Expected: INCREASE CANADIAN MARKET SHARE TO 15-20%.

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

Activity: MAINTAIN CONTACTS WITH BRAZILIAN IMPORTERS TO IDENTIFY NEW (AND SOMETIMES TEMPORARY) REQUIREMENTS TO GIVE OPPORTUNITY TO CANADIAN EXPORTS TO SELL.

Results Expected: OCCASIONAL SALES AMOUNTING TO NEAR \$ 1 MILLION/YEAR.

Activity: PROMOTE CANADIAN LUXURY FISH ITEMS WITH SPECIALIZED IMPORTERS IN BRAZIL, E. G. SMOKED SALMON

Results Expected: UP TO \$ 1 MILLION PER YEAR IN SALES.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 005 COMM. & INFORM. EQP. & SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	900.00M	\$ 800.00M	\$ 750.00M	\$ 775.00M
Canadian Exports \$	15.00M	\$ 15.00M	\$ 10.00M	\$ 95.00M
Canadian Share of Import Market	1.60%	1.80%	1.30%	1.20%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	040 %
ii) 265 JAPAN	020 %
iii) 128 GERMANY WEST	015 %
iv) 112 FRANCE	010 %
v) 507 SWEDEN	010 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) TELEPHONE SWITCHING EQUIPMENT	\$ 20.00 M
ii) SATELLITE USES, E. G. TELE-EDUCATION & MEDICINE	\$ 0.00 M
iii) CELLULAR RADIO TECHNOLOGY	\$ 20.00 M
iv) SARSAT-EARTH STATION LOCAL USER TERMINAL	\$ 5.00 M
v) SARSAT-LOCATOR BEACONS	\$ 0.00 M
vi) RURAL TELEPHONY	\$ 2.00 M
vii) MICROWAVE LANDING SYSTEM	\$ 10.00 M
viii) SCADA SYSTEMS	\$ 5.00 M
ix) SATELLITE	\$ 0.00 M
x) COMPUTER SOFTWARE	\$ 40.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: MOBILE CELLULAR RADIO TELEPHONE SYSTEM
 Approximate Value: \$ 5 M
 Financing Source: 023 EDC 011 CIDA
 For further info. please contact:
 CANADIAN CONSULATE GENERAL, S. PAULO

Export and Investment Promotion Planning System

MISSION: 637 SAD PAULO

COUNTRY: 047 BRAZIL

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: RURAL TELEPHONE SYSTEM

Approximate Value: \$ 2 M

Financing Source: 023 EDC 011 CIDA

For further info. please contact:

CANADIAN CONSULATE GENERAL, S. PAULO

iii) Project Name: COMMUNICATION SATELLITES

Approximate Value: \$ M

Financing Source: 023 EDC 011 CIDA

For further info. please contact:

EMBASSY, BRASILIA, CONGEN, S. PAULO

iv) Project Name: VARIOUS EQUIP. RELATED TO SATELLITE TELE-COMMUNICATION ACTIVITIES

Approximate Value: \$ M

Financing Source: 023 EDC 011 CIDA

For further info. please contact:

EMBASSY, BRASALIA, CONGEN, S. PAULO

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- non-tariff protectionist measures which are difficult to overcome
- difficulties in obtaining credit facilities in Canada
- other factor(s) described by the Trade Office as follows:
BRAZILIAN PROTECTIONIST MEASURES (LAW OF NATIONAL SIMILARS, MARKET RESERVE LAW)

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUED FOLLOW-UP WITH PARTICIPANTS OF REGULAR FEDERALLY AND PROVINCIALLY SPONSORED HI-TECH MISSIONS TO BRAZIL

Results Expected: MAXIMIZE CONCRETE RESULTS IN TERMS OF AGENCIES ESTABLISHED (UP TO 5), CONCLUSION OF SALES OR ESTABLISHMENT OF JV/TT (UP TO 4)

Activity: FOLLOW-UP ON HI-TECH '87 AND CONTACTS WITH BRAZILIANS ESTABLISHED AS A RESULT OF SAME.

Results Expected: REPRESENTATION AGREEMENTS (UP TO 3).

Activity: CONTINUE TO SUPPORT SALES EFFORTS BY OTHER CANADIAN COMPANIES SUCH AS SPAR, SR TELECOM, MITEL, NORTHERN TELECOM, LOGO AND OTHERS

Results Expected: CONCLUSION OF 2/3 SALES AGREEMENTS AND/OR JV/TT.

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

Activity: REPORT ON NEW SOFTWARE LAW EXPECTED TO BE RELEASED IN NEXT FEW MONTHS.

Results Expected: RESOLVE WHETHER PARTICIPATION IN INFORMATICA '89 JUSTIFIED.

Activity: ORGANIZE PARTICIPATION IN AND FOLLOW-UP ON CONTACTS TO BE ESTABLISHED AT TELECOM '88 IN RIO DE JANEIRO.

Results Expected: INCREASED EXPOSURE OF CANADIAN CAPABILITIES IN SECTOR AND INCREMENTAL OPPORTUNITIES FOR SALES/TECHNOLOGY COOPERATION.

Activity: FOLLOW UP ON SATELLITE '86 AND '87, ON SATELLITE APPLICATIONS AND ENVISAGE PARTICIPATION IN SIMILAR SEMINAR EVENTS IN 1988.

Results Expected: INTRODUCTION OF CANADIAN KNOW-HOW/TECHNOLOGY IN FUTURE BRAZILIAN APPLICATIONS, E. G. TELE-EDUCATION, TELE-MEDICINE.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 006 ELECTRONICS EQUIP. & SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	720.00M	\$ 700.00M	\$ 650.00M	\$ 515.00M
Canadian Exports \$	10.00M	\$ 8.00M	\$ 6.00M	\$ 5.00M
Canadian Share of Import Market	14.00%	1.00%	1.00%	1.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	040 %
ii) 112 FRANCE	015 %
iii) 128 GERMANY WEST	015 %
iv) 265 JAPAN	015 %
v) 051 UNITED KINGDOM	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) DEFENSE-RELATED	\$ 50.00 M
ii) LASER EQUIPMENT	\$ 3.00 M
iii) NDT INSTRUMENTS	\$ 10.00 M
iv) CABLE TESTING EQUIPMENT	\$ 5.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high
- approval of technical standards can present problems in the case of some imported products

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:
MARKET RESERVE LAW PROTECTING LOCAL SUPPLIERS. LONG STANDING SUPPLY RELATIONSHIP OF COMPETITION NOW ENTRENCHED IN BRAZILIAN MENTALITY.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUED ASSISTANCE TO SEVERAL CANADIAN COMPANIES TRYING TO ESTABLISH PRESENCE IN MARKET VIA AGENTS OR DIRECTLY WITH BUYERS.

Results Expected: TWO TO THREE AGENCY AGREEMENTS AND TWO TO THREE BUYING CONNECTIONS.

Activity: MAINTAIN CONTACTS WITH LOCAL NDT ASSOCIATION AND ITS MEMBERS TO IDENTIFY BUSINESS OPPORTUNITIES VIA IFI-FUNDED PROJECTS, E. G. THRU UNIVERSITIES.

Results Expected: IDENTIFY MARKET NICHES (2 TO 3 SALES) AND TRANSFER OF TECHNOLOGY OPPORTUNITIES.

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

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

Activity: INTENSIFY CONTACTS WITH BRAZILIAN TECHNICAL INSTITUTES AND RESEARCH FACILITIES RELATED TO ELECTRONICS SECTOR.

Results Expected: IDENTIFY SPECIFIC OPPORTUNITIES (NICHE) TO INTRODUCE 2 OR 3 NEW CANADIAN SUPPLIERS.

Activity: SITUATION REPORT ON DEVELOPMENTS IN INFORMATICS SECTOR AND ITS IMPACT ON POTENTIAL EXPORTS OF ELECTRONICS PRODUCTS.

Results Expected: BE IN A POSITION TO ADVISE HEADQUARTERS AND CANADIAN INDUSTRY OF OPPORTUNITIES/CONSTRAINTS.

Export and Investment Promotion Planning System

BB/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	550.00M	\$ 525.00M	\$ 500.00M	\$ 540.00M
Canadian Exports \$	8.00M	\$ 5.00M	\$ 4.00M	\$ 3.00M
Canadian Share of Import Market	1.50%	1.00%	0.80%	0.50%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	025 %
ii) 265 JAPAN	010 %
iii) 112 FRANCE	025 %
iv) 553 UNION OF SOVIET SOC REP	005 %
v) 128 GERMANY WEST	025 %

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) NETWORK PROTECTION	\$ 5.00 M
ii) GENERATORS/TURBINES	\$ 100.00 M
iii) SCADA SYSTEMS	\$ 5.00 M
iv) CIRCUIT BREAKERS	\$ 5.00 M
v) INSTRUMENTATION	\$ 25.00 M
vi) HIGH VOLTAGE TRANSFORMERS	\$ 5.00 M
vii) PDA EQUIPMENT	\$ 3.00 M
viii) SPARE PARTS	\$ 200.00 M
ix) THERMAL GENERATORS	\$ 40.00 M
x) BOILER SYSTEMS	\$ 10.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: SANTA ISABEL
Approximate Value: \$ 100 M
Financing Source: 023 EDC
For further info. please contact:
EMBASSY, BRSLA; CONGEN, S. PAULO

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- non competitive financing from Canada
- high tariffs
- non-tariff protectionist measures which are difficult to overcome
- difficulties in obtaining credit facilities in Canada
- other factor(s) described by the Trade Office as follows:

PREFERENCE GIVEN TO LOCAL SUPPLIERS (INCLUDING ON IFI-FINANCED PROJECTS) AS WELL AS TO TRADITIONAL (ORIGINAL SUPPLIERS)

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: UPDATE SECTORAL STUDIES IF NECESSARY

Results Expected: REPORT ON LIMITED MARKET OPPORTUNITIES.

Activity: CONTINUE ACTIVE SUPPORT OF CANADIAN COMPANIES MARKETING ACTIVITIES, E.G. WESTINGHOUSE, TRENCH, ELECTRICAL TESTING, GUILDLINE, SANGAMO.

Results Expected: INCREMENTAL SALES OF INSTRUMENTATION, NETWORK PROTECTORS AND OTHERS.

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE FOLLOW UP ON SPECIFIC OPPORTUNITIES IDENTIFIED BY DRIE SPECIALIST DURING HIS VISIT.

Results Expected: ONE JOINT-VENTURE.

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

Activity: CONTINUE TO REPORT TO HEADQUARTERS ON IFI-FINANCED PROCUREMENT BY BRAZILIAN UTILITIES.

Results Expected: MARGINAL INCREMENTAL SALES.

Activity: ASSIST CANADIAN SUPPLIER IN INTRODUCTION OF PDA EQUIPMENT WITH UTILITIES.

Results Expected: ONE SALE.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	1500.00M	\$ 1400.00M	\$ 1200.00M	\$ 1100.00M
Canadian Exports \$	125.00M	\$ 115.00M	\$ 105.00M	\$ 93.00M
Canadian Share of Import Market	8.50%	8.00%	8.50%	8.50%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	040 %
ii) 128 GERMANY WEST	015 %
iii) 265 JAPAN	010 %
iv) 051 UNITED KINGDOM	010 %
v) 237 ITALY	015 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) AIRCRAFT ENGINES	\$ 50.00 M
ii) AUTOMOTIVE PARTS	\$ 500.00 M
iii) URBAN RAIL TRANSPORTATION EQUIPMENT AND SERVICES	\$ 100.00 M
iv) LOCOMOTIVE KITS AND PARTS	\$ 35.00 M
v) CARGO RAIL TRANSPORT MANAGEMENT SYSTEMS/SERVICES	\$ 20.00 M
vi) SHIPS DESIGN/ENGINEERING	\$ 50.00 M
vii) AUTOMATED LANDING GEAR	\$ 0.00 M
viii) FIREFIGHTING AIRCRAFTS	\$ 0.00 M
ix) AIRCRAFT CONVERSION KITS	\$ 0.00 M
x) TRAINS/BUSES/METRO MANAGEMENT	\$ 10.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: PRODUCTION RAILWAY IN PARANA
Approximate Value: \$ 1500 M
Financing Source: 023 EDC
For further info. please contact:
CANADIAN CONSULATE GENERAL, S. PAULO

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: CBTU SUBURBAN PASSENGER TRAINS MODERNIZATION

Approximate Value: \$ 1300 M

Financing Source: 023 EDC

For further info. please contact:

CANADIAN CONSULATE GENERAL, S. PAULO

iii) Project Name: FEPASA (SP) CARGO TRANSPORT MANAGEMENT

Approximate Value: \$ 225 M

Financing Source: 001 IBRD 023 EDC

For further info. please contact:

CANADIAN CONSULATE GENERAL, S. PAULO

iv) Project Name: EXPORT CORRIDOR PROJECT (SP/RIO)

Approximate Value: \$ 400 M

Financing Source: 001 IBRD

For further info. please contact:

CANADIAN CONSULATE GENERAL, S. PAULO

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:
ABILITY/WILLINGNESS OF CANADIAN FIRMS TO ADAPT/ACCEPT TERMS OF MARKET (JOINT VENTURE/TRANSFER OF TECHNOLOGY)

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: REVIVE COOPERATION AGREEMENT BETWEEN TTC/MUCTC AND SAO PAULO METRO (DUE TO NEW BOARD OF DIRECTORS).

Results Expected: IDENTIFICATION OF SPECIFIC AREAS OF COOPERATION, E. G. FINANCIAL MANAGEMENT ADMINISTRATION, CONSULTING SERVICES, ETC.

Activity: FOLLOW UP PN CBTU MODERNIZATION PROGRAM AND VISIT TO CANADA OF TWO CBTU OFFICIALS

Results Expected: ESTABLISH SPECIFICALLY EQUIPMENT & SERVICES CANADA COULD SUPPLY IN SUBURBAN/INTERCITY PASSENGER TRANSPORTATION AREA.

Activity: SUPPORT ONGOING MARKETING EFFORTS OF CANADIAN FIRMS (E. G. CANAC, CPCS, BOMBARDIER, NT, AVALON, P&W, LAVALIN) IN PURSUIT OF PROJECTS LISTED BELOW.

Results Expected: UP TO THREE CONTRACTUAL ARRANGEMENTS WITHIN 18 MONTHS

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

Activity: SUPPORT RECENTLY SIGNED COOPERATION AGREEMENT BETWEEN CITIES OF TORONTO AND SAO PAULO BY MAINTAINING REGULAR CONTACTS WITH MUNICIPAL (AND STATE AUTHORITIES)

Results Expected: IDENTIFICATION OF NEW OPPORTUNITIES (2 OR 3) FOR SALES/COOPERATION IN TRANSPORTATION AREA AT MUNICIPAL/STATE LEVEL.

Activity: INTENSIFY CONTACTS ON REGULAR BASIS WITH VARIOUS GOVERNMENT BODIES (STATE LEVEL) AND TRANSPORTATION FIRMS.

Results Expected: PROVIDE TIMELY REPORTING ON INCOMING PROJECTS (E. G. EBTU PLANS) TO ALLOW CANADIAN FIRMS TO BID. (2 OR 3 TENDERS).

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

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

Activity: PREPARE REPORT ON ACTIVITIES IN SECTOR PARTICULARLY AS IT RELATES TO FINANCING SOURCES (LOCAL AND INTERNATIONAL)

Results Expected: DETERMINE MOST LIKELY PROJECTS(OTHER THAN BELOW)LIKELY TO MATERIALIZE IN PREPARATION FOR OUTGOING MISSION

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	250.00M	\$ 250.00M	\$ 175.00M	\$ 120.00M
Canadian Exports \$	65.00M	\$ 25.00M	\$ 58.00M	\$ 18.00M
Canadian Share of Import Market	26.00%	30.00%	33.00%	15.00%

Major Competing Countries

	Market Share
i) 504 FINLAND	015 %
ii) 068 CHILE	015 %
iii) 577 UNITED STATES OF AMERICA	010 %
iv) 410 NORWAY	010 %
v) 507 SWEDEN	005 %
vi) 035 ROMANIA	005 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) NEWSPRINT	\$ 110.00 M
ii) PULP	\$ 30.00 M
iii) PROCESS CONTROL EQUIPMENT	\$ 15.00 M
iv) ENGINEERING SERVICES	\$ 15.00 M
v) PULP AND PAPER MAKING EQUIPMENT	\$ 15.00 M
vi) FORESTRY MANAGEMENT, TECHNICAL COOPERATION	\$ 0.00 M
vii) FOREST HARVESTING EQUIPMENT	\$ 5.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: ARACRUZ PULP NAD PAPER
 Approximate Value: \$ 1200 M
 Financing Source: 012 DOM 023 EDC
 For further info. please contact:
 CANADIAN CONSULATE GENERAL, S. PAULO

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: KLABIN PULP AND PAPER
Approximate Value: \$ 1000 M
Financing Source: 012 DOM 023 EDC
For further info. please contact:
CANADIAN CONSULATE GENERAL, S. PAULO

iii) Project Name: CVRD/BAHIASUL
Approximate Value: \$ 700 M
Financing Source: 012 DOM 023 EDC
For further info. please contact:
CANADIAN CONSULATE GENERAL, S. PAULO

iv) Project Name: MORRO VERDE
Approximate Value: \$ 125 M
Financing Source: 012 DOM 023 EDC
For further info. please contact:
CANADIAN CONSULATE GENERAL, S. PAULO

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non-tariff protectionist measures which are difficult to overcome
- difficulties in obtaining credit facilities in Canada
- other factor(s) described by the Trade Office as follows:
LONG ESTABLISHED PRESENCE OF SCANDINAVIANS WITHIN BRAZIL AND INDIGENOUS CAPABILITIES MAKE IT DIFFICULT TO INCREASE FURTHER OUR PENETRATION OF MARKET.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE TO SUPPORT EFFORTS BY H. A. SIMONS VIA THEIR JOINT-VENTURE WITH NATRON IN BRAZIL

Results Expected: INCREASED EXPOSURE TO BRAZILIAN COYS; REALIZATION OF SMALL (INITIALLY) CONTRACTS FOR CONSULTING/ENGINEERING SERVICES.

Activity: PROVIDE CONTINUED ASSISTANCE TO VALMET-SENTROL IN THEIR MARKETING EFFORTS; ASSIST THEM IN PROTECTING THEIR MARKET SHARE FROM USA COMPETITION FROM WITHIN BRAZIL

Results Expected: ACHIEVE 3/4 ADDITIONAL CONTRACTS (\$2 TO 3 MILLION) NEXT YEAR.

Activity: ASSIST OTHER CANADIAN EXPORTERS ON ONGOING BASIS, E. G. UNIVERSAL PAPER, CARBORUNDUM IN THEIR MARKETING EFFORTS.

Results Expected: INCREMENTAL SALES NEXT YERA OF \$ 4/5 MILLION.

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

Activity: UPDATE REPORT ON MAJOR PULP AND PAPER PROJECTS WHICH WERE POSTPONED DUE TO ECONOMIC CONDITIONS IN 1987.

Results Expected: PROVIDE POTENTIAL EXPORTERS WITH INFO SUFFICIENT TO DETERMINE WHETHER THEY SHOULD PURSUE INVOLVEMENT ON THESE PROJECTS.

Activity: INTENSIFY CONTACTS ON REGULAR BASIS WITH SENIOR OFFICIALS OF BRAZILIAN PULP AND PAPER COMPANIES AND IDENTIFICATION OF SPECIFIC OPPORTUNITIES FOR MAJOR PROJECTS.

Results Expected: INFORM CANADIAN INDUSTRY IN TIMELY FASHION WHICH WOULD LEAD TO TENDERS RELATIVE TO 2/3 PROJECTS.

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

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

Activity: SEEK TO DEVELOP TECHNICAL COOPERATION BETWEEN CANADIAN AND BRAZILIAN FORESTRY AGENCIES (E.G. CFS, IBDF) AT ACADEMIC & COMMERCIAL LEVELS.

Results Expected: MORE TECHNICAL COOPERATION ACTIVITIES (E.G. RECIPROCAL VISITS); MEDIUM TERM SALES OF FIRE-FIGHTING EQUIPMENT.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 010 MINE, METAL, MINERAL PROD & SRV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	2250.00M	\$ 2200.00M	\$ 2100.00M	\$ 1900.00M
Canadian Exports \$	180.00M	\$ 170.00M	\$ 170.00M	\$ 177.00M
Canadian Share of Import Market	8.00%	7.70%	8.00%	9.30%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	045 %
ii) 099 POLAND	020 %
iii) 051 UNITED KINGDOM	005 %
iv) 011 AUSTRALIA	005 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Mature with little growth

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) SULPHUR	\$ 250.00 M
ii) COAL	\$ 600.00 M
iii) ZINC	\$ 40.00 M
iv) LEAD AND DERIVATES	\$ 35.00 M
v) ASBESTOS	\$ 15.00 M
vi) METAL SCRAP	\$ 35.00 M
vii) MINING EXPLORATION & PRODUCTION EQUIPMENT	\$ 400.00 M
viii) CONSULTING/ENGINEERING	\$ 50.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: CVRD GOLD PROJECT

Approximate Value: \$ M

Financing Source:

For further info. please contact:

CANADIAN CONSULATE GENERAL, S. PAULO

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: PARANAPANEMA GOLD PROJECT

Approximate Value: \$ M

Financing Source:

For further info. please contact:

CANADIAN CONSULATE GENERAL, S. PAULO

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FOLLOW UP ON PARTICIPATION IN MINTEC '87

Results Expected: IDENTIFY SPECIFIC OPPORTUNITIES UNCOVERED DURING VISIT

Activity: MONITORS DEVELOPMENTS IN BRAZILIAN INDUSTRIAL CHEMICALS IMPORTS PATTERNS AND REPORT ACCORDINGLY.

Results Expected: PROTECT AND/OR EXPAND CANADA'S SHARE OF BRAZILIAN MARKET

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

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

Activity: IDENTIFY UPCOMING PROJECTS, ESPECIALLY IN GOLD, LIKELY TO COME ON STREAM AND INFORM CANADIAN SERVICE/EQUIPMENT SUPPLIER.

Results Expected: CANADIAN BIDS ON TWO OR THREE PROJECTS.

Activity: DEVELOP FURTHER CONTACTS WITH MAJOR BRAZILIAN MINING COMPANIES, E. G. CVRD, BILLITON, PARANAPANEMA, CPRM, CBMM, CAEMI, ETC.

Results Expected: GIVE THEM EXPOSURE TO CANADIAN CAPABILITIES AND IDENTIFY MARKET NICHES.

Activity: ON ONGOING BASIS, MONITOR ANY MARKET ACCESS ISSUES WHICH COULD IMPACT ON OUR SALES IN BRAZIL

Results Expected: PROTECT OUR MARKET SHARE.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 011 OIL & GAS EQUIPMENT, SERVICES

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	400.00M	\$ 350.00M	\$ 300.00M	\$ 250.00M
Canadian Exports \$	30.00M	\$ 20.00M	\$ 20.00M	\$ 15.00M
Canadian Share of Import Market	7.50%	6.00%	6.50%	6.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	035 %
ii) 112 FRANCE	025 %
iii) 051 UNITED KINGDOM	015 %
iv) 128 GERMANY WEST	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports In Canadian \$

i) OIL WELL STIMULATION	\$ 30.00 M
ii) NATURAL GAS DISTRIBUTION	\$ 3.00 M
iii) NATURAL GAS TRAINING SERVICES	\$ 5.00 M
iv) SCADA SYSTEMS/TECHNOLOGY	\$ 5.00 M
v) DEEPWATER PRODUCTION EQUIPMENT/TECHNOLOGY	\$ 15.00 M
vi) PERSONNEL EXCHANGES	\$ 15.00 M
vii) GAS TRANSPORT MONITORING EQUIPMENT	\$ 5.00 M
viii) GAS PIPELINE SERVICING	\$ 5.00 M
ix) PIPELINE TESTING	\$ 5.00 M
x) HEAVY OIL TECHNOLOGY COOPERATION	\$ 0.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: PRODUCTION, TRANSPORTATION, DISTRIBUTION OF NATURAL GAS

Approximate Value: \$ 125 M

Financing Source: 001 IBRD 023 EDC

For further info. please contact:

CANADIAN CONSULATE GENERAL, S. PAULO

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: OIL WELL STIMULATION PURCHASES
 Approximate Value: \$ 10 M
 Financing Source: 023 EDC
 For further info. please contact:
 CANADIAN CONSULATE GENERAL, S. PAULO

iii) Project Name: DEEPWATER PRODUCTION EQUIPMENT AND SERVICES
 Approximate Value: \$ 25 M
 Financing Source: 023 EDC
 For further info. please contact:
 CANADIAN CONSULATE GENERAL, S. PAULO

iv) Project Name: PETROBRAS PIPELINE TESTING/SERVICING
 Approximate Value: \$ 10 M
 Financing Source:
 For further info. please contact:
 CANADIAN CONSULATE GENERAL, S. PAULO

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:
 LACK OF AWARENESS OF CANADIAN CAPABILITIES ON PART OF BRAZILIANS
 HENCE NEED FOR CONTINUED PROMOTIONAL ACTIVITIES

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- strong sectoral capability in Canada

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FOLLOW UP TO INSTITUTIONAL PARTICIPATION IN OIL AND GAS SHOW IN RIO DE JANEIRO AND PETROBRAS VISITS TO CANADA

Results Expected: CONSOLIDATION OF RANGE OF COMMERCIAL RELATIONSHIPS & IDENTIFICATION OF NEW OPPORTUNITIES FOR SALES AND TECHNICAL COOPERATION

Activity: FOLLOW UP ON NATURAL GAS SEMINAR HELD IN NOVEMBER 87 TO ENSURE LOCAL PARTNERSHIP ESTABLISHED TO BID ON UPCOMING TENDERS.

Results Expected: 3 JOINT VENTURES IN NATURAL GAS DISTRIBUTION AND TRANSPORTATION/SERVICING; UP TO \$ 10 MILLION IN SALES.

Activity: IDENTIFICATION OF LOCAL PARTNER FOR MAJOR CANADIAN FIRM(S) IN OIL/GAS DEEPWATER PRODUCTION EQUIPMENT/SERVICES

Results Expected: ONE JOINT VENTURE; UP TO \$25 MILLION IN 3 YEARS

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

Activity: SECOND OIL AND GAS SEMINAR WITH PETROBRAS (AND BRAZILIAN PRIVATE SECTOR) TO BE HELD IN CANADA AFTER NPS.

Results Expected: INCREASED EXPOSURE OF CDN CAPABILITIES; ENHANCED PROFILE WITH PETROBRAS & STATE GAS DISTRIBUTION COMPANIES; IDENTIFICATION OF NEW SALES/COOPERATION ACTIVITIES.

Activity: INTENSIFY PROGRAM OF REGULAR VISITS TO PETROBRAS, GAS DISTRIBUTION COMPANIES, EQUIPMENT MANUFACTURERS.

Results Expected: SUPPORT ONGOING MARKETING & INDUSTRIAL COOPERATION DEVELOPMENT ACTIVITIES (ADDITION. \$10 MILLION IN SALES AND 5 NEW J. V.)

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Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

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

Activity: PRODUCE SITREPS ON EVOLUTION OF OIL AND GAS SITUATION IN BRAZIL.

Results Expected: IDENTIFICATION OF NEW OPPORTUNITIES FOR SALES /TECHNOLOGY COOP. (2 TO 3) THRU TIMELY REPORTING TO HEADQUARTERS.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 012 PETROCHEM & CHEM PROD, EQP, SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	3000.00M	\$ 2900.00M	\$ 2800.00M	\$ 2000.00M
Canadian Exports \$	16.00M	\$ 15.00M	\$ 13.00M	\$ 9.00M
Canadian Share of Import Market	0.50%	0.50%	0.50%	0.50%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	030 %
ii) 128 GERMANY WEST	020 %
iii) 265 JAPAN	015 %
iv) 237 ITALY	010 %
v) 001 ARGENTINA	008 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) SYNTHETIC RUBBER	\$ 30.00 M
ii) INDUSTRIAL CHEMICALS	\$ 400.00 M
iii) FINE CHEMICALS	\$ 1000.00 M
iv) PLASTIC DERIVATIVES	\$ 250.00 M
v) HYDROGEN ELECTROLYSIS TECHNOLOGY	\$ 2.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: PETROCHEMICAL COMPLEX IN RIO
Approximate Value: \$ 1500 M
Financing Source: 012 DOM
For further info. please contact:
CANADIAN CONSULATE GENERAL, S. PAULO

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:

THERE IS LARGE PRESENCE OF MNC'S IN BRAZIL; MUCH OF TRADE IS INTRACORPORATE.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: ASSIST POLYSAR WHENEVER REQUIRED ESPECIALLY IN TERMS OF MARKET ACCESS, COMPETITIVITY, ETC.

Results Expected: INCREASED MARKET SHARE.

Activity: CONTINUE TO CULTIVATE RELATIONSHIP WITH BRAZILIAN CHEMICAL PRODUCTS IMPORTERS/MANUFACTURERS ASSOCIATIONS.

Results Expected: BETTER ACCESS TO INFO IN TIMELY FASHION RE IMPORT OPPORTUNITIES.

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

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

Activity: PREPARE REPORT ON FINE CHEMICALS SECTOR.

Results Expected: BETTER UNDERSTANDING OF BRAZILIAN REQUIREMENTS AND ADVICE TO CANADIAN EXPORTERS.

Activity: USE LARGE TRADE SHOWS, E. G. ABIPLAST AND FINE CHEMISTRY EXHIBITION TO IDENTIFY REQUIREMENTS.

Results Expected: PROVISION 2/3 GOOD LEADS TO CANADIAN EXPORTERS.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 016 INDUSTRIAL MACHIN, PLANTS, SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	1400.00M	\$ 1200.00M	\$ 1000.00M	\$ 875.00M
Canadian Exports \$	4.00M	\$ 4.00M	\$ 3.00M	\$ 3.70M
Canadian Share of Import Market	0.30%	0.30%	0.30%	0.40%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	040 %
ii) 265 JAPAN	015 %
iii) 128 GERMANY WEST	010 %
iv) 237 ITALY	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) CAPSULE MAKING MACHINERY	\$ 3.00 M
ii) FORM PRINTING MACHINERY	\$ 10.00 M
iii) ROLLING MILL PROCESS CONTROL	\$ 8.00 M
iv) MATERIAL HANDLING	\$ 15.00 M
v) PACKAGING	\$ 12.00 M
vi) COKE OVEN CLEANING	\$ 10.00 M
vii) HIGH PRECISION MACHINERY AND TOOLS	\$ 125.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- the apparent limited sectoral capability in Canada compared to other competing export countries
- high tariffs
- non-tariff protectionist measures which are difficult to overcome
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:

BRAZILIAN GOVERNMENT POLICIES ENCOURAGE TRANSFER OF TECHNOLOGY AT EXPENSE OF ACTUAL PURCHASES.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: ONGOING EFFORTS TO SUPPORT CTIL, KELK, INDESCOR TO CONCLUDE ADDITIONAL SALES.

Results Expected: UP TO \$ 5 MILLION OVER THREE YEARS.

Activity: SUPPORT CANADIAN FIRMS SUCH AS CTIL, INDEXABLE CUTTING TOOLS, WESDRILL, SANDEN, H.G. KALISH, SHAW INDUSTRIES TO CONCLUDE JOINT VENTURE/TRANSFER OF TECHNOLOGY AGREEMENTS.

Results Expected: CONCLUSION OF 2 OR 3 AGREEMENTS IN MEDIUM TERM.

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Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

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

Activity: PREPARE REPORT ON COMMODITIES HANDLING AND STORAGE.

Results Expected: TO DECIDE WHETHER TRADE MISSION JUSTIFIED BY COMMERCIAL POTENTIAL.

Activity: MONITOR DEVELOPMENTS IN THIS SECTOR INCLUDING ABIMAQ'S PROGRAM FOR ACQUISITION OF TECHNOLOGY VIA UNIDO.

Results Expected: IDENTIFICATION OF 2/3 NICHES FOR SALES AND/OR INDUSTRIAL COOPERATION.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		

Mission: 637 SAO PAULO

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

020 MISSION OUTGOING DAIRY CATTLE SEMINAR	SAO PAULO, GOIANIA	0089
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Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		

Mission: 637 SAO PAULO

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

010 FAIRS EXPOINTER '90	PORTO ALEGRE	0890
EXPOINTER ;89	PORTO ALEGRE	0989

024 MISSION INCOMING LIVESTOCK BUYERS SWINE MISSION	TORONTO	1189 0090
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Sector: 004 DEFENCE PROGRAMS, PRODUCTS, SERV HIGH TECH '89	OTTAWA	0390
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020 MISSION OUTGOING ONTARIO MISSION	S. PAULO/RIO/BRASILIA	0990
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Sector: 005 COMM. & INFORM. EQP. & SERV

010 FAIRS INFORMATICA '89	RIO DE JANEIRO	0989
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020 MISSION OUTGOING SATELLITE '89	SAO PAULO	1089
SATELLITE '90	SAO PAULO	1090
QUEBEC MISSION	SAO PAULO/RIO	0490
QUEBEC MISSION	SAO PAULO/RIO	1289

Sector: 006 ELECTRONICS EQUIP. & SERV

020 MISSION OUTGOING ADVANCED TECHNOLOGY MISSION	SAO PAULO, RIO	0489
ADVANCED TECHNOLOGY MISSION	SAO PAULO/RIO	0590
ONTARIO MISSION	SAO PAULO/RIO/BRAZ.	1189

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

020 MISSION OUTGOING URBAN/RAIL MISSION	SAO PAULO, RIO	0489
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Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 637 SAO PAULO		
Sector: 010 MINE, METAL, MINERAL PROD & SRV		
020 MISSION OUTGOING MINING MISSION	S. PAULO/RIO/B. HORIZ.	0989
Sector: 011 OIL & GAS EQUIPMENT, SERVICES		
020 MISSION OUTGOING OIL & GAS SHOW ALBERTA MISSION	RIO DE JANEIRO SAO PAULO/RIO	1090 0390
Sector: 016 INDUSTRIAL MACHIN, PLANTS, SERV.		
020 MISSION OUTGOING LABELLING, PACKAGING, MATERIALS HANDLING	SAO PAULO/RIO	0690
Sector: 999 MULTIPLE SECTORS		
MARKETPLACE '90		1090
MARKETPLACE '89		1089
020 MISSION OUTGOING CONSTRUCTION (3RD COUNTRIES)	S. PAULO/RIO/BELOHO	0689

Export and Investment Promotion Planning System

88/89 Trade and Economic Overview

Mission: 639 LIMA

Country: 426 PERU

PERU'S DRAMATIC DEMAND/CONSUMPTION-LED ECONOMIC GROWTH HAS CONTINUED UNABATED FOR THE SECOND CONSECUTIVE YR. HIGH LEVELS OF ECONOMIC GROWTH HAVE GIVEN RISE TO SHARPLY INCREASE IMPORTS & CDN SALES HAVE BENEFITTED SPECTACULARLY ESPECIALLY IN THE AGRICULTURAL SECTOR & IN SALES OF INDUSTRIAL INPUTS. IN 87 A RECORD FOR CDN EXPORTS TO PERU OF \$120M CAN BE EXPECTED. THESE RESULTS ARE PARTICULARLY NOTABLE GIVEN THAT MOST SALES ARE CASH BECAUSE PERU IS OFF-COVER FOR EDC FINANCING & CDN WHEAT BOARD CREDIT & DISBURSEMENTS FROM MOST INTERNATIONAL LENDING INSTITUTIONS ARE IN OBEYANCE. CDN EXPORTS ARE LED BY AGRICULTURAL SALES WHICH REFLECT PERU'S CONTINUING & GROWING NEED FOR FOOD IMPORTS. WHEAT SALES OF 375,000 MT IN 87 LED OUR AGRICULTURE EXPORTS WHICH ALSO INCLUDED SUBSTANTIAL SALES OF MILK POWDER LENTILS & DAIRY CATTLE. NEWS-PRINT EXPORTS INCREASING TO ABOUT 13,000 MT & CONTINUING SHIPMENTS OF PRODUCTS SUCH AS ASBESTOS MINING EQUIPMENT & SPARE PARTS FOR AIRCRAFT & RAILWAY LOCOMOTIVES HELPED MAINTAIN OUR IMPRESSIVE EXPORT GROWTH. THERE HAVE ALSO BEEN SOME CIDA-GENERATED EXPORTS RESULTING FROM THE COMPLETION OF A TRANSMISSION LINE PROJECT & FROM A FORESTRY LINE OF CREDIT & THERE ARE GROWING SALES IN DEFENCE PRODUCTS. ALTHOUGH PERU'S ECONOMIC GROWTH IN 87 WILL LIKELY BE A STUNNING 8-9% ITS ECONOMIC UNDERPINNINGS HAVE STEADILY DETERIORATED THIS YEAR. IN JULY THE GOV'T INTRODUCED HIGHLY CONTROVERSIAL MEASURES TO NATIONALIZE ALL PRIVATE BANKS. IT EARLIER INTRODUCED A SERIES OF MEASURES INCLUDING MANDATORY EXPORT & IMPORT PERMITS WHICH ARE AIMED AT CURRENCY CONTROL & ARE PARTICULARLY BURDENSOME FOR EXPORTERS & IMPORTERS. THE GOV'TS SPENDING SPREE HAS NOT LET UP & MOST SERIOUSLY THE CONTINUING DRAIN ON FOREIGN EXCHANGE RESERVES HAS BEEN RELENTLESS & IS UNSUSTAINABLE. EXPORTS SUGGEST AN UNCERTAIN PROGNOSIS FOR THE PERUVIAN ECONOMY FOR 88. REAL GROWTH IS EXPECTED TO BE VERY LOW OR NEGATIVE; INFLATION IS EXPECTED TO AT LEAST DOUBLE & LEAD TO MULTIPLE DEVALUATIONS. AS RESERVES DWINDLE IMPORTS WILL HAVE TO BE CUT BACK TO THE ACTUAL AMOUNT OF FOREIGN EXCHANGE BEING GENERATED BY EXPORTS & BORROWING. IT IS EXPECTED THAT IMPORTS WILL HAVE TO BE CUT BY US\$100M PER MONTH (TO APPROX. US\$250 FROM US\$350 PER MO.) & DIFFICULT CHOICES WILL NEED TO BE MADE WITH REGARD TO ALLOCATION OF SCARCE FOREIGN EXCHANGE. IT COULD BE PREDICTED THAT IMPORTS OF FOOD HEALTH PRODUCTS & BASIC INPUTS FOR FOREIGN EXCHANGE EARNING INDUSTRIES WILL BE MOST LIKELY TO OBTAIN IMPORT PERMITS. AS CDN EXPORTS ARE LARGELY IN THESE VITAL SECTORS OUR CURRENT EXPORT PERFORMANCE MAY BE SUSTAINED WELL INTO 88 AND BEYOND.

Export and Investment Promotion Planning System

REPT: SYN-GEO 88/89 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 639 LIMA

Market: 426 PERU

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

1. 010 MINE, METAL, MINERAL PROD & SRV

REASONS: NEED FOR FOREIGN EXCHANGE WILL REQUIRE EXPANSION & UPGRADING OF MINES IN TERRITORY & CONTINUING LARGE IMPORT REQUIREMENTS. CDN MANUFACTURERS COULD CAPITALIZE ON EXCELLENT CDN REPUTATION OF CDN MINING SECTOR.

2. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: LARGE & GROWING IMPORT REQUIREMENTS IN SECTOR. FOOD IMPORTS WILL BE LESS AFFECTED BY LACK OF FOREIGN EXCHANGE THAN OTHER IMPORTS.

3. 011 OIL & GAS EQUIPMENT, SERVICES

REASONS: PERUVIAN PETROLEUM PRODUCTION IS RAPIDLY DECLINING AT TIME WHEN FOREIGN CURRENCY IS URGENTLY NEEDED & POTENTIAL FOR A HIGH LEVEL OF PROD. IS BEING CONFIRMED. THIS PTS TO RAPID EXPANSION OF SEC. IN PERU.

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

1. 003 GRAINS AND OILSEEDS

2. 001 AGRI & FOOD PRODUCTS & SERVICE

3. 010 MINE, METAL, MINERAL PROD & SRV

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 639 LIMA

Market: 426 PERU

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	300.00M	\$ 260.00M	\$ 250.00M	\$ 200.00M
Canadian Exports \$	30.00M	\$ 30.00M	\$ 26.00M	\$ 4.00M
Canadian Share of Import Market	10.00%	12.00%	10.00%	2.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	030 %
ii) 370 NEW ZEALAND	015 %
iii) 224 IRELAND	007 %
iv) 001 ARGENTINA	007 %

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) DAIRY PRODUCTS	\$ 70.00 M
ii) FERTILIZERS	\$ 15.00 M
iii) DAIRY CATTLE	\$ 10.00 M
iv) PULSES	\$ 10.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:
UNSUITABILITY OF AGRICULTURE EQUIPMENT AND MACHINERY FOR THIS MARKET.

Export and Investment Promotion Planning System

MISSION: 639 LIMA

COUNTRY: 426 PERU

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CANADA LIVESTOCK SEMINAR

Results Expected: INCREASE FAMILIARITY WITH CDN LIVESTOCK

Activity: SETTING UP INFORMATION SESSIONS WITH LIVESTOCK BREEDERS

Results Expected: RECONFIRM CANADA AS DEPENDABLE SUPPLIER OF PUREBRED CATTLE AND SEMEN

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

Activity: CONDUCT MARKET SURVEY TO IDENTIFY POTENTIAL FOR CANADIAN AGRICULTURE PRODUCTS

Results Expected: TO STIMULATE ADDITIONAL EXPORTS OF PULSES AND LIVESTOCK

Activity: ORGANIZE VISIT TO ROYAL WINTER FAIR

Results Expected: INCREASE SALES OF DAIRY CATTLE

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 639 LIMA

Market: 426 PERU

Sector: 003 GRAINS AND OILSEEDS

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	300.00M	\$ 280.00M	\$ 260.00M	\$ 149.00M
Canadian Exports \$	40.00M	\$ 36.00M	\$ 25.00M	\$ 2.50M
Canadian Share of Import Market	11.00%	11.00%	10.00%	2.00%

Major Competing Countries

Market Share

- | | |
|----------------------------------|-------|
| i) 001 ARGENTINA | 035 % |
| ii) 577 UNITED STATES OF AMERICA | 030 % |

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are
good market prospects

Current Total Imports
In Canadian \$

i) WHEAT	\$ 250.00 M
ii) CANOLA OIL	\$ 70.00 M
iii) MALT	\$ 5.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non-tariff protectionist measures which are difficult to overcome
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Export and Investment Promotion Planning System

MISSION: 639 LIMA

COUNTRY: 426 PERU

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade missions
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: ADDRESS PERUVIAN AUTHORITIES TO HAVE CANOLA INCLUDED IN FOOD IMPORT PROGRAM AND RECEIVE SAME TREATMENT AS SOYA OIL.

Results Expected: CANOLA HAS ALREADY BEEN INCLUDED IN FOOD IMPORT PROGRAM. ONCE THIS ACTIVITY IS COMPLETED OBTAIN LARGER SHARE OF PERUVIAN VEGETABLE OIL MARKET.

Activity: CONDUCT MARKET SURVEY IDENTIFYING POTENTIAL FOR CANADA.

Results Expected: SEND REPORT TO CANADIAN EXPORTERS OF CANOLA TO STIMULATE THEIR INTEREST IN THIS MARKET.

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

Activity: ORGANIZE VISIT OF SENIOR MILLERS TO CANADA.

Results Expected: INCREASE FAMILIARITY WITH CANADIAN WHEAT.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 639 LIMA

Market: 426 PERU

Sector: 004 DEFENCE PROGRAMS, PRODUCTS, SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	150.00M	\$ 200.00M	\$ 200.00M	\$ 300.00M
Canadian Exports \$	1.50M	\$ 2.00M	\$ 1.60M	\$ 0.10M
Canadian Share of Import Market	1.00%	1.00%	0.75%	0.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	025 %
ii) 232 ISRAEL	020 %
iii) 553 UNION OF SOVIET SOC REP	020 %
iv) 112 FRANCE	015 %
v) 237 ITALY	010 %
vi) 128 GERMANY WEST	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) MAINTENANCE OF AIRCRAFT AND PARTS	\$ 10.00 M
ii) FLIGHT SIMULATORS	\$ 5.00 M
iii) REMOTE SENSING	\$ 5.00 M
iv) SECURITY	\$ 5.00 M
v) AMMUNITION	\$ 10.00 M
vi) INTELLIGENCE ELECTRONIC	\$ 1.00 M
vii) ELECTRONIC TEACHING EQPT	\$ 1.00 M
viii) TRUCK AND AUTO TIRES	\$ 0.50 M
ix) COMMUNICATIONS	\$ 1.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: SECURITY EQUIPMENT FOR PERUVIAN POLICE
Approximate Value: \$ 2 M
Financing Source: 012 DOM
For further info. please contact:
EMBASSY, LIMA

Export and Investment Promotion Planning System

MISSION: 639 LIMA

COUNTRY: 426 PERU

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: ELECTRICAL & ELECTRONIC TEACHING EQUIP.
FOR PERUVIAN AIR FORCE ACADEMY

Approximate Value: \$.5 M

Financing Source: 012 DDM

For further info. please contact:
EMBASSY, LIMA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:
2 INCOMING MISSIONS RECOMMENDED: NAVY, AIR FORCE
-DEVELOP VIDEO PROMOTION CAMPAIGN OF CANADIAN MANUFACTURED DEFENSE EQUIPMENT

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: SECURITY SYSTEMS PROJECT FOR PERU'S MOST IMPORTANT INTERNATIONAL AND NATIONAL AIRPORTS

Results Expected: COUNTERTRADE SALE CONTRACT OF CDN \$30 MILLION
MAY BE SIGNED EARLY NEXT MARCH

Export and Investment Promotion Planning System

MISSION: 639 LIMA

COUNTRY: 426 PERU

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: SECURITY SYSTEMS FOR TINTAYA MINE

Results Expected: SALES OF CDN \$5 MILLION POSSIBILITY

Activity: SECURITY SYSTEMS FOR OTHER GOVERNMENT AND PRIVATE FIRMS

Results Expected: SALES OF CDN\$ ONE MILLION COULD BE REACHED

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

Activity: CONTINUE CAMPAIGN PROMOTING OTHER UNITS OF SECURITY RELATED EQUIPMENT TO BE TESTED BY PERUVIAN POLICE AND ARMED FORCES

Results Expected: ENHANCE SALES POSSIBILITIES

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 639 LIMA

Market: 426 PERU

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	80.00M	\$ 125.00M	\$ 100.00M	\$ 80.00M
Canadian Exports \$	6.50M	\$ 6.00M	\$ 5.00M	\$ 5.50M
Canadian Share of Import Market	8.10%	4.80%	5.00%	6.80%

Major Competing Countries

Market Share

i) 265 JAPAN	035 %
ii) 577 UNITED STATES OF AMERICA	020 %
iii) 047 BRAZIL	015 %
iv) 128 GERMANY WEST	010 %
v) 112 FRANCE	005 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports
In Canadian \$

i) TIRES & RAW MATERIAL FOR TIRE MANUFACTURING	\$ 0.00 M
ii) LOCOMOTIVES SPARES	\$ 2.00 M
iii) AMBULANCES	\$ 1.50 M
iv) BATTERIES	\$ 1.00 M
v) AUTO & TRUCK SPARE PARTS	\$ 1.00 M
vi) SPECIALTY VEHICLES	\$ 0.50 M
vii) AUTO ACCESSORIES	\$ 0.50 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: URBAN MASS TRANSPORTATION PROJECT
Approximate Value: \$ 20 M
Financing Source: 025 OTHER
For further info. please contact:
EMBASSY, LIMA

Export and Investment Promotion Planning System

MISSION: 639 LIMA

COUNTRY: 426 PERU

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: GARBAGE TRUCKS
Approximate Value: \$ 5 M
Financing Source: 025 OTHER
For further info. please contact:
EMBASSY, LIMA

iii) Project Name: AMBULANCES
Approximate Value: \$ 5 M
Financing Source: 025 OTHER
For further info. please contact:
EMBASSY, LIMA

iv) Project Name: ENAFER SPARE PARTS
Approximate Value: \$ 1 M
Financing Source: 012 DOM
For further info. please contact:
EMBASSY, LIMA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- non-tariff protectionist measures which are difficult to overcome
- difficulties in obtaining credit facilities in Canada
- other factor(s) described by the Trade Office as follows:
LACK OF PROMOTIONAL LITERATURE IN SPANISH

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

Export and Investment Promotion Planning System

MISSION: 639 LIMA

COUNTRY: 426 PERU

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE PROMOTING CDN INTERESTS IN URBAN MASS TRANSPORT PROJECT

Results Expected: POTENTIAL CONTRACT OF BETWEEN \$20 TO 55 MILLION.

Activity: PROMOTIONAL MAILING CAMPAIGN (INCLUDING TIRES, BATTERIES, AUTO ACCESSORIES).

Results Expected: INCREASE AWARENESS OF CANADIAN CAPABILITY OF KEY IMPORTERS.

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

Activity: PARTICIPATION OF PERUVIAN IMPORTERS OF AUTO ACCESSORIES AND SPARE PARTS IN 1988 TORONTO AUTO SHOW.

Results Expected: INCREASE AWARENESS OF CANADIAN CAPABILITY. SALES REPRESENTATIONS.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 639 LIMA

Market: 426 PERU

Sector: 010 MINE, METAL, MINERAL PROD & SRV

Subsector: 106 EQUIPMENT AND MACHINERY

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	50.00M	\$ 85.00M	\$ 70.00M	\$ 160.00M
Canadian Exports \$	8.00M	\$ 12.00M	\$ 4.20M	\$ 18.00M
Canadian Share of Import Market	16.00%	14.10%	6.00%	11.20%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	040 %
ii) 047 BRAZIL	014 %
iii) 507 SWEDEN	007 %
iv) 128 GERMANY WEST	006 %
v) 051 UNITED KINGDOM	005 %
vi) 001 ARGENTINA	005 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) LHD & EXCAVATION EQPT	\$ 13.50 M
ii) EXPLOSIVES	\$ 8.00 M
iii) SPARE PARTS	\$ 6.00 M
iv) DRILLING EQUIPMENT	\$ 5.50 M
v) DRILLS, STEELS & BITS	\$ 3.50 M
vi) TRUCK ORE HAULING	\$ 2.00 M
vii) FRONT LOADERS & DUMP CARS	\$ 2.00 M
viii) SERVICES	\$ 1.50 M
ix) CONVEYORS	\$ 1.50 M
x) BATTERIES FOR LOCOMOTIVES	\$ 1.50 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: CERRO VERDE UPGRADING (MINEROPERU)
 Approximate Value: \$ 15 M
 Financing Source: 003 IADB 002 IDA
 025 OTHER
 For further info. please contact:
 EMBASSY, LIMA

Export and Investment Promotion Planning System

MISSION: 639 LIMA

COUNTRY: 426 PERU

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: SAN ANTONIO DE POTO (MINEROPERU)
Approximate Value: \$ 13 M
Financing Source: 025 OTHER
For further info. please contact:
EMBASSY, LIMA

iii) Project Name: START-UP OF ANDAYCHAGUA PROJECT
(CENTROMIN)
Approximate Value: \$ 5 M
Financing Source: 002 IDA
For further info. please contact:
EMBASSY, LIMA

iv) Project Name: HIERRO PERU EXPANSION
Approximate Value: \$ 7 M
Financing Source: 025 OTHER
For further info. please contact:
EMBASSY, LIMA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non-tariff protectionist measures which are difficult to overcome
- difficulties in obtaining credit facilities in Canada
- other factor(s) described by the Trade Office as follows:

VIGOROUS INTERNATIONAL COMPETITION

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

Export and Investment Promotion Planning System

MISSION: 639 LIMA

COUNTRY: 426 PERU

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- product/service information from Canadian companies

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CIDA/L. O. C.

Results Expected: PRELIMINARY STUDIES ALMOST COMPLETED. LINE OF \$14 M SHOULD BE APPROVED.

Activity: DEVELOP A LIST OF CANADIAN MINING PRODUCTS WHICH COULD HAVE MARKET IN PERU BUT NOT CURRENTLY BEING EXPORTED HERE.

Results Expected: EXPANDED EXPORTS OF CANADIAN PRODUCTS.

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

Activity: SECTORAL REPORTS SUCH AS ON: COPPER, TIN, GOLD AND SILVER

Results Expected: INFORM CANADIAN GOVERNMENT AND INDUSTRY OF PERU MINING SITUATION.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 639 LIMA

Market: 426 PERU

Sector: 011 OIL & GAS EQUIPMENT, SERVICES

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	40.00M	\$ 15.00M	\$ 41.00M	\$ 50.00M
Canadian Exports \$	3.00M	\$ 0.30M	\$ 0.50M	\$ 2.00M
Canadian Share of Import Market	2.50%	2.00%	1.20%	4.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	060 %
ii) 265 JAPAN	020 %
iii) 051 UNITED KINGDOM	007 %
iv) 128 GERMANY WEST	005 %
v) 001 ARGENTINA	005 %
vi) 112 FRANCE	005 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) DRILLING EQUIPMENT AND SPARE PARTS	\$ 1.80 M
ii) MEASURE CONTROLLING EQPT	\$ 0.90 M
iii) NATURAL GAS COMPRESSORS	\$ 1.00 M
iv) SPARE PARTS CATERPILLAR	\$ 0.60 M
v) AIR COMPRESSORS	\$ 0.70 M
vi) CHEMICAL PRODUCTS	\$ 0.50 M
vii) POWER TRANSMISSION EQPT	\$ 0.50 M
viii) PUMPS	\$ 2.00 M
ix) DIESEL ENGINES	\$ 0.40 M
x) GAS ENGINES	\$ 0.20 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: AGUAYTIA GAS PIPELINE
Approximate Value: \$ 63 M
Financing Source: 012 DOM 025 OTHER
For further info. please contact:
EMBASSY, LIMA

Export and Investment Promotion Planning System

MISSION: 639 LIMA

COUNTRY: 426 PERU

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: NORTHERN PIPELINE MAINTENANCE PROJECT
Approximate Value: \$ 8.5 M
Financing Source: 003 IADB 012 DOM
For further info. please contact:
EMBASSY, LIMA

iii) Project Name: SUBDIMENSIONAL SEISMIC
Approximate Value: \$ 11.5 M
Financing Source: 012 DOM
For further info. please contact:
EMBASSY, LIMA

iv) Project Name: INSTALLATION OF PIPELINE BETWEEN
YURIMAGUAS AND TARAPOTO
Approximate Value: \$ 10 M
Financing Source:
For further info. please contact:
EMBASSY, LIMA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- non-tariff protectionist measures which are difficult to overcome
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

Export and Investment Promotion Planning System

MISSION: 639 LIMA

COUNTRY: 426 PERU

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

Activity: INCREASE AND IMPROVE CONTACTS WITH PETROPERU AND PETROMAR, ESPECIALLY WITH THE PROCUREMENT OFFICE OF PETROPERU.

Results Expected: INCREASE THE NUMBER OF CANADIAN COMPANIES ON THE ELIGIBLE BIDDERS LIST OF PETROPERU AND PETROMAR.

Activity: DEVELOP CONTACTS WITH FIELD TECHNICIANS AND PROJECT MANAGERS PARTICULARLY IN TALARA AND IQUITOS.

Results Expected: INCREASE AWARENESS OF CANADIAN CAPABILITIES IN THE OIL AND GAS SECTOR.

Activity: DEVELOP RELATIONS WITH REPRESENTATIVES/AGENTS INVOLVED IN THE PETROLEUM SECTOR.

Results Expected: INCREASE AWARENESS OF CANADIAN CAPABILITIES IN THE OIL AND GAS SECTOR.

Report: B4 88/89 INVESTMENT ACTIVITIES IN MISSIONS ABROAD

Region: LATIN-AMERICA-CARIBBEAN

Mission: 639 LIMA

Country: 426 PERU

Highlights of Investment Environment

Estimated Value Of Equity Investment
In Canada From This Post Territory:

\$ 0.00 M

Estimated Value Of Annual Direct Equity
Investments To All Destinations From
This Post Territory:

\$ 0.00 M

Country Destinations Of Direct
Equity Investment From Post
TerritoryEstm. Value
\$ CDN% Of Annual Direct Equity
Investment Outflows By
Category Of Investors

1. 577 UNITED STATES OF AMERICA	\$ 0.00 M	1. Corporations : 0.00 %
2.	\$. M	2. Institutional : 0.00 %
3.	\$. M	3. Entrepreneurs : 40.00 %
4.	\$. M	4. Immigrant Entr. : 60.00 %

The Mission Has Reported Factors That Tend To Change
Outward Flows Of Investment From The Post Territory Including:

- Capital Flight Associated With Political Uncertainty
- Capital Flight Associated With Economic Uncertainty

The Mission Reports That Investors From The Post Territory Who Invest Abroad
In Manufacturing Tend To Invest In The Following Sector(s) Subsector(s)

-SECTOR(S)-

-SUBSECTOR(S)-

1. 010 MINE, METAL, MINERAL PROD & SRV
2. 010 MINE, METAL, MINERAL PROD & SRV

104 METALS, PRIMARY & FABRICATED

Equity Propensity Of Key Sources Of Investment From This Territory

Corporations :
 Institutional :
 Entrepreneurs : Start-up Investment To Create New Enterprise (On A Joint Basis)
 Immigrant Entr. : Start-up Investment To Create New Enterprise (On A Joint Basis)

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Report: B4 88/89 INVESTMENT ACTIVITIES IN MISSIONS ABROAD

Region: LATIN-AMERICA-CARIBBEAN

Mission: 639 LIMA

Country: 426 PERU

Sector Preferences By Type Of Key Investors

Corporations :
Institutional :
Entrepreneurs : Manufacturing Industries
Immigrant Entr.: Manufacturing Industries

**Investment Promotion Priority Sectors Sub-Sectors
Program Plans And Actipicipated Results.**

Sector : 010 MINE, METAL, MINERAL PROD & SRV
Subsector:

Reason(s):

UNPRECEDENTED INTEREST IN IMMIGRANT VISAS & IN ENTREPRENEURAL INVESTMENT DUE TO FEAT OF CONTINUING DETERIORATION OF THE PERUVIAN ECONOMY & SOCIAL FABRIC.

Program Plans:

COUNCIL BUSINESS CONTACTS REQUESTING IMMIGRANT VISAS & COLLABORATE CLOSELY WITH EMBASSY IMMIGRATION OFFICER.

Anticipated Results: NO. OF UNPRECEDENTED HIGH QUALITY EMPLOYMENT GENERATING PERUVIAN IMMIGRANT INVESTORS.

Sector : 999 MULTIPLE SECTORS
Subsector: 999 ALL SUB-SECTORS

Program Plans:

OFFER ENCOURAGEMENT & ASSISTANCE TO PERUVIAN MANUFACTURERS WHICH EXPRESS AN INTEREST IN DIRECT INVESTMENT IN CANADA.

Anticipated Results: SEVERAL DIRECT INVESTMENT IN CANADA BY PERUVIAN ENTREPRENEURS/MANUFACTURERS.

Export and Investment Promotion Planning System

88/89 Trade and Economic Overview

Mission: 640 BOGOTA

Country: 073 COLOMBIA

COLOMBIA CONTINUES TO BE THE ONLY COUNTRY IN LATIN AMERICA NOT TO HAVE MISSED PAYMENTS ON ITS FOREIGN DEBT NOR TO HAVE RESCHEDULED ITS DEBT & IT HAS ONE OF THE HEALTHIEST ECONOMIES IN THE REGION. THIS IS DUE TO SEVERAL FACTORS, THE MOST IMPORTANT BEING A STABLE INT'L COFFEE PRICE & AN INCREASE IN OIL EXPORTS. INFLATION HOWEVER IS STILL RUNNING AT ABOUT 21% WITH DEVALUATION AGAINST THE US \$ AT ABOUT 24% PER ANNUM. CONSTRUCTION IS BOOMING IN COLOMBIA AS ARE SEVERAL OTHER INDUSTRIAL SECTORS WHICH WILL EXPERIENCE A RECORD YEAR. THE COLOMBIA STOCKMARKET, ALTHOUGH SMALL, HAS HAD ITS BEST YEARS EVER. INDUSTRY APPEARS OPTIMISTIC THAT THIS SITUATION WILL PERSIST THROUGHOUT 88. THE GOV'T HAS ALSO TAKEN STEPS TO RESOLVE THE FINANCIAL DIFFICULTIES OF ITS LARGEST INVESTMENTS; EL CERREJON COAL MINE IS NOW BEING FINANCED BY ECOPELROL; THE CERRO MATOSO NICKEL MINE HAS HAD ITS DEBT RESTRUCTURED & THE CONASTIL SHIPYARD IS BENEFITTING FROM KOREANS INVESTMENT. THE ONLY MAJOR PROBLEMS WITH UNRESOLVED FINANCIAL DIFFICULTIES IS PAPELCO. THIS PROBLEMS HAS HAD SOME REPERCUSSIONS ON THE "CONCORD" LOAN OF \$1.06 BIL. WHICH COLOMBIA NEEDED TO UNDERTAKE IN ITS 88/89 BUDGET PLAN THAT INCLUDED AGRARIAN REFORM & A NUMBER OF PROGRAMS AIMED AT COMBATTING POVERTY. WITH THIS LOAN IN PLACE IT IS EXPECTED THAT THE 88/89 PERIOD IN COLOMBIA WILL BE AN EXCELLENT YEAR UNLESS CIVIL PROBLEMS INTENSIFY THUS FORCING THE GOV'T TO DIVERT ITS ATTENTION FROM ECONOMIC ACTIVITIES. OUR MAIN SECTORS OF CONCENTRATION FOR 88/89 WILL BE MINING, ENERGY, COMMUNICATIONS, TRANSPORTATION & AGRICULTURE WHERE WE HAVE SEVERAL MAJOR PROJECTS IN THE PIPELINE. ECUADOR: THE ECONOMIC SITUATION IN ECUADOR IS STILL IN A BAD STATE AS A RESULT OF THE EARTHQUAKE OF MAR. 87 WHICH RESULTED IN TOTAL INCOME LOSS OF MORE THAN US \$1 BIL. INFLATION RAN AT ABOUT 34% DURING 87, WITH DEVALUATION AGAINST THE US DOLLAR OF 40% DURING THE FIRST 8 MONTHS OF THE YEAR. THE SITUATION SHOULD IMPROVE NOW THAT THE PARIS CLUB HAS AGREED ON RESCHEDULING THE DEBT & OPEC HAS PERMITTED ECUADOR TO INCREASE ITS OIL EXPORTS FROM 300,000 BPD - 320,000 BPD. THE WEATHER HAS ALSO BEEN GOOD DURING THE LAST PART OF 87 SO THAT EXPORTS OF COCOA, BANANAS & SEA PRODUCTS HAVE BEEN BETTER THAN EXPECTED. THE ECONOMY HOWEVER WILL BE MORE OR LESS AT A STANDSTILL DURING 88 WITH VERY FEW LARGE PROJECTS INITIATED, SINCE THERE WILL BE A GENERAL ELECTRICITY SHORTAGE IN JUNE OF THIS YEAR.

Export and Investment Promotion Planning System

REPT: SYN-GEO 88/89 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 640 BOGOTA

Market: 073 COLOMBIA

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

1. 011 OIL & GAS EQUIPMENT, SERVICES

REASONS: COLOMBIA IS A NET EXPORTER OF OIL WITH PLANS TO INCREASE EXPLORATION & PROD. THE GOV'T IS ALSO PROMOTING THE USE OF GAS IN LARGE CTRS & HAS PLANS FOR THE CONSTR. OF A GAS PIPELINE. THEREFORE GOOD OPPORTUNITIES

2. 008 TRANSPORT SYS, EQUIP, COMP, SERV.

REASONS: THE METRO OF BOGOTA PROJECT SHOULD BE UNDER CONST. DURING THE REVIEW PERIOD WITH OPPOR. FOR EQUIP., SERVICE, ETC. THE NAT'L RAILWAY SYSTEM IS ALSO UNDER REVIEW WITH POSS. FOR COMPLETE REHAB. AT COST OVER \$500M.

3. 005 COMM. & INFORM. EQP. & SERV

REASONS: TELECOM (COL. COMM. ENTITY) IS FINANCIALLY STABLE & THE GOV'T HAS DECIDED TO EXPAND ITS RURAL TELEPHONE NETWORK. A SATELLITE PROJECT FOR RURAL TELECOM. IS ALSO UNDERWAY. AN MOU ON INFORMATICS TO BE SIGNED

4. 010 MINE, METAL, MINERAL PROD & SRV

REASONS: COLOMBIA HAS DEPOSITS OF COAL, GOLD, NICKEL, COPPER. THIS FAR ONLY COAL HAS BEEN DEVELOPED ON AN IND. SCALE. ECOPETROL IS NOW INVESTING IN THE GOLD SECTOR THUS OFFERING GOOD OPPOR. FOR EQUIP TECH, SERVICES & JVS.

5. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: WITH THE AGRARIAN REFORM UNDERWAY THE GOV'T IS TO GIVE STRONG SUPPORT TO THE SECTOR. OPPOR. THUS EXIST IN THE FIELD OF SERVICES, MACHINERY, TECH TRANSFER, ETC. IMPORTS OF GRAINS, LIVE ANIMALS & POULTRY WILL ALSO

6. 007 POWER & ENERGY EQUIP. & SERV.

REASONS: OPPORTUNITIES FOR THE NEXT 5-7 YEARS WILL EXIST PRINCIPALLY IN THE DISTRIBUTION & TRANSMISSION SECTOR.

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

1. 009 FOREST PRODUCTS, EQUIP, SERVICES

2. 008 TRANSPORT SYS, EQUIP, COMP, SERV.

3. 003 GRAINS AND OILSEEDS

4. 012 PETROCHEM & CHEM PROD, EQP, SERV

5. 010 MINE, METAL, MINERAL PROD & SRV

6. 007 POWER & ENERGY EQUIP. & SERV.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 640 BOGOTA

Market: 073 COLOMBIA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	300.00M	\$ 290.00M	\$ 280.00M	\$ 269.00M
Canadian Exports \$	65.00M	\$ 59.00M	\$ 30.00M	\$ 5.00M
Canadian Share of Import Market	22.00%	20.00%	11.00%	2.00%

Major Competing Countries

Market Share

i) 001 ARGENTINA	020 %
ii) 577 UNITED STATES OF AMERICA	018 %
iii) 011 AUSTRALIA	016 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects:

Current Total Imports In Canadian \$
i) WHEAT \$ 66.00 M
ii) LENTILS \$ 15.00 M
iii) BARLEY \$ 14.00 M
iv) PEAS \$ 5.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: IMPORT OF CANOLA
Approximate Value: \$ M
Financing Source:
For further info. please contact:

ii) Project Name: DAIRY EQUIPMENT
Approximate Value: \$ M
Financing Source: 023 EDC
For further info. please contact:

Export and Investment Promotion Planning System

MISSION: 640 BOGOTA

COUNTRY: 073 COLOMBIA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: SALE OF MILK POWDER
 Approximate Value: \$ M
 Financing Source:
 For further info. please contact:

iv) Project Name: PIG EXPORTS
 Approximate Value: \$ M
 Financing Source:
 For further info. please contact:

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- the unsuitability of Canadian products for this market
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:

EXPORT PERFORMANCE IN THIS SECTOR HAS BEEN EXCELLENT WITH THE EXCEPTION OF OILSEED (CANOLA) WHERE WE HAVE HAD LITTLE SUPPORT BY THE CANOLA ASSOCIATION TO PURSUE PROJECTS WHICH COULD LEAD TO EXPORT SALES.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the existence of a bilateral economic/trade arrangement between Canada and this country
- the availability of competitive Canadian financing

Export and Investment Promotion Planning System

MISSION: 640 BOGOTA

COUNTRY: 073 COLOMBIA

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

Activity: SEMINAR ON PULSES CLASSIFICATION

Results Expected: INCREASED DEMAND FOR CANADIAN PULSES AND BETTER RECOGNITION OF CANADIAN QUALITY AND INSPECTION METHODS

Activity: SEMINAR ON USE OF CANADIAN WHEAT FOR BAKERY

Results Expected: BETTER RECOGNITION OF QUALITY OF CANADIAN WHEAT VERSUS U. S. WHEAT

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 640 BOGOTA

Market: 073 COLOMBIA

Sector: 005 COMM. & INFORM. EQP. & SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	200.00M	\$ 55.00M	\$ 55.00M	\$ 51.87M
Canadian Exports \$	4.00M	\$ 1.00M	\$ 3.00M	\$ 2.52M
Canadian Share of Import Market	2.00%	1.80%	5.50%	4.80%

Major Competing Countries

Market Share

i) 265 JAPAN	035 %
ii) 128 GERMANY WEST	025 %
iii) 112 FRANCE	020 %
iv) 577 UNITED STATES OF AMERICA	010 %
v) 616 OTHER COUNTRIES	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) TURNKEY PROJECTS IN RURAL TELECOMMUNICATIONS	\$ 100.00 M
ii) TELEPHONE FAULT FINDING SYSTEMS	\$ 0.00 M
iii) RURAL TELEPHONE SYSTEMS	\$ 10.00 M
iv) DIGITAL SWITCHES	\$ 10.00 M
v) TELECOM TRAINING EQUIPMENT	\$ 0.20 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: RURAL TELECOMMUNICATIONS PROJECT, NINE REGIONAL PACKAGES/COLOMBIA

Approximate Value: \$ 30 M

Financing Source: 024 BC

For further info. please contact:
EMBASSY

Export and Investment Promotion Planning System

MISSION: 640 BOGOTA

COUNTRY: 073 COLOMBIA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: "CONDOR" ANDEAN PACT SATELLITE
Approximate Value: \$ 310 M
Financing Source: 024 BC
For further info. please contact:
EMBASSY

iii) Project Name: RURAL TELECOMMUNICATIONS/ECUADOR
Approximate Value: \$ M
Financing Source: 024 BC
For further info. please contact:
EMBASSY

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

Export and Investment Promotion Planning System

MISSION: 640 BOGOTA COUNTRY: 073 COLOMBIA

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

Activity: PREPARATION OF SECTORAL PROFILE OUTLINING KEY CONTRACTS AND UPCOMING OPPORTUNITIES.

Results Expected: PROVIDE CANADIAN EXPORTS WITH HANDY REFERENCE DOCUMENT TO ASSIST THEIR MARKETING EFFORTS.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 640 BOGOTA

Market: 073 COLOMBIA

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	110.00M	\$ 112.00M	\$ 263.00M	\$ 194.00M
Canadian Exports \$	6.00M	\$ 4.10M	\$ 11.80M	\$ 6.30M
Canadian Share of Import Market	5.45%	3.66%	4.48%	3.25%

Major Competing Countries

Market Share

i) 265 JAPAN	049 %
ii) 577 UNITED STATES OF AMERICA	019 %
iii) 237 ITALY	013 %
iv) 047 BRAZIL	007 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) STATIONS & SUBSTATIONS	\$ 25.00 M
ii) TRANSMISSION EQUIPMENT	\$ 32.00 M
iii) DISTRIBUTION EQUIPMENT	\$ 18.00 M
iv) CONTROL EQUIPMENT	\$ 12.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: TRANSMISSION LINE SAN CARLOS-SABANALARGA
500 KV

Approximate Value: \$ 250 M
Financing Source: 025 OTHER
For further info. please contact:

ii) Project Name: GUAVIDO CONTROL SYSTEM

Approximate Value: \$ M
Financing Source: 025 OTHER
For further info. please contact:

Export and Investment Promotion Planning System

MISSION: 640 BOGOTA

COUNTRY: 073 COLOMBIA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade fairs
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: VISIT WITH SENIOR OFFICIALS OF ELECTRIC UTILITIES TO UPDATE INFORMATION ON CURRENT PROJECTS IN WHICH CANADIAN MANUFACTURERS ARE INTERESTED.

Results Expected: SEVERAL PROJECTS FOLLOWED BY CANADIAN MANUFACTURERS MAY RESULT IN CONTRACTS FOR ABOUT 15 MILLION

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

Activity: REVIEW LIST OF AGENTS AND THEIR PERFORMANCE IN SUPPORT OF CDN MANUFACTURERS

Results Expected: INCREASE THEIR INTEREST IN DEVELOPING MORE BUSINESS FOR COMPANIES ALREADY REPRESENTED

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 640 BOGOTA

Market: 073 COLOMBIA

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	400.00M	\$ 290.00M	\$ 268.00M	\$ 295.00M
Canadian Exports \$	180.00M	\$ 72.00M	\$ 58.00M	\$ 59.00M
Canadian Share of Import Market	45.00%	25.00%	22.00%	20.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	032 %
ii) 265 JAPAN	029 %
iii) 128 GERMANY WEST	015 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector:

100 \$M AND UP

Current status of Canadian exports:

Products/services for which there are
good market prospects

Current Total Imports In Canadian \$
\$ 200.00 M
\$ 0.00 M
\$ 60.00 M

- i) METRO
- ii) RAILWAY
- iii) SPARE PARTS

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: NATIONAL RAILWAY
- Approximate Value: \$ 800 M
- Financing Source: 003 IADB 023 EDC
- For further info. please contact:
L. GAETAN (MISSION)

Export and Investment Promotion Planning System

MISSION: 640 BOGOTA COUNTRY: 073 COLOMBIA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- high tariffs

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: PUT PACKAGE TOGETHER FOR RAILWAY REHABILITATION (DECISION WILL BE MADE SOON WHETHER PROJECT GOING AHEAD)

Results Expected: \$ 200 MILLION

Activity: TRAINING AIRCRAFT FOR COLOMBIAN ARMY (FINAL DECISION TO BE MADE SOON BY COLOMBIA)

Results Expected: \$ 40 MILLION

Activity: REHABILITATION OF COLOMBIAN PORTS

Results Expected:

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

Activity: VISIT TO CANADA OF COLOMBIAN HIGH LEVEL OFFICERS TO LOOK AT RAILWAY SYSTEM, PARTS SUPPLIERS, ETC.

Results Expected: CANADIAN PARTICIPATION IN RAILWAY REHABILITATION PROJECT IN COLOMBIA AT COST ESTIMATED AT \$ 800 MILLION

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Export and Investment Promotion Planning System

MISSION: 640 BOGOTA

COUNTRY: 073 COLOMBIA

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

Activity: CONTINUE DISCUSSION WITH COLOMBIAN MILITARY RE PURCHASE OF CL-125 AIRCRAFT

Results Expected: SALE OF 4 CL-125 TO COLOMBIAN ARMY

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 640 BOGOTA

Market: 073 COLOMBIA

Sector: 010 MINE, METAL, MINERAL PROD & SRV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	200.00M	\$ 150.00M	\$ 130.00M	\$ 100.00M
Canadian Exports \$	20.00M	\$ 15.00M	\$ 3.00M	\$ 2.00M
Canadian Share of Import Market	10.00%	10.00%	2.00%	2.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	020 %
ii) 237 ITALY	015 %
iii) 112 FRANCE	010 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports In Canadian \$
i) TRUCKS \$ 10.00 M
ii) MINING MACH \$ 5.00 M
iii) CONSULTING \$ 2.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- other factor(s) described by the Trade Office as follows:

COLOMBIA HAS MINING RESOURCES SIMILAR TO CANADA. THESE HOWEVER, HAVE BEEN LITTLE EXPLOITED AND THE GOVERNMENT IS NOW INTERESTED IN DEVELOPING THE GOLD SECTOR. ONLY MINERAL SOLD TO COLOMBIA IS ASBESTOS.

Export and Investment Promotion Planning System

MISSION: 640 BOGOTA

COUNTRY: 073 COLOMBIA

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- No factors reported by mission

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 640 BOGOTA

Market: 073 COLOMBIA

Sector: 011 OIL & GAS EQUIPMENT, SERVICES

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	220.00M	\$ 190.00M	\$ 185.00M	\$ 312.00M
Canadian Exports \$	7.00M	\$ 1.28M	\$ 16.58M	\$ 14.90M
Canadian Share of Import Market	3.18%	0.67%	8.97%	4.77%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	068 %
ii) 047 BRAZIL	006 %
iii) 265 JAPAN	014 %
iv) 128 GERMANY WEST	008 %

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

Current status of Canadian exports:

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) PRODUCTION EQUIPMENT	\$ 160.00 M
ii) DRILLING SERVICES	\$ 72.00 M
iii) SURVEYING SERVICES	\$ 15.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: NATURAL GAS PIPELINE PROJECT

Approximate Value: \$ 500 M

Financing Source: 025 OTHER

For further info. please contact:

ii) Project Name: APIAY GAS SEPARATION PROJECT

Approximate Value: \$ 6 M

Financing Source: 012 DOM

For further info. please contact:

Export and Investment Promotion Planning System

MISSION: 640 BOGOTA

COUNTRY: 073 COLOMBIA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: ESTABLISH DIRECT CONTACT WITH KEY OFFICIALS OF ECOPETROL AND FOREIGN OIL & GAS OPERATORS.

Results Expected: LEARN CURRENT STATUS OF PLANNED PROJECTS AND WE CAN UPGRADE CANADIAN PARTICIPATION

Activity: FOLLOW UP ON CONTRACTS MADE DURING PAST THREE MONTHS WITH VIEW OF ESTABLISHING NEW REPRESENTATION AGREEMENTS.

Results Expected: TO HELP ESTABLISH FOUR NEW REPRESENTATION AGREEMENTS

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

Activity: PROMOTE CANADIAN NATURAL GAS INDUSTRY CAPABILITY AND EXPERIENCE AMONG PROMOTORA GASODUCTO CENTRAL MEMBERS.

Results Expected: INCREASE POSSIBILITY OF WINNING GAS PIPELINE CONSTRUCTION PROJECT.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		

Mission: 640 BOGOTA

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

010 FAIRS ASONAR - INFO BOOTH	BOGOTA	0289
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Sector: 999 MULTIPLE SECTORS

020 MISSION OUTGOING ONTARIO PROVINCIAL GOVERNMENT MISSION	BOGOTA	0089
COUNCIL FOR THE AMERICA	BOGOTA	0089

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		

Mission: 640 BOGOTA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

010 FAIRS AGROEXPO '89	BOGOTA	0789
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020 MISSION OUTGOING AGRICULTURAL MISSION	BOGOTA/CALI/MEDEL.	0489
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Sector: 004 DEFENCE PROGRAMS, PRODUCTS, SERV

024 MISSION INCOMING ARMX	OTTAWA	0589
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Sector: 005 COMM. & INFORM. EGP. & SERV

010 FAIRS COLCOM	BOGOTA	0489
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024 MISSION INCOMING TELETEC	OTTAWA	0989
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Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

024 MISSION INCOMING CANADIAN AUTOMOTIVE SHOW	TORONTO	0489
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Sector: 011 OIL & GAS EQUIPMENT, SERVICES

010 FAIRS INTERCAN '90	EDMONTON	0689
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Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 640 BOGOTA		
Sector: 011 OIL & GAS EQUIPMENT, SERVICES		
024 MISSION INCOMING OIL & GAS MISSION TO CANADA NATIONAL PETROLEUM SHOW	CALAGARY	0689 0690
Sector: 016 INDUSTRIAL MACHIN, PLANTS, SERV.		
024 MISSION INCOMING CANADIAN HARDWARE SHOW	TORONTO	0590
Sector: 999 MULTIPLE SECTORS		
010 FAIRS INTERNATIONAL FAIR OF BOGOTA - INFO BOOTH	BOGOTA	0790
024 MISSION INCOMING HITECH MARKETPLACE CONSULTATIVE GROUP	OTTAWA OTTAWA	0390 1089 0589

Export and Investment Promotion Planning System

88/89 Trade and Economic Overview

Mission: 643 CARACAS

Country: 594 VENEZUELA

VENEZUELA REMAINS AS DEPENDENT ON OIL REVENUES FOR ITS FOREIGN EXCHANGE EARNINGS NOW AS IT DID 10 YEARS AGO DESPITE ATTEMPTS TO DIVERSIFY ITS EXPORT BASE. CONTINUING SOFT INTERNATIONAL OIL MKTS WILL RESTRICT FOREIGN EXCHANGE EARNINGS & AS A RESULT WILL RESTRICT THE AMOUNT OF FOREIGN EXCHANGE AVAILABLE FOR IMPORTS. IMPORTS FROM ALL SOURCES WILL NOT EXCEED \$8.5 BIL. ALTHOUGH CDA'S SHARE OF THESE IMPORTS COULD GROW SLIGHTLY FROM THE ANTICIPATED \$320M. IN 87. AS THE ELECTION DRAWS NEAR THERE IS A POSSIBILITY THAT THE GOV'T WOULD ALLOW ITS FOREIGN EXCHANGE RESERVES TO BE RUN DOWN FURTHER TO ACCOMMODATE IMPORT DEMAND & AT THE SAME TIME GAIN POLITICAL POINTS. HOWEVER SUCH A POLICY SHIFT WOULD LEAVE THE SUCCEEDING GOV'T IN FEB. 89 WITH LITTLE OR NO FLEXIBILITY IN DEALING WITH BALANCE OF PAYMENT PROBLEMS. THERE IS VIRTUALLY NO POSSIBILITY THAT THE GOV'T WILL RADICALLY ALTER ITS 3 TIERED EXCHANGE RATE POLICY BEFORE THE ELECTION ALTHOUGH SOME LUXURY GOODS MAY BE MOVED TO A HIGHER EXCHANGE RATE TO DISCOURAGE CONSUMPTION & REMOVE SOME OF THE SUBSIDIZATION INHERENT IN THE SYS. THE GOV'T WILL CONTINUE TO TRY TO MANAGE THE ECONOMY TO MINIMIZE POLITICAL COSTS OF INFLATION & TO CREATE JOBS SLOWLY WITHOUT PRINTING MONEY. HOWEVER AS THE ELECTION NEARS IT WILL BE UNDER SEVERE PRESSURE FROM THE PARTY TO INCREASE THE MONEY SUPPLY & INCREASE THE DEFICIT TO GENERATE MANY NEW JOBS. WE DO NOT SEE ANY POLICY CHANGES IN THE COMING YEAR WHICH WOULD LESSEN THE GOV'TS ROLE IN THE ECONOMY. PAST POLICY CHANGES TO ENCOURAGE FOREIGN INVESTMENT & TO ENCOURAGE A SWITCH FROM DEBT TO EQUITY INVESTMENT HAVE MET WITH ALMOST NO SUCCESS. NEITHER DOMESTIC NOR FOREIGN PRIVATE BUSINESS HAVE ANY CONFIDENCE IN THE GOV'T POLICIES OR ITS WILL TO EXECUTE THEM. MANY PRESS CONFERENCES HAVE BEEN HELD & MANY PROMISES MADE BUT THERE IS NO EVIDENCE THAT ACTIONS WILL FOLLOW ENCOURAGING WORDS. IN THE YEAR PRECEDING THE ELECTION AND ANTICIPATING IF NOT WISHING A PEREZ VICTORY VENEZUELAN BUSINESS WILL FURTHER DEFER INVESTMENT PLANS AS THEY SEE NO SHIFTS IN GOV'T ATTITUDES OR POLICIES. ALL IN ALL 88 PROMISES TO BE A YEAR OF WATCH & SEE. THE DOMINICAN REPUBLIC FACES SEVERE ECONOMIC PROBLEMS. RECENT MEASURES TO ADDRESS THESE PROBLEMS - A DEVALUATION OF THE PESO TO RD 4.50 TO USD A 20% IMPORT SURCHARGE AND A MORE RIGOROUS COLLECTION OF TAXES AND BILLS OWED TO GOV'T DEPTS. & CORPORATIONS WILL HAVE SOME SALUTARY FISCAL BENEFITS BUT AT A COST OF ECONOMIC AUSTERITY AND PERHAPS POLITICAL & SOCIAL INSTABILITY & UNREST. WE ANTICIPATE A FALL IN CDN EXPORTS FROM \$50M IN 87 TO SOME \$40M IN 88 AS A RESULT OF THESE INCREASED COSTS TO DOMINICAN BUSINESS.

Export and Investment Promotion Planning System

REPT: SYN-GEO 88/89 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: AGRICULTURE SECTOR IS HIGHEST DEVELOPMENT PRIORITY OF VENEZUELAN GOV'T & RECEIVES INCREASINGLY LARGE SHARE OF BUDGET & OF THE FOREIGN EXCHANGE ALLOCATION FROM MINISTRY OF FINANCE.

2. 005 COMM. & INFORM. EQP. & SERV

REASONS: UVERITO PAPER MILL PROJECT OFFERS EXCELLENT OPPORTUNITIES FOR CDN FIRMS.

3. 009 FOREST PRODUCTS, EQUIP, SERVICES

REASONS: EXPANDING MARKETING RECEIVING PRIORITY FROM VENEZUELAN GOV'T. PHONE SYSTEM EXPANSION INTO CELLULAR & DATA PROCESSING.

4. 003 GRAINS AND OILSEEDS

REASONS:

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE
2. 003 GRAINS AND OILSEEDS
3. 008 TRANSPORT SYS, EQUIP, COMP, SERV.
4. 009 FOREST PRODUCTS, EQUIP, SERVICES
5. 011 OIL & GAS EQUIPMENT, SERVICES

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights

Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 011 ANIMAL, POULTRY BREEDING STOCK

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	40.00M	\$ 40.00M	\$ 39.30M	\$ 16.20M
Canadian Exports \$	18.00M	\$ 18.00M	\$ 15.30M	\$ 3.70M
Canadian Share of Import Market	45.00%	45.00%	39.00%	23.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	042 %
ii) 075 CANADA	039 %
iii) 370 NEW ZEALAND	015 %
iv) 616 OTHER COUNTRIES	004 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) LIVE CATTLE	\$ 14.00 M
ii) ANIMAL SEMEN	\$ 0.57 M
iii) SWINE	\$ 0.00 M
iv) GOATS	\$ 0.00 M
v) BABY CHICKS	\$ 0.59 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be low
- approval of technical standards can present problems in the case of some imported products

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non-tariff protectionist measures which are difficult to overcome

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- sourcing assistance from Canadian federal/provincial governments departments
- product/service information from Canadian companies

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

Activity: DAIRY CATTLE MGT WORKSHOPS 2 PER YEAR

Results Expected: INCREASE MKT SHARE

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 013 SEEDS & SPECIAL CROPS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	38.00M	\$ 38.00M	\$ 38.10M	\$ 67.50M
Canadian Exports \$	13.00M	\$ 12.00M	\$ 14.70M	\$ 19.60M
Canadian Share of Import Market	34.00%	31.00%	38.00%	20.00%

Major Competing Countries

	Market Share
i) 075 CANADA	038 %
ii) 068 CHILE	022 %
iii) 577 UNITED STATES OF AMERICA	017 %
iv) 616 OTHER COUNTRIES	023 %

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are good market prospects

	Current Total Imports In Canadian \$
i) SEED POTATOES	\$ 7.30 M
ii) LENTILS	\$ 2.90 M
iii) PEAS	\$ 2.20 M
iv) BIRD SEED	\$ 2.20 M
v) BEANS	\$ 0.04 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be low

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non-tariff protectionist measures which are difficult to overcome

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- support provided by the PEMD program
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

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

Activity: MARKET EVALUATION OF SEED POTATO SALES OPPORTUNITIES IN ANDEAN REGION

Results Expected: INCREASE TOTAL MARKET SHARE TO 90%.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 003 GRAINS AND OILSEEDS

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	215.00M	\$ 215.00M	\$ 204.00M	\$ 257.40M
Canadian Exports \$	35.00M	\$ 32.00M	\$ 23.10M	\$ 98.60M
Canadian Share of Import Market	17.00%	15.00%	12.00%	38.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	087 %
ii) 075 CANADA	012 %
iii) 001 ARGENTINA	000 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) WHEAT	\$ 22.59 M
ii) CANOLA	\$ 0.00 M
iii) SUNFLOWER SEED	\$ 0.20 M
iv) MUSTARD SEED	\$ 0.16 M
v) FLAXSEED	\$ 0.05 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:

PREFERENTIAL MARKET ALLOCATION TO COMPETITERS

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

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

Activity: DEDICATE MORE TIME TO ENVOLVING CANOLA MARKET.

Results Expected: INTRODUCTION OF CANOLA TO VENEZUELA

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 004 DEFENCE PROGRAMS, PRODUCTS, SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	250.00M	\$ 200.00M	\$ 228.00M	\$ 195.00M
Canadian Exports \$	3.00M	\$ 1.50M	\$ 3.30M	\$ 2.15M
Canadian Share of Import Market	1.20%	0.75%	1.40%	1.10%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	050 %
ii) 237 ITALY	015 %
iii) 112 FRANCE	015 %
iv) 499 SPAIN	010 %
v) 594 VENEZUELA	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) AIRCRAFT REFURBISH	\$ 62.00 M
ii) COMMUNICATIONS	\$ 5.00 M
iii) AIRCRAFT MAINTENANCE	\$ 4.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: REFURBISHING CF5 AIRCRAFT
Approximate Value: \$ 50 M
Financing Source: 012 DOM
For further info. please contact:
EMBASSY

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- the apparent limited sectoral capability in Canada compared to other competing export countries

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- use of Canadian Government export promotion activities

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE TO BUILD AGENTS & REPRESENTATIVE LISTS AND MATCH WITH CANADIAN COMPANIES.

Results Expected: CANADIAN COMPANIES WILL BE ABLE TO ACT MORE QUICKLY

Activity: BUILD MILITARY GROUP CONTACTS AND INFORM COMPANIES OF UNANNOUNCED CONTRACTS

Results Expected: MORE BUSINESS

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 005 COMM. & INFORM. EQP. & SERV

Subsector: 053 TELECOMMUNICATIONS (INC SPACE)

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	75.00M	\$ 74.00M	\$ 58.00M	\$ 50.61M
Canadian Exports \$	1.50M	\$ 0.96M	\$ 0.96M	\$ 0.42M
Canadian Share of Import Market	2.00%	1.30%	1.70%	0.80%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	033 %
ii) 507 SWEDEN	020 %
iii) 265 JAPAN	016 %
iv) 128 GERMANY WEST	012 %
v) 112 FRANCE	006 %
vi) 237 ITALY	004 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

In Canadian \$

i) RADIO TRANSMITTERS & RECEIVERS	\$ 13.10 M
ii) CARRIER APPARATUS FOR TELECOM	\$ 18.00 M
iii) RURAL & MOBILE TELEPHONE SYSTEMS	\$ 8.10 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import-duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- non competitive financing from Canada
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- other factor(s) described by the Trade Office as follows:
IN RECENT PAST CDN COMPANIES (NORTHERN TELECOM AND NOVATEL) HAVE MISSED OUT ON GOOD OPPORTUNITIES BECAUSE OF EITHER DISINTEREST AND/OR LACK OF COMMITMENT TO MARKET

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FINDING MORE AGENTS TO REPRESENT CDN COMPANIES

Results Expected: INCREASE IN NUMBER OF CANADIAN COMPANIES REPRESENTED

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 005 COMM. & INFORM. EQP. & SERV

Subsector: 054 COMPUTERS, SOFTWARE & SYSTEMS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	225.00M	\$ 250.00M	\$ 252.92M	\$ 237.92M
Canadian Exports \$	6.75M	\$ 8.75M	\$ 9.61M	\$ 2.43M
Canadian Share of Import Market	3.00%	3.50%	3.80%	1.02%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	078 %
ii) 047 BRAZIL	005 %
iii) 075 CANADA	004 %
iv) 128 GERMANY WEST	003 %
v) 112 FRANCE	002 %
vi) 349 MEXICO	001 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) SOFTWARE	\$ 35.00 M
ii) ANALOG COMPUTER EQUIPMENT	\$ 35.50 M
iii) PERIPHERALS	\$ 49.00 M
iv) WORD PROCESSORS & MICROCOMPUTERS	\$ 19.00 M
v) MAIN FRAMES & MINICOMPUTERS	\$ 50.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- support provided by the PEMD program
- competitive export pricing for this market

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE SEARCHING FOR ADEQUATE REPRESENTATIVES FOR CANADIAN COMPANIES IN THE FIELD OF HARDWARE AND SOFTWARE

Results Expected: OBTAIN GREATER NUMBER OF VENEZUELAN FIRMS REPRESENTING CANADIAN COMPANIES AS LOCAL AGENTS.

Activity: CONTINUE PROMOTING CANADIAN SOFTWARE TO PETROLEUM INDUSTRY

Results Expected: CREATE SALES OF CANADIAN SOFTWARE TO PETROLEUM INDUSTRY.

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

Activity: CONTACT VENEZUELAN INFORMATICS COMPANIES TO PROMOTE POSSIBLE JOINT VENTURES.

Results Expected: INCREASE CANADIAN POTENTIAL OF ENTERING HIGHLY COMPETITIVE MARKET.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	51.00M	\$ 66.00M	\$ 66.40M	\$ 72.80M
Canadian Exports \$	3.00M	\$ 3.00M	\$ 12.00M	\$ 6.00M
Canadian Share of Import Market	5.90%	4.50%	18.10%	8.20%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	035 %
ii) 265 JAPAN	020 %
iii) 112 FRANCE	020 %
iv) 128 GERMANY WEST	020 %

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

Current status of Canadian exports: Market share declining

Products/services for which there are
good market prospects

i) GAS TURBINES

Current Total Imports
In Canadian \$
\$ 8.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- non competitive financing from Canada
- other factor(s) described by the Trade Office as follows:

LACK OF COHESIVENESS AMONG CDN EXPORTERS TO FORM CONSORTIA TO
MATCH JAPANESE AND EUROPEAN COMPETITION.

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

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

Activity: MONITOR MEDIUM TO LONG TERM PLANS OF EDELCA & CADAFE

Results Expected: MAKE CDN COMPANIES AWARE OF FUTURE POSSIBILITIES.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

Subsector: 081 AUTOMOTIVE

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	1090.00M	\$ 1010.00M	\$ 1247.00M	\$ 1020.00M
Canadian Exports \$	98.00M	\$ 85.00M	\$ 120.00M	\$ 90.00M
Canadian Share of Import Market	8.99%	8.40%	9.62%	8.80%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	038 %
ii) 265 JAPAN	021 %
iii) 047 BRAZIL	013 %
iv) 075 CANADA	008 %
v) 237 ITALY	008 %
vi) 112 FRANCE	005 %

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) AFTER MARKET PARTS	\$ 231.08 M
ii) CKD'S FOR TRUCKS & PICK UPS	\$ 134.07 M
iii) CKD'S FOR PASSENGER VEHICLES	\$ 577.70 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of provincial governments export promotion activities
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUED PROMOTION OF CANADIAN AFTER-MARKET PARTS

Results Expected: INCREASE LOCAL AGTS. & REPS. OF CANADIAN AUTO PARTS.

Activity: CONTINUED PROMOTION OF JOINT VENTURES AND LICENSEE AGREEMENTS.

Results Expected: INCREASE NUMBER OF JOINT VENTURES BETWEEN CDN & LOCAL AUTO-PARTS MANUFACTURERS. GUARANTEE OF CDN MARKET SHARE ON MORE PERMANENT BASIS.

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

Activity: ESTABLISH GREATER CONTACT WITH LOCAL AUTOPARTS ASSOCIATIONS.

Results Expected: CREATE GREATER AWARENESS CDN AUTOPARTS TECHNOLOGY.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	450.00M	\$ 435.00M	\$ 450.00M	\$ 492.00M
Canadian Exports \$	83.00M	\$ 78.00M	\$ 84.00M	\$ 91.00M
Canadian Share of Import Market	19.00%	17.00%	19.00%	17.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	042 %
ii) 068 CHILE	015 %
iii) 504 FINLAND	011 %
iv) 047 BRAZIL	006 %
v) 507 SWEDEN	005 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Well established and growing

Products/services for which there are
good market prospects

Current Total Imports

In Canadian \$

i) NEWSPRINT	\$ 96.00 M
ii) PULP	\$ 140.00 M
iii) EQUIPMENT	\$ 18.00 M
iv) SERVICES	\$ 15.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: UVERITO NEWSPRINT & PULP MILL
Approximate Value: \$ 650 M
Financing Source: 012 DOM 023 EDC
024 BC
For further info. please contact:

ii) Project Name: CONARE FOREST PLANTATION
Approximate Value: \$ 65 M
Financing Source: 012 DOM 003 IADB
For further info. please contact:

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- No factors reported by mission

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: POST HAS BEEN REPORTING ON NEWSPRINT & PULP MARKET DEVELOPMENT, PULP & NEWSPRINT PROJECT AND IS IN THE PROCESS OF FOLLOWING UP.

Results Expected: INCREASED AWARENESS & RECOMMENDATIONS TO CANADIAN SUPPLIERS ON MARKET STRATEGY.

Activity: CONTINUE TO ASSIST CANADIAN BIDDERS ON UVERITO PROJECT.

Results Expected: OBTAIN CONTRACT FOR A CANADIAN CO.

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

Activity: TO CONDUCT A NEWSPRINT & PULP MARKET SURVEY.

Results Expected: MAINTAIN KNOWLEDGE OF MARKET AND REPORT CHANGES AND SITUATION.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 010 MINE, METAL, MINERAL PROD & SRV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	760.00M	\$ 810.00M	\$ 1100.00M	\$ 1105.00M
Canadian Exports \$	45.00M	\$ 35.00M	\$ 33.00M	\$ 32.00M
Canadian Share of Import Market	5.90%	4.30%	3.00%	2.80%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	056 %
ii) 047 BRAZIL	008 %
iii) 128 GERMANY WEST	007 %
iv) 265 JAPAN	006 %
v) 038 BELGIUM	004 %
vi) 540 SURINAM	003 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

In Canadian \$

i) WIRE ROD	\$ 31.00 M
ii) ZINC	\$ 8.00 M
iii) IRON/STEEL TUBING	\$ 26.00 M
iv) SCRAP IRON	\$ 19.00 M
v) ASBESTOS	\$ 4.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: CARBOZULIA COAL PROJECT
Approximate Value: \$ 250 M
Financing Source: 012 DDM 023 EDC
024 BC

For further info. please contact:
POST EXTOTT/LST

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: CVG GOLD MINING
 Approximate Value: \$ 30 M
 Financing Source: 012 DOM 024 BC
 For further info. please contact:
 POST EXTOTT/LST

iii) Project Name: TACHIRA COAL PROJECT
 Approximate Value: \$ 55 M
 Financing Source: 012 DOM 024 BC
 For further info. please contact:
 POST EXTOTT/LST

iv) Project Name: TACHIRA PHOSPHATE PROJECT
 Approximate Value: \$ 25 M
 Financing Source: 012 DOM 024 BC
 For further info. please contact:
 POST EXTOTT/LST

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

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

Activity: TO CONDUCT AN ASBESTOS MARKET SURVEY

Results Expected: REPORT TO THE CANADIAN ASBESTOS INDUSTRY ON MARKET SITUATION.

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

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

Activity: VISITS TO VENEZUELA MINING COS.

Results Expected: INCREASED AWARENESS OF CANADIAN CAPABILITIES
AND TRANS. OF TECH. OPPORT.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 011 OIL & GAS EQUIPMENT, SERVICES

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	620.00M	\$ 540.00M	\$ 575.00M	\$ 695.00M
Canadian Exports \$	15.00M	\$ 12.00M	\$ 12.00M	\$ 14.00M
Canadian Share of Import Market	0.00%	0.00%	0.00%	0.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	072 %
ii) 265 JAPAN	011 %
iii) 128 GERMANY WEST	006 %
iv) 051 UNITED KINGDOM	004 %
v) 237 ITALY	003 %
vi) 038 BELGIUM	002 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) GAS TURBINES	\$ 22.00 M
ii) GAS PROD MACH	\$ 18.00 M
iii) SCADA SYSTEM	\$ 15.00 M
iv) COMPUTER/SOFT	\$ 15.00 M
v) CORROSION PREV	\$ 10.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: NURGAS PROJECT-COR POVEN GAS PIPELINE
Approximate Value: \$ 450 M
Financing Source: 012 DDM
For further info. please contact:
POST

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- ii) Project Name: OIL INDUSTRY COMPUTERS & SOFTWARE PROG.
Approximate Value: \$ 25 M
Financing Source: O12 DOM
For further info. please contact:
POST.

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- support provided by the PEMD program
- participation in trade missions
- use of provincial governments export promotion activities

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTACT ALBERTA COS WHO VISITED VENEZUELA DURING 87 TO ENSURE CONTACTS MADE ARE FOLLOWED UP AND BUSINESS CONNECTIONS ESTABLISHED.

Results Expected: HAVE MORE LOCAL AGENTS AND INCREASE OUR MARKET SHARE.

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

Activity: TO VISIT BARIVEN OFFICES IN HOUSTON TO ENSURE THAT CDN COS ARE AWARE OF BARIVEN PURCHASING POLICIES & OPPORTUNITIES.

Results Expected: INCREASED CANADIAN PARTICIPATION AND MARKET SHARE WITH BARIVEN.

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

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

Activity: CONTINUE TO CONTACT OIL & GAS INDUSTRY LOCAL AGENTS TO INTEREST THEM IN CANADIAN EQUIPMENT MANUFACT.

Results Expected: INCREASED NUMBER OF AGENTS.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 016 INDUSTRIAL MACHIN, PLANTS, SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	2050.00M	\$ 2100.00M	\$ 2050.00M	\$ 1800.00M
Canadian Exports \$	8.50M	\$ 11.05M	\$ 6.04M	\$ 5.31M
Canadian Share of Import Market	0.42%	0.53%	0.29%	0.30%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	054 %
ii) 237 ITALY	012 %
iii) 128 GERMANY WEST	009 %
iv) 112 FRANCE	005 %
v) 499 SPAIN	004 %
vi) 512 SWITZERLAND	004 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) BOTTLING & PACKAGING EQUIP.	\$ 45.10 M
ii) MOULD & DIES FOR METAL & PLASTIC INDUSTRY	\$ 28.70 M
iii) PLASTIC - RUBBER INDUSTRY MACHINERY	\$ 57.40 M
iv) COMPRESSORS & TURBO COMPRESSORS	\$ 94.30 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- competitive export pricing for this market

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUED PROMOTION OF CANADIAN TECHNOLOGY & EXPERTISE IN THE MACHINERY AND TOOLING INDUSTRY.

Results Expected: INCREASE AWARENESS CANADIAN CAPABILITIES IN MACHINERY-TOOLING INDUSTRY.

Activity: CONTINUED MARKET ANALYSIS OF POTENTIAL TRANSFER OF CANADIAN TECHNOLOGY TO OVERCOME IMPORT RESTRICTIONS

Results Expected: LOOK FOR JOINT VENTURE PARTNERS TECHNOLOGY TRANSFER & LICENSING AGREEMENTS WITH LOCAL MANUFACTURERS.

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

Activity: VISIT METALLURGICAL INDUSTRIES & OTHER INDUSTRIES WHO COULD BE POTENTIAL USERS OF CANADIAN TECHNOLOGY AND CAPABILITIES.

Results Expected: INCREASE AWARENESS ON PART OF LOCAL INDUSTRIES OF CANADIAN EXPERTISE.

Export and Investment Promotion Planning System

88/89 Trade and Economic Overview

Mission: 644 MEXICO

Country: 349 MEXICO

THE EXTERNAL SECTOR OF THE MXCN ECONOMY MADE A COMPLETE VOLTE-FACE FM THE DOLDRUMS OF MID-'86. BY ADOPTING A COMPETITIVE EXCHANGE RATE, MEXICO WAS ABLE TO OFFSET THE DRAMATIC DECLINE IN OIL EXPORTS BY CUTTING IMPORTS BY 10% & BY INCREASING NON-OIL SALES (CHIEFLY MFTRD PRODS) BY OVER 30% IN '86 & IN THE FIRST HALF OF '87. A DOMESTIC CREDIT SQUEEZE FORCED COS & INVSTRS TO REPATRIATE PART OF THEIR CAPITAL HELD ABROAD. THE SUCCESSFUL CONCLUSION OF A FINANCIAL PACKAGE WITH ITS CREDITORS ALLOWED MEXICO TO RESCHEDULE OVER 20 YRS UP TO 2/3 OF ITS EXTERNAL DEBT (NOW VALUED AT US\$105 BN) & TO SECURE NEW CREDITS WORTH SOME \$12 BN, HALF OF WHICH HAD BEEN DISBURSED AS OF SEPT. '87. THE LEVEL OF FOREIGN RESERVES STOOD AT A RECORD HIGH \$14.6 BN AT THE END OF AUG. THIS EXCELLENT PERFORMANCE BY THE EXTERNAL SECTOR WAS UNFORTUNATELY NOT MATCHED BY THE DOMESTIC SIDE. '86 SAW A DECLINE OF MORE THAN 3% IN GDP, & PROJECT'NS FOR '87 INDICATE ZERO-1% GROWTH, IMPLYING A CONTINUED FALL IN GDP PER CAPITA. INFLATION, WHICH REACHED 105% IN '86, IS CURRENTLY RUNNING AT A RATE OF 135%, THEREBY JEOPARDIZING THE RECOVERY PROCESS. PUBLIC FINANCES ARE IN POOR SHAPE, WITH THE CENTRAL GOVT HAVING TO SPEND NEARLY 60% OF ITS BUDGET JUST TO SERVICE THE PUBLIC DEBT. THE PUBLIC DEFICIT STOOD AT 16.8% OF GDP LAST YEAR & MAY REACH 17-18% OF GDP IN '87. BOTH PUBLIC AND PRIVATE INVSTMT HAVE BEEN DECLINING, ALTHOUGH THERE ARE SOME INITIAL SIGNS THAT THE ECONOMY MAY HAVE BOTTOMED OUT AND THAT CONSUMER DEMAND AND INVSTMT MAY BE RECOVERING. THE GOVT IS TRYING TO ACHIEVE MODERATE GROWTH WITHOUT AGGRAVATING INFLATIONARY PRESSURES, A DIFFICULT TASK AT BEST OF TIMES, AND ONE WHICH MAY BE IMPOSSIBLE TO ACHIEVE UNLESS MORE IS DONE TO CONTROL MONETARY GROWTH. TRADE PROSPECTS ARE NEVERTHELESS ENCOURAGING, MEXICAN IMPORTS ARE LIKELY TO PICK UP IN THE SECOND HALF OF '87 AND THROUGHOUT '88. CDN EXPORTS TO MEXICO WERE UP 18% IN THE FIRST 7 MONTHS OF '87 DESPITE REDUCED MEXICAN TOTAL IMPORTS. MAJOR IMPROVEMENTS WERE NOTED IN SALES OF WHEAT, CANOLA, SULPHUR, SOME PLASTICS AND MACHINERY. OVERALL SEMI-MANUFACTURED AND AGRI-FOOD PRODUCTS SUFFERED DECLINES, WHILE FINISHED PRODUCTS HELD STEADY. THE EXPANSION OF EXPORTS WAS DUE MAINLY TO LARGE INCREASES IN SALES OF CANOLA AND SULPHUR. TO THE EXTENT THAT THE REDUCED OVERALL LEVEL OF IMPORTS BY MEXICO WAS LARGELY A CONSEQUENCE OF LOWER ECONOMIC ACTIVITY, A GRADUAL RECOVERY IS EXPECTED TO AUGUR WELL FOR CANDIAN SEMIFINISHED PRODUCTS (SUCH AS PULP, PAPER, ASBESTOS, STEELSHEETS) WHICH ARE INCORPORATED INTO THE MANUFACTURING PROCESS, AS WELL AS FOR FINISHED GOODS, AND CHIEFLY IN THE AUTOMOTIVE, CONSTRUCTION AND ELECTRONICS SECTORS. CANADIAN EXPORTS MAY THUS REACH A TOTAL OF \$450 MILLION IN 1987 AND \$500 MILLION NEXT YEAR.

Export and Investment Promotion Planning System

REPT: SYN-GEO 88/89 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: MXCN BREEDERS WILL CONTINUE TO IMPORT LARGE VOLUMES OF BEEF, SWINE AND SHEEP BREEDING STOCK BUT CDN STOCK ARE STILL NOT WELL-KNOWN. RECENT CONCLUSION OF PHTOSANITARY PROTOCOL WILL CREATE IMPORTANT POTEN'L MKT

2. 003 GRAINS AND OILSEEDS

REASONS: MEXICO WANTS TO REDUCE ITS DEPENDENCY ON SOYA BEAN IMPORTS AND DISCONTINUE SUNFLOWER IMPORTS ALTOGETHER; MARKET FOR CANOLA SHOULD CONTINUE TO BE VERY STRONG.

3. 005 COMM. & INFORM. EQP. & SERV

REASONS: MEXICO'S TELECOMMUNICATIONS, COMPUTER AND DATA PROCESSING REQUIREMENTS ARE CONTINUING TO GROW RAPIDLY.

4. 011 OIL & GAS EQUIPMENT, SERVICES

REASONS: MEXICO HAS BECOME THE WORLD'S 4TH LARGEST OIL PRDGR FM THE 5TH LARGEST RESERVES BASE. PEMEX ACCNTS FOR 15% OF GNP & CONTRIBUTES 22% OF THE GOM INCOME. PEMEX EXPLORA'N/EXPLOITA'N/REFINING ACTIVITIES WILL CONTINUE TO

5. 007 POWER & ENERGY EQUIP. & SERV.

REASONS: DEMAND FOR ELECTRICITY HAS RISEN STEADILY SINCE '83 & GENERATING CAPACITY HAS KEPT PACE WITH DEMAND. CONTINUED GROWTH PLUS REPAIR/REPLACEMENT OF EXISTING CAPACITY SHOULD CONTINUE TO OFFER OPPORTUNITIES.

6. 010 MINE, METAL, MINERAL PROD & SRV

REASONS: IND. SOURCES ESTIMATE MEXICAN MINING INVSTMT FOR '88 AT US\$700 MN OF WHICH 1/3 WILL COMPRISE IMPORTS. PRODUCTION & INVESTMENT IN THIS SECTOR AR EXPECTED TO CONTINUE TO GROW.

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

1. 003 GRAINS AND OILSEEDS
2. 008 TRANSPORT SYS, EQUIP, COMP, SERV.
3. 010 MINE, METAL, MINERAL PROD & SRV
4. 016 INDUSTRIAL MACHIN, PLANTS, SERV.
5. 001 AGRI & FOOD PRODUCTS & SERVICE

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights

Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 011 ANIMAL, POULTRY BREEDING STOCK

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	88.00M	\$ 92.00M	\$ 97.00M	\$ 177.00M
Canadian Exports \$	5.00M	\$ 3.00M	\$ 5.00M	\$ 22.00M
Canadian Share of Import Market	5.60%	3.20%	5.10%	12.40%

Major Competing Countries

Market Share

- | | |
|----------------------------------|-------|
| i) 349 MEXICO | 075 % |
| ii) 577 UNITED STATES OF AMERICA | 020 % |

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) DAIRY ANIMALS	\$ 65.00 M
ii) HOGS	\$ 10.00 M
iii) BEEF BREEDING STOCK	\$ 20.00 M
iv) SEMEN	\$ 1.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- other factor(s) described by the Trade Office as follows:
PROXIMITY GIVES COMPETING USA EXPORTERS SIGNIFICANTLY LOWER TRANSPORT COSTS.

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FOLLOW UP WITH SWINE, DAIRY CATTLE AND OTHER ANIMAL BREEDERS WHO HAVE VISITED CANADA ON INCOMING MISSIONS.

Results Expected: SALES TO NEW BUYERS.

Activity: PROVIDE ON-GOING ASSISTANCE TO PROVINCIAL GOVERNMENTS IN THEIR EXPORT MARKET DEVELOPMENT PROGRAMS.

Results Expected: IDENTIFY NEW POTENTIAL EXPORTERS.

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

Activity: ORGANIZE LIVESTOCK BUYERS MISSIONS TO CANADA AS APPROPRIATE FOR HOGS, DAIRY AND BEEF BREEDING ANIMALS.

Results Expected: EXPOSURE OF CANADIAN STOCK TO NEW MEXICAN BREEDERS/BUYERS.

Activity: DETERMINE FEASIBILITY OF INTRODUCING CANADIAN SHEEP BREEDING STOCK IN MEXICO.

Results Expected: INCREASED ACCEPTANCE OF CANADA AS SOURCE OF HIGH QUALITY OVINE STOCK.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 013 SEEDS & SPECIAL CROPS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	85.00M	\$ 67.00M	\$ 42.00M	\$ 152.00M
Canadian Exports \$	1.50M	\$ 0.95M	\$ 0.21M	\$ 0.00M
Canadian Share of Import Market	1.70%	1.40%	0.50%	0.00%

Major Competing Countries

Market Share

- | | |
|----------------------------------|-------|
| i) 349 MEXICO | 080 % |
| ii) 577 UNITED STATES OF AMERICA | 016 % |

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

Current status of Canadian exports: No Export results to date

Products/services for which there are good market prospects
i) SEED POTATOESCurrent Total Imports
In Canadian \$
\$ 3.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- the unsuitability of Canadian products for this market
- the apparent limited sectoral capability in Canada compared to other competing export countries
- non-tariff protectionist measures which are difficult to overcome
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:

MEXICAN PHYTOSANITARY REQUIREMENTS FOR SEED POTATOES HAVE BEEN DIFFICULT TO MEET, AS THEY ARE EVEN MORE STRINGENT THAN NAPPO STANDARDS.

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- No factors reported by mission

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- product/service information from Canadian companies

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: SUPPORT AGRICULTURE CANADA EFFORTS TO FINALIZE AND SIGN PROTOCOL FOR SEED POTATO PHYTOSANITARY CERTIFICATION.

Results Expected: A SIGNED PROTOCOL WITH RESULTANT EASIER ENTRY OF CANADIAN SEED POTATOES, ETC.

Activity: CONTINUED PROMOTION OF SEED POTATO THROUGH LITERATURE DISTRIBUTION. SUPPORT POTATOES CANADA ANNUAL COURSES FOR OVERSEAS AGRICULTURE STUDENTS.

Results Expected: ENHANCED CANADIAN IMAGE. INCREASED SALES.

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

Activity: STUDY MARKET FOR CANADIAN VARIETIES OF ALFALFA SEED AND OTHER FORAGE SEEDS.

Results Expected: DECISION WHETHER TO PROCEED WITH PROMOTION OF CANADIAN FORAGE SEED SALES.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 003 GRAINS AND OILSEEDS

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	1200.00M	\$ 984.00M	\$ 724.00M	\$ 1494.00M
Canadian Exports \$	100.00M	\$ 90.00M	\$ 54.00M	\$ 37.00M
Canadian Share of Import Market	8.30%	9.10%	7.40%	2.40%

Major Competing Countries

Market Share

i) 349 MEXICO	055 %
ii) 577 UNITED STATES OF AMERICA	035 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

	Current Total Imports In Canadian \$
i) CANOLA	\$ 50.00 M
ii) FEED WHEAT	\$ 10.00 M
iii) MILLING WHEAT	\$ 10.00 M
iv) VEGETABLE OIL	\$ 3.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- the apparent limited sectoral capability in Canada compared to other competing export countries
- other factor(s) described by the Trade Office as follows:

OUR SUPPLY CAPABILITY FOR CROPS SUCH AS CORN, SOYBEANS AND SORGHUM (MAJOR IMPORT COMMODITIES) IS VERY LIMITED. THE USA IS A STABLE SUPPLIER OF THESE AND OTHER GRAINS.

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada
- the existence of a bilateral economic/trade arrangement between Canada and this country
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE TO MONITOR CONASUPO'S AND PRIVATE INDUSTRY'S NEEDS, AND BROADEN CONTACTS BASE.

Results Expected: IDENTIFY NEW SALES OPPORTUNITIES.

Activity: CONTINUE CLOSE WORKING RELATIONSHIP WITH LOCAL COMMODITY DEALERS.

Results Expected: FURTHER INSTILL IN MINDS OF MEXICAN GRAIN DEALERS THAT CANADA IS A VIABLE ALTERNATIVE AS A SUPPLIER OF GRAINS AND OILSEEDS.

Activity: CONTINUE TO ASSIST CWB, CANOLA COUNCIL AND OTHER AGENCIES/MINISTRIES IN THEIR MARKETING PROGRAMS.

Results Expected: FACILITATE INCREASED TRADE WITH MEXICO.

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

Activity: ORGANIZED SEMINAR FOR FEED MANUFACTURERS ON USE OF CANOLA MEAL IN ANIMAL FEED FORMULATIONS.

Results Expected: INCREASED CANOLA MEAL ACCEPTANCE AMONG FEED FORMULATORS IN MEXICO.

Activity: SEND FLOUR MILL MANAGERS/OPERATORS TO CIGI PROGRAM ON FLOUR MILLING.

Results Expected: INCREASED SALES OF SOFT WHEAT AGAINST USA COMPETITION.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 004 DEFENCE PROGRAMS, PRODUCTS, SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	50.00M	\$ 30.00M	\$ 40.00M	\$ 50.00M
Canadian Exports \$	3.40M	\$ 1.00M	\$ 0.20M	\$ 0.00M
Canadian Share of Import Market	6.00%	3.00%	0.50%	0.00%

Major Competing Countries

Market Share

i) 349 MEXICO	040 %
ii) 577 UNITED STATES OF AMERICA	020 %
iii) 499 SPAIN	010 %
iv) 128 GERMANY WEST	010 %
v) 112 FRANCE	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) RADAR/SOMAR EQPT	\$ 5.00 M
ii) BUFFALO OVERHAUL	\$ 0.50 M
iii) PARACHUTES	\$ 0.50 M
iv) EQPT FOR FRIGATE PROGM	\$ 5.00 M
v) REMOTE CONTROL CAMERAS	\$ 0.50 M
vi) LOGISTICAL VEHICLES	\$ 1.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be high
- approval of technical standards can present problems in the case of some imported products

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- the unsuitability of Canadian products for this market
- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome
- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 005 COMM. & INFORM. EGP. & SERV

Subsector: 053 TELECOMMUNICATIONS (INC SPACE)

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	320.00M	\$ 310.00M	\$ 301.00M	\$ 220.00M
Canadian Exports \$	6.00M	\$ 5.00M	\$ 2.80M	\$ 3.80M
Canadian Share of Import Market	1.90%	1.70%	0.90%	1.70%

Major Competing Countries

Market Share

i) 349 MEXICO	080 %
ii) 507 SWEDEN	010 %
iii) 577 UNITED STATES OF AMERICA	003 %
iv) 128 GERMANY WEST	001 %
v) 265 JAPAN	001 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) TELEPHONY AND TELEGRAPH COMPONENTS	\$ 139.00 M
ii) EXCHANGES	\$ 13.00 M
iii) SATELLITE ANTENNAS	\$ 12.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: RURAL TELEPHONY PROJECT
Approximate Value: \$ 15 M
Financing Source: 010 IDB
For further info. please contact:
EXTOTT/LCT, DRIEOTT/GELA

ii) Project Name: TELEPHONY SYSTEM EXPANSION (MICROWAVE LINKS & CENTRAL OFFICES).
Approximate Value: \$ 20 M
Financing Source: 003 IADB
For further info. please contact:
EXTOOT/LCT

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:
COMPETING SUPPLIERS SEEM MORE ADEPT AT HAVING EQUIPMENT SPECIFICATIONS WRITTEN TO FIT THEIR PRODUCTS.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- product/service information from Canadian companies

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE SUPPORT TO COMPANIES PROMOTING RADIO-LINK EQUIPMENT FOR RURAL TELEPHONY AND PRIVATE SYSTEMS.

Results Expected: ONE SALES OF EQUIPMENT.

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

Activity: WHEN SPECS FOR IADB FINANCED EXPANSION ARE ISSUED, ASSIST APPROPRIATE CANADIAN EQUIPMENT MANUFACTURERS TO REGISTER AS GOM SUPPLIERS AND ESTABLISHED REPRESENTATION.

Results Expected: PARTICIPATION IN TWO TENDERS.

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

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

Activity: ASSIST CANADIAN SATELLITE EQUIPMENT SUPPLIERS TO ESTABLISH A LEAD IN MORELOS I REPLACEMENT COMPETITION (CFT POSSIBLE IN 1991/92).

Results Expected: AT LEAST ONE COMPANY IN REGULAR CONTACT WITH MEXICAN SATELLITE AUTHORITY.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 005 COMM. & INFORM. EQP. & SERV

Subsector: 054 COMPUTERS, SOFTWARE & SYSTEMS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	280.00M	\$ 255.00M	\$ 232.00M	\$ 153.00M
Canadian Exports \$	6.00M	\$ 5.00M	\$ 3.70M	\$ 5.00M
Canadian Share of Import Market	2.10%	2.00%	1.60%	3.50%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	023 %
ii) 047 BRAZIL	001 %
iii) 128 GERMANY WEST	001 %
iv) 349 MEXICO	071 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports
In Canadian \$

i) PERIPHERALS	\$ 82.00 M
ii) SPARES PARTS AND ACCESSORIES	\$ 68.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- use of Canadian Government export promotion activities

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- product/service information from Canadian companies

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: ENCOURAGE CDN FIRMS TO REGISTER AS SUPPLIERS TO MEXICAN GOVERNMENT AND TO APPOINT LOCAL REPRESENTATIVES.

Results Expected: GREATER OPPORTUNITIES FOR CANADIAN COMPANIES TO PARTICIPATE IN TENDERS.

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

Activity: ENCOURAGE CANADIAN COYS TO PARTICIPATE IN THE TWO MAJOR COMPUTING EQUIPMENT SHOWS IN MEXICO A(MEX COM/88 AND B) COMPUCOM 88.

Results Expected: GREATER PARTICIPATION BY CANADIAN COYS IN MEXICAN TENDERS.

Activity: INITIATE A PROGRAM OF VISITS TO MEXICAN COMPUTER MANUFACTURERS.

Results Expected: IDENTIFICATION OF IMPORT REQUIREMENTS OR RELATED EQUIPMENT.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	190.00M	\$ 200.00M	\$ 218.00M	\$ 280.00M
Canadian Exports \$	8.00M	\$ 8.00M	\$ 0.90M	\$ 22.10M
Canadian Share of Import Market	4.00%	4.00%	0.00%	8.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	009 %
ii) 128 GERMANY WEST	004 %
iii) 265 JAPAN	008 %
iv) 349 MEXICO	067 %
v) 237 ITALY	006 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospectsCurrent Total Imports
In Canadian \$

i) TURBO GENERATORS	\$ 64.00 M
ii) POWER GENERATIONG PLANTS	\$ 35.00 M
iii) STEAM GENERATORS	\$ 10.00 M
iv) MEASURING, CONTROL EQUIP.	\$ 6.00 M
v) SUBSTRCTIONS	\$ 4.00 M
vi) VALVS AND METAL PIPING	\$ 4.00 M
vii) LIGHTENING ARRESTORS	\$ 3.00 M
viii) INSULATORS	\$ 3.00 M
ix) COMMUNICATION EQUIPMENT	\$ 2.00 M
x) MEASURING, CONTROL EQUIP	\$ 6.00 M

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- the apparent limited sectoral capability in Canada compared to other competing export countries
- high tariffs
- other factor(s) described by the Trade Office as follows:
APPARENT LACK OF INTEREST BY CANADIAN EXPORTERS.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: ENCOURAGE CANADIAN FIRM TO REGISTER ASSUPPLIER TO CFE.

Results Expected: INCREASED NUMBER OF CANADIAN BIDS.

Activity: SURVEY MEXICAN MARKET FOR ELECTRIC PRODUCTS AND ADVISE OPPORTUNITIES TO CANADIAN MANUFACTURERS AND APPROPRIATE ASSOCIATIONS.

Results Expected: LARGER NUMBER OF CANADIAN SUPPLIERS INVOLVED IN MEXICO.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

Subsector: 0B1 AUTOMOTIVE

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	2100.00M	\$ 1840.00M	\$ 1810.00M	\$ 2040.00M
Canadian Exports \$	80.00M	\$ 80.00M	\$ 76.00M	\$ 77.60M
Canadian Share of Import Market	3.80%	4.34%	4.19%	3.80%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	045 %
ii) 128 GERMANY WEST	018 %
iii) 349 MEXICO	017 %
iv) 265 JAPAN	012 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are
good market prospects

Current Total Imports
In Canadian \$

i) AUTOMOTIVE PTS OEM	\$ 462.00 M
ii) AFTER MKT AUTO PTS	\$ 406.00 M
iii) OFF-ROAD SPECIAL VEHICLES	\$ 60.00 M
iv) AIRPORT/FIRE TRUCK	\$ 56.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: PURSUE OPPORTUNITIES FOR OFF-ROAD EQUIP, AIRPORT EMERGENCY VEHICLES.

Results Expected: TO INTRODUCE 2-3 CANADIAN MANUFACTURERS WITH POTENTIAL SALE OF 4-6 MILLION DOLLARS.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

Subsector: 084 RAIL

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	150.00M	\$ 125.00M	\$ 238.00M	\$ 240.00M
Canadian Exports \$	20.00M	\$ 18.00M	\$ 28.00M	\$ 26.00M
Canadian Share of Import Market	13.00%	14.00%	12.00%	11.00%

Major Competing Countries

Market Share

i) 344 MALAYSIA	055 %
ii) 577 UNITED STATES OF AMERICA	017 %
iii) 265 JAPAN	003 %
iv) 128 GERMANY WEST	001 %
v) 051 UNITED KINGDOM	001 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) RAIL	\$ 74.00 M
ii) ROLLING STOCK AND PTS.	\$ 35.00 M
iii) SIGNAL EQUIPMENT	\$ 30.00 M
iv) LOCOMOTIVES AND PTS	\$ 19.00 M
v) TRAINING AND TECH ASSIST	\$ 1.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: RAILWAY SECTOR PROJECT

Approximate Value: \$ 350 M

Financing Source: 001 IBRD

For further info. please contact:

G WEBER (613)996-5270/LCT D. BUTLERTLX: 017-71191EMB

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE FOLLOW-UP UTILIZATION OF IBRD RR LOAN.

Results Expected: PARTICIPATION IN RR MODERNIZATION PROGRAM.

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

Activity: REVIEW WITH MEXICAN RR CONTACTS CHANGES IN ACQUISITION PROGRAM EXPECTED DURING ELECTION YEAR AND REPORT TO DRIE AND CANADIAN SUPPLIERS.

Results Expected: A SOUNDLY BASED PROMOTIONAL STRATEGY.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	900.00M	\$ 885.00M	\$ 717.00M	\$ 792.00M
Canadian Exports \$	39.00M	\$ 35.00M	\$ 39.00M	\$ 27.00M
Canadian Share of Import Market	4.30%	3.90%	5.40%	3.40%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	043 %
ii) 349 MEXICO	031 %
iii) 128 GERMANY WEST	008 %
iv) 507 SWEDEN	007 %
v) 075 CANADA	005 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

i) WOOD PULP	In Canadian \$
ii) SPECIALITY PAPERS	\$ 260.00 M
iii) PULP MILL MACHINERY	\$ 65.00 M
iv) FOREST HARVESTING EQUIPT.	\$ 25.00 M
v) LIMBER	\$ 20.00 M
	\$ 40.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be high

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:

MARKET TRADITIONALLY SERVED BY USA AND EUROPEAN COUNTRIES. LOCAL FINANCING SOURCES ARE LIMITED. PLANT EXPANSIONS OR NEW PROJECTS ARE FEW.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

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

Activity: MINITOR FORESTRY SECTOR FOR PROJECT REQUIRING WOODLANDS PRODUCTION AND HARVESTING MACHINERY.

Results Expected: INCREASED CANADIAN PARTICIPATION IN LOCAL FORESTRY EQUIPMENT MARKET.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 010 MINE, METAL, MINERAL PROD & SRV

Subsector: 102 MINERALS AND MINERAL PRODUCTS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	290.00M	\$ 283.00M	\$ 207.00M	\$ 232.00M
Canadian Exports \$	52.00M	\$ 50.00M	\$ 42.00M	\$ 31.00M
Canadian Share of Import Market	18.00%	18.00%	20.00%	13.00%

Major Competing Countries

Market Share

i) 349 MEXICO	050 %
ii) 577 UNITED STATES OF AMERICA	025 %
iii) 115 MOROCCO	008 %
iv) 499 SPAIN	004 %
v) 073 COLOMBIA	002 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) ASBESTOS	\$ 18.00 M
ii) SULPHUR	\$ 17.00 M
iii) COAL	\$ 16.00 M
iv) POTASH	\$ 2.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: MICARE THERMAL
Approximate Value: \$ 10 M
Financing Source: 012 DOM
For further info. please contact:
D. BUTLER TELEX 017 71 191

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- the apparent limited sectoral capability in Canada compared to other competing export countries

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: MAINTAIN CONTACT WITH ABESTOS CEMENT INDUSTRY AND GOVERNMENT TO
(A) DETECT AND WORK TO NEUTRALIZE ANY TENDENCIES TO PROHIBIT
ASBESTOS (B) RETIAN SUPPORT ACTION AGAINST PROHIBITION IN USA.

Results Expected: DEFEND MARKET.

Activity: MONITOR PROCESS OF NEW THERMAL POWER PLANT BY REGULAR CONTACTS WITH MICARE.

Results Expected: SHARE IN SUPPLY OF THERMAL COAL FOR NEW PLANT

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

Activity: REVIEW WITH METALURGICAL AND THERMAL COAL BUYERS THEIR ACQUISITION AND SOURCING PLANS.

Results Expected: IDENTIFICATION OF WHAT CDN SUPPLIERS MUST DO NOW TO OBTAIN THEIR SHARE OF COAL ORDERS.

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

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

Activity: REVIEW WITH SULPHUR BUYERS REASONS FOR IMPORTS AND PROSPECT FOR FUTURE,

Results Expected: INCREASED SULPHUR SALES.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 010 MINE, METAL, MINERAL PROD & SRV

Subsector: 106 EQUIPMENT AND MACHINERY

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	400.00M	\$ 300.00M	\$ 260.00M	\$ 220.00M
Canadian Exports \$	30.00M	\$ 12.00M	\$ 8.00M	\$ 10.00M
Canadian Share of Import Market	8.00%	4.00%	3.00%	5.00%

Major Competing Countries

Market Share

i) 349 MEXICO	040 %
ii) 577 UNITED STATES OF AMERICA	035 %
iii) 112 FRANCE	004 %
iv) 128 GERMANY WEST	003 %
v) 265 JAPAN	002 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) ORE & MINERAL PROC. EQUIP.	\$ 50.00 M
ii) MINING VEHICLES	\$ 15.00 M
iii) DRILLING EQPT.	\$ 10.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- use of Canadian Government export promotion activities
- competitive export pricing for this market

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FOLLOW UP OPPORTUNITIES IDENTIFIED DURING EDC VISIT, MINING SHOW IN ACAPULCO AND IN VARIOUS CALLS.

Results Expected: INCREASED EQUIPMENT/SERVICE SALES.

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

Activity: DEVELOP ANNUAL SEMINAR CONCEPT.

Results Expected: BETTER CONTACTS WITH AND FEEDBACK FROM OPERATIONAL EQUIPMENT USERS.

Activity: IN COOPERATION WITH MEXICAN MINES MINISTRY HELP CDN COMPANIES PARTICIPATE IN MINE DEVELOPMENT PROJECTS, THIS INDIRECTLY PROMOTING EQUI/SERVICE SALES.

Results Expected: JOINT VENTURE MINE PROJECT WITH SIGNIFICANT CDN PROCUREMENT.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 011 OIL & GAS EQUIPMENT, SERVICES

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	230.00M	\$ 211.00M	\$ 132.00M	\$ 150.00M
Canadian Exports \$	2.20M	\$ 2.00M	\$ 2.20M	\$ 2.30M
Canadian Share of Import Market	1.00%	0.90%	1.70%	1.50%

Major Competing Countries

	Market Share
i) 349 MEXICO	070 %
ii) 577 UNITED STATES OF AMERICA	015 %
iii) 265 JAPAN	007 %
iv) 112 FRANCE	003 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports In Canadian \$
\$ 13.00 M
\$ 8.00 M

- i) DRILLING EQPT
- ii) GAS PROCESSING EQPT

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: PEMEX PROCUREMENT 1987-89 (69 PROJECTS)
Approximate Value: \$ 300 M
Financing Source: 012 DOM
For further info. please contact:
D. BUTLER/J. A PAHNKE EMBASSY

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:

MARKET PROSPECT, THOUGH NOT NEW, HAVE BEEN MODIFIED BY IMPROVING ECONOMIC SITUATION AND REDUCED IMPORT CONTROLS FOLLOWING ACCESSION TO GATT. THIS HAS NOT BEEN ADEQUATELY EXPLORED.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FOLLOW UP ON CONTACTS MADE DURING MISSIONS, TO AND FROM PEMEX TO DEVELOP EQUIPMENT/SERVICES SALES/

Results Expected: INCREASE DIVERSITY OF PRODUCTS/SERVICES SOLD.

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

Activity: WORK WITH PEMEX INDUSTRIAL DEVELOPMENT DIVISION AND MEXICAN PRIVATE OIL INDUSTRY SUPPLIERS TO ESTABLISH SUITABLE JOINT VENTURES.

Results Expected: INCREASE CDN SUPPLY OF COMPONENTS FOR OIL/GAS INDUSTRY EQUIPMENT.

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

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

Activity: WITH THE NEW PEMEX ACQUISITION PROGRAM AND KNOWLEDGE FROM SEMINAR AND VISITS IDENTIFY AND ASSIST NEW CDN SUPPLIERS TO ENTER OIL INDUSTRY EQUIPT MARKET.

Results Expected: INTRODUCTION OF 5 NEW SUPPLIERS TO PEMEX.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 014 EDUCATION, MEDICAL, HEALTH PROD

Subsector: 142 HOSP. & MEDICAL EQUIP, INSTRUM.

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	12.00M	\$ 13.50M	\$ 15.20M	\$ 18.74M
Canadian Exports \$	2.00M	\$ 3.00M	\$ 2.50M	\$ 2.40M
Canadian Share of Import Market	0.00%	0.00%	0.00%	0.00%

Major Competing Countries

	Market Share
i) 349 MEXICO	070 %
ii) 577 UNITED STATES OF AMERICA	018 %
iii) 507 SWEDEN	005 %
iv) 128 GERMANY WEST	004 %
v) 499 SPAIN	003 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) NUCLEAR RADIATION EQUIP.	\$ 5.00 M
ii) ELECTRICAL TEST EQ	\$ 2.00 M
iii) X-RAY AND SIMILAR	\$ 2.00 M
iv) ELECTRICAL MEASURING EQUIP	\$ 1.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

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

Activity: PREPARATION AND DISTRIBUTION TO CANADAIN EXPORTERS OF MKT. BOOKLET ON HEALTH CARE AND MEDICAL EQIP. REQUIREMENTS BY MEXICAN GOVT. HEALTH AGENCIES, SOCIAL SECURITY AND PRIVATE SECTORS.

Results Expected: INCREASED PROMOTIQANL ACTIVITY BY CANADIAN SUPPLIERS.

Activity: IN COMBINATION WITH ABOVE A DETAILED STUDY OF IMPORT REQUIREMENTS IN PUBLIC HEALTH SECTOR OBER NEXT THREE YEARS AND REPORT ON SELE-CTED OPPORTUNITIES TO APPROPRIATE SUUPLIERS.

Results Expected: INTRODUCTION OF 3-4 NEW CDN MEDICAL EQUIPMENT SUPPLIERS TO MARKET.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 016 INDUSTRIAL MACHIN, PLANTS, SERV.

Subsector: 161 MANUFACT & MATERIAL PLANT, EQP.

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	840.00M	\$ 940.00M	\$ 875.00M	\$ 847.00M
Canadian Exports \$	20.00M	\$ 22.00M	\$ 11.00M	\$ 10.00M
Canadian Share of Import Market	2.37%	2.37%	1.25%	1.18%

Major Competing Countries

	Market Share
i) 349 MEXICO	040 %
ii) 577 UNITED STATES OF AMERICA	035 %
iii) 128 GERMANY WEST	010 %
iv) 237 ITALY	005 %
v) 051 UNITED KINGDOM	002 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

	Current Total Imports In Canadian \$
i) WASTE DISPOSAL EQUIP.	\$ 60.00 M
ii) BOTTLING EQUIPMENT	\$ 46.00 M
iii) CONVEYOR SYSTEMS	\$ 32.00 M
iv) PACKAGING MACHINERY	\$ 22.00 M
v) CHEMICAL/PHARM IND. MACH	\$ 20.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: SOLID WASTE MANAGEMENT PILOT PROJECT
-MONTERREY AND 7 URBAN AREAS.

Approximate Value: \$ 60 M

Financing Source: 001 IBRD

For further info. please contact:

G. WEBER/LCT

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: WASTE DISPOSAL PROJECT FOR FEDERAL DISTRICT (MEXICO CITY)

Approximate Value: \$ 15 M

Financing Source: 012 DOM

For further info. please contact:

G. WEBER/ LCT

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: PROVIDING ACTIVE SUPPORT TO R. EMERY FOR ESTABLISHMENT OF EGG CARTON/FRUIT CARTON PLANT IN CHIHUAHUA.

Results Expected: JV FOR MANUFACTURING IN MEXICO FOR EXPT MARKET PENETRATION OF MARKET BY CANADIAN ENGINEERING FIRM.

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

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

Activity: OBTAIN LIST GARBAGE WASTE DISPOSAL PROJECTS UNDER SERIOUS CONSIDERATION ALSO WITH WB FINANCING AND PROMOTE PARTOICIPATION BY APPROPRIATE CANADIAN SUPPLIERS.

Results Expected: GREATER INVOLVEMENT BY CANADIAN WASTE DISPOSAL EQUIPMENT SUPPLIERS/CONSULTANTS.

Activity: CANVASS CARTON/PACKGING MFRS. VIA INDUSTRY CHAMBER CONCERNING EXPANSION PLANS/EQUIPMENT RENOVATION FOR J. V. INTEREST.

Results Expected: INTRODUCE 4 EQUIPMENT MANUFACTURERS TO MARKET

Activity: STUDY MEXICAN AUTO PARTS INDUSTRY FOR CAPITAL EQUIPMENT REQUIREMENTS AND PROMOTE MARKETING INITIATIVE BY APPROPRIATE CANADIAN SUPPLIER.

Results Expected: 3 SALES OF EQUIPMENT.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		

Mission: 644 MEXICO

Sector: 016 INDUSTRIAL MACHIN, PLANTS, SERV.

020 MISSION OUTGOING		
CAPITAL EQUIPMENT MISSION (TO BE DEFINED)	TBA	0000

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		

Mission: 644 MEXICO

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

024 MISSION INCOMING		
MEXICAN SWINE BREEDERS	ALTA/SK. /MAN. /ONT/PQ	0989
MEXICAN POTATO PROCESSORS (POTATO CHIPS)	N. B. /ONT. /MANITOBA	1089
BEEF CATTLE BREEDERS	ALTA/MAN. /ONT.	0490
SWINE BREEDERS	ALTA/SASK/MAN/ONT/PQ	0990
MEXICAN SHEEP BREEDERS	ONT. /QUE. /SASK.	0489
MEXICAN BEEF CATTLE BREEDERS	ALTA/MAN. /ONT.	0489
SHEEP BREEDERS	SASK/ONT/QUE	0490

Sector: 003 GRAINS AND OILSEEDS

020 MISSION OUTGOING		
CANOLA TECHNICAL MISSION	MEXICO D. F. /GUDLJARA	0290
CANOLA TECHNICAL MISSION	MEXICO D. F. /GUDLJARA	0291

Sector: 005 COMM. & INFORM. EQP. & SERV

024 MISSION INCOMING		
DATA TRANSMISSION MISSION	B. C. /ONT. /QUE.	0989

Sector: 007 POWER & ENERGY EQUIP. & SERV.

024 MISSION INCOMING		
CFE BUYERS MISSION	ONT. /QUEBEC	1090

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

024 MISSION INCOMING		
RAIL COMPONENTS MISSION	ONTARIO/QUEBEC	1190

Sector: 010 MINE, METAL, MINERAL PROD & SRV

020 MISSION OUTGOING		
MEXICAN MINING CONGRESS	TBA	1089

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 644 MEXICO		
Sector: 010 MINE, METAL, MINERAL PROD & SRV		
020 MISSION OUTGOING MINING TECHNICAL SEMINARS	MEXICO D. F. /ZACATECA	0390
Sector: 011 OIL & GAS EQUIPMENT, SERVICES		
024 MISSION INCOMING PEMEX ZONAL REPRESENTATIVES	ALTA/PLUS MARITIMES	0689

Export and Investment Promotion Planning System

88/89 Trade and Economic Overview

Mission: 645 SAN JOSE

Country: 164 COSTA RICA

THE CENTRAL AMERICAN ECONOMIES CONTINUE TO BE SEVERELY AFFECTED BY HEAVY EXTERNAL DEBTS AND DETERIORATING TERMS OF TRADE. THE SURGE OF GROWTH WHICH FOLLOWED THE EMERGENCE FROM RECESSION OF THE INDUSTRIALIZED COUNTRIES HAS NOW LEVELLED OFF AND, WHILE ALL REGIONAL ECONOMIES, WITH THE NOTABLE EXCEPTION OF NICARAGUA'S, CONTINUE TO GROW, ALBEIT MODESTLY, RATES ARE DOWN AND SEEM UNLIKELY TO MOVE STRONGLY UPWARD AGAIN IN THE ABSENCE OF A MUCH-IMPROVED INT'L ECONOMIC ENVIRONMENT. COSTA RICA HAS MADE SIGNIFICANT PROGRESS, THROUGH DOMESTIC AUSTERITY MEASURES AND DEBT CONVERSION PROGRAMS, IN DEALING WITH ITS EXTERNAL DEBT AND WAS ABLE, IN LATE 1987, TO WIN STANDBY FUNDS FROM THE IMF. MAJOR PROBLEMS REMAIN, HOWEVER, INCLUDING A SUBSTANTIAL DROP IN EXPORT EARNINGS AS A RESULT OF LOW COFFEE PRICES, AND DIFFICULTIES IN WINNING APPROVAL IN CONGRESS FOR A PACKAGE OF TAX REFORMS. ECONOMIC GROWTH REMAINS REASONABLE, AT 2.5%, ALTHOUGH DOWN CONSIDERABLY FROM THE 4.2% REGISTERED IN 1986. IN THE CIRCUMSTANCES, COSTA RICAN CONTINUES TO OFFER AN ATTRACTIVE, IF LIMITED, MARKET FOR CANADIAN EXPORTS. RESOURCE DEVELOPMENT, AGROINDUSTRY & INFRASTRUCTURE PROJECTS ARE IMPORTANT SECTORS. COSTA RICA'S ACCESSION TO THE GATT, NOW BEING NEGOTIATED, MAY OPEN NEW AREAS OF INTEREST IN FUTURE. COSTA RICA IMPORTED \$26 MILLION FROM CANADA IN 1986, AND WILL LIKELY SURPASS THIS FIGURE IN 1987 (\$20 MILLION TO SEPT., 1987). NEWSPRINT & FERTILIZERS HAVE TRADITIONALLY DOMINATED EXPORTS & WILL CONTINUE TO DO SO. OTHER SECTORS OF LIKELY FUTURE INTEREST, HOWEVER, ARE INDICATED BY: PLANNED IMPROVEMENTS TO COSTA RICA'S LIVESTOCK INDUSTRY; POSSIBLE LARGE INVESTMENTS IN GOLD MINING; EXTENSIVE STUDIES OF THE RAIL SYSTEM, WITH A VIEW TO A POSSIBLE REHABILITATION PROGRAM; AND INCREASING CONCERN OVER THE RATE OF DEPLETION OF FORESTS, AND CONSEQUENT RECOGNITION OF THE NEED FOR PLANNED REFORESTATION.

THE ECONOMIES OF EL SALVADOR, HONDURAS & NICARAGUA ARE ALL EXPERIENCING CONSIDERABLE DIFFICULTY. ECONOMIC GROWTH RATES IN THE FIRST TWO ARE IN THE 0-2% RANGE, WHILE NICARAGUA'S ECONOMY CONTINUES TO CONTRACT. HEAVY EXTERNAL DEBTS, AND A CONSEQUENT UNAVAILABILITY OF CREDIT, ARE CHARACTERISTIC OF ALL THREE MARKETS & SEVERELY LIMIT COMMERCIAL OPPORTUNITIES. NEVERTHELESS, "NICHE" MARKETING IS PRODUCING RESULTS IN EL SALVADOR AND HONDURAS FOR SOME EXPORTERS. EXPORTS, IN 1986, TO EL SALVADOR WERE VALUED AT \$11 MILLION, AND TO HONDURAS \$14 MILLION. SIMILAR RESULTS ARE EXPECTED IN 1987. NICARAGUA IS LESS PROMISING, MULTIPLE ECONOMIC PROBLEMS HAVING FORCED A SERIOUS REDUCTION IN IMPORTS. CANADIAN EXPORTS, WORTH \$23 MILLION IN 1986, WILL NOT LIKELY REACH \$10 MILLION IN 1987.

Export and Investment Promotion Planning System

REPT: SYN-GEO 88/89 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 164 COSTA RICA

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: THE CENTRAL AMERICAN ECONOMIES REMAIN LARGELY AGRICULTURAL, AND OFFER GOOD OPPORTUNITIES FOR SUPPLY OF AGRICULTURAL INPUTS. OUR EXISTING Foothold IN THE MARKET CAN BE EXPANDED.

2. 010 MINE, METAL, MINERAL PROD & SRV

REASONS: COSTA RICA IS STRONGLY ENCOURAGING INVESTMENT IN GOLD MINING & FOREIGN INTEREST IS STRONG. MAJOR INVESTMENTS COULD TAKE PLACE OVER THE COMING 5 YEARS, & EFFORTS TO MAKE CDN EQUIP/SERV BETTER KNOWN ARE NOW WARRANT.

3. 008 TRANSPORT SYS, EQUIP, COMP, SERV.

REASONS: A MODEST, BUT SIGNIFICANT, MARKET FOR AUTOPARTS EXISTS IN CENTRA AMERICA . APPROACHED ON A REGIONAL BASIS, IT MAY PROVE INTERESTING FOR CANADIAN EXPORTERS.

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

1. 009 FOREST PRODUCTS, EQUIP, SERVICES
2. 001 AGRI & FOOD PRODUCTS & SERVICE
3. 001 AGRI & FOOD PRODUCTS & SERVICE

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 164 COSTA RICA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	650.00M	\$ 630.00M	\$ 610.00M	\$ 600.00M
Canadian Exports \$	26.00M	\$ 24.00M	\$ 22.00M	\$ 23.00M
Canadian Share of Import Market	4.00%	3.80%	3.60%	3.80%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	070 %
ii) 616 OTHER COUNTRIES	030 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

i) AGRICULTURAL INPUTS	In Canadian \$
ii) BREEDSTOCK, GENETIC MATERIAL	\$ 600.00 M
	\$ 10.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- market prospect which are relatively new and have not yet been
explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector(sub-sector)
have enjoyed success previously as a result of a variety of
factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- strong sectoral capability in Canada

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 164 COSTA RICA

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: COMPLETION OF A SURVEY OF THE MARKET FOR AGRICULTURAL INPUTS.

Results Expected: GREATER KNOWLEDGE OF THE MARKET. IMPROVED ABILITY TO SERVICES ENQUIRIES AND TO ATTRACT NEW EXPORTERS TO THE MKT.

Activity: EXPAND AND COMPUTERIZE OUR LISTINGS OF IMPORTERS/DISTRIBUTORS/ AGENTS OF AGRICULTURAL INPUTS.

Results Expected: IMPROVED ABILITY TO MAKE IMPORTER-EXPORTER CONNECTIONS.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 164 COSTA RICA

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

Subsector: 081 AUTOMOTIVE

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	350.00M	\$ 350.00M	\$ 350.00M	\$ 350.00M
Canadian Exports \$	1.10M	\$ 0.90M	\$ 0.90M	\$ 0.80M
Canadian Share of Import Market	0.30%	0.30%	0.30%	0.30%

Major Competing Countries

Market Share

i) 265 JAPAN	070 %
ii) 577 UNITED STATES OF AMERICA	010 %
iii) 608 WEST EUROPE	010 %
iv) 616 OTHER COUNTRIES	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

In Canadian \$

1) AFTER MARKET AUTOPARTS.

\$ 30.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector(sub-sector)
have enjoyed success previously as a result of a variety of
factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade fairs

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 164 COSTA RICA

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

Activity: BRING UP TO DATE, AND COMPUTERIZE, OUR LISTING OF AGENTS/IMPORTERS/DISTRIBUTORS OF AUTOMOTIVE PRODUCTS IN CENTRAL AMERICA.

Results Expected: IMPROVED ABILITY TO ATTRACT NEW FIRMS TO THE MARKET. IMPROVED EXPORTER-IMPORTER MATCHING.

Activity: TRACT RESULTS OF EXPOMOVIL 87- OUR FIRST MAJOR ATTEMPT TO MAKE OURSELVES KNOWN IN THE REGIONAL AUTOMOTIVE PRODUCTS MARKET.

Results Expected: ASSESS IMPACT OF EXPOMOVIL (HELD IN PANAMA) ON CENTRAL AMERICAN MARKET. LEARN WHICH PRODUCTS DISPLAYED AT EXPOMOVIL DID BEST IN MARKET.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 164 COSTA RICA

Sector: 010 MINE, METAL, MINERAL PROD & SRV

Subsector: 106 EQUIPMENT AND MACHINERY

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	10.00M	\$ 8.00M	\$ 8.00M	\$ 8.00M
Canadian Exports \$	1.00M	\$ 0.80M	\$ 0.70M	\$ 0.70M
Canadian Share of Import Market	10.00%	10.00%	8.70%	8.70%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	090 %
ii) 616 OTHER COUNTRIES	010 %

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

Current status of Canadian exports: No Export results to date

Products/services for which there are good market prospects
i) MINING MACHINERY

Current Total Imports
In Canadian \$
\$ 8.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:

COSTA RICA IS A TRADITIONAL, SMALL SCALE, PLACER AND OPEN PIT GOLD MINING COUNTRY. A MAJOR MOVE TOWARDS LARGE SCALE MINING IS LIKELY IN THE NEXT FEW YEARS, WITH LARGE FOREIGN INVESTMENTS. THIS IS ESSENTIALLY, THEREFORE, A NEW MARKET.

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE COUNTRY: 164 COSTA RICA

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- No factors reported by mission

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

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

Activity: A SURVEY OF THE GOLD MINING INDUSTRY IN COSTA RICA, AND ITS FUTURE.

Results Expected: GREATLY IMPROVED KNOWLEDGE OF THE SECTOR.
IMPROVED ABILITY TO ATTRACT AND ADVISE
CANADIAN SUPPLIERS.

Export and Investment Promotion Planning System

88/89 Trade and Economic Overview

Mission: 645 SAN JOSE

Country: 181 PANAMA

PANAMA CONTINUES TO BE CANADA'S MOST IMPORTANT MARKET IN THE REGION, BOTH IN ITS OWN RIGHT AND AS A RE-EXPORTER TO OTHER LATIN AMERICAN MARKETS. THIS IS NOT EXPECTED TO CHANGE. CANADIAN EXPORTS TO PANAMA WERE VALUED AT \$41 MILLION, IN 1986, AND WILL LIKELY REACH THIS LEVEL IN 1987 (\$18.4M TO JUNE). PANAMA'S ECONOMY IS FAIRLY STRONG, WITH ECONOMIC GROWTH AT A CREDITABLE 2.5%. NEVERTHELESS, INTERNAL POLITICAL CONFLICTS WHICH AROSE IN MID-1987 SEEM UNLIKELY TO FIND EARLY RESOLUTION AND SHOW SIGNS OF BEGINNING TO ADVERSELY AFFECT THE ECONOMY. RETAIL ACTIVITY HAS FALLEN CONSIDERABLY IN THE LAST HALF OF 1987, DOMESTIC BORROWING HAS FALLEN OFF IN THE FACE OF UNCERTAINTY, AND UNEMPLOYMENT HAS RISEN. THE IMPACT, IF ANY, ON IMPORT LEVELS REMAINS UNCLEAR. PANAMA'S IMPORTANT ENTREPOUT FUNCTION, HOWEVER, IS UNLIKELY TO BE AFFECTED, AT LEAST IN THE NEAR TERM, AND WILL REMAIN AN IMPORTANT PART OF PANAMA'S ATTRACTION TO CANADIAN EXPORTERS.

PANAMA'S TRADE FAIRS ARE UNIQUE IN THE ACCESS THEY OFFER TO CENTRAL AND SOUTH AMERICAN MARKETS, AND WILL CONTINUE TO PLAY AN IMPORTANT ROLE IN CANADIAN TRADE EFFORTS. MAJOR FAIRS IN THE AUTOMOTIVE AND AGRO-INDUSTRIAL SECTORS ARE PLANNED FOR 1988-89, AND WILL DRAW STRONG CANADIAN PARTICIPATION TARGETTED ON REGIONAL MARKETS. IN ADDITION, PARTICIPATION IN EXPOCOMER, A LARGE HORIZONTAL FAIR, IS PLANNED.

AS A MARKET IN ITS OWN RIGHT, PANAMA OFFERS OPPORTUNITIES FOR EXPORTS OF FOOD PRODUCTS AND A WIDE VARIETY OF MANUFACTURED AND CONSUMER PRODUCTS. IN ADDITION, ITS EXPANDING AGRICULTURAL SECTOR OFFERS POTENTIAL FOR PRODUCTS ASSOCIATED WITH SWINE AND CATTLE PRODUCTION, AND OTHER AGRICULTURAL INPUTS, SUCH AS FERTILIZERS, FEEDS AND CHEMICALS.

Export and Investment Promotion Planning System

REPT: SYN-GEO 88/89 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 181 PANAMA

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: PANAMA'S AGRICULTURAL PRODUCTION IS EXPANDING. CDN AGRICULTURAL INPUTS HAVE A FIRM, BUT UNDEVELOPED, PLACE IN THE MARKET. THERE SHOULD BE ROOM FOR EXPANSION, WITH A STRONG MARKETING EFFORT.

2. 008 TRANSPORT SYS, EQUIP, COMP, SERV.

REASONS: PANAMA HAS A MODEST, BUT SIGNIFICANT, DOMESTIC AUTOPARTS MARKET AND SERVES AS A DISTRIBUTOR OF AUTOPARTS THROUGHOUT THE AMERICAS.

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

1. 009 FOREST PRODUCTS, EQUIP, SERVICES
2. 001 AGRI & FOOD PRODUCTS & SERVICE
3. 001 AGRI & FOOD PRODUCTS & SERVICE

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 181 PANAMA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	230.00M	\$ 220.00M	\$ 210.00M	\$ 200.00M
Canadian Exports \$	7.00M	\$ 6.40M	\$ 5.70M	\$ 5.80M
Canadian Share of Import Market	3.00%	2.90%	2.70%	2.90%

Major Competing Countries

	Market Share
i) 577 UNITED STATES OF AMERICA	065 %
ii) 609 EUROPEAN COMMON MARKET C	020 %
iii) 616 OTHER COUNTRIES	015 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) FOODS AND BEVERAGES	\$ 3.60 M
ii) AG. INPUTS-FERTILIZERS, CHEMICALS, ETC.	\$ 2.80 M
iii) BREEDSTOCK, SEMEN, ETC.	\$ 0.10 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:
CANADIAN EXPORTERS NEED TO BECOME MORE FAMILIAR WITH THE MARKET. ALTHOUGH CANADIAN PRICES SHOULD BE COMPETITIVE, NEW EXPORTERS OFTEN QUOTE TOO HIGH BECAUSE THEY ARE UNFAMILIAR WITH THE MARKET AND ITS RISKS.

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 181 PANAMA

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

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

Activity: COMPLETION OF A SURVEY OF THE MARKET FOR AGRICULTURAL INPUTS.

Results Expected: GREATER KNOWLEDGE OF THE MARKET. IMPROVED ABILITY TO SERVICE ENQUIRIES AND TO ATTRACT NEW EXPORTERS TO THE MARKET.

Activity: EXPAND AND COMPUTERIZE OUR LISTINGS OF IMPORTERS/AGENTS/DISTRIBUTORS OF AGRICULTURAL INPUTS.

Results Expected: IMPROVED ABILITY TO MAKE EXPORTER-IMPORTER CONNECTIONS.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 181 PANAMA

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

Subsector: 081 AUTOMOTIVE

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	85.00M	\$ 80.00M	\$ 75.00M	\$ 75.00M
Canadian Exports \$	1.50M	\$ 0.90M	\$ 0.50M	\$ 0.50M
Canadian Share of Import Market	1.80%	1.10%	0.70%	0.70%

Major Competing Countries	Market Share
i) 265 JAPAN	060 %
ii) 577 UNITED STATES OF AMERICA	025 %
iii) 616 OTHER COUNTRIES	015 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) AFTER MARKET AUTOPARTS	\$ 1.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:

IN ADDITION TO THE MARKET IN PANAMA ITSELF, PANAMA IMPORTS AND RE-EXPORTS, FROM THE COLON FREE TRADE ZONE, AUTOMOBILES AND AUTOPARTS THROUGHOUT THE AMERICAS. CANADIAN EXPORTS HAVE BARELY TOUCHED THIS MARKET.

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 181 PANAMA

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade fairs

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

Activity: BRING UP TO DATE, AND COMPUTERIZE, OUR LISTING OF AGENTS/IMPORTERS/DISTRIBUTORS OF AUTOMOTIVE PRODUCTS IN PANAMA.

Results Expected: IMPROVED EXPORTER-IMPORTER MATCHING. IMPROVED ABILITY TO ATTRACT NEW FIRMS TO THE MARKET.

Activity: TRACK RESULTS OF EXPOMOVIL 87- OUR FIRST MAJOR ATTEMPT TO MAKE OURSELVES KNOWN IN THE MARKET.

Results Expected: GAIN INFO TO PERMIT DECISION WHETHER TO PARTICIPATE IN FUTURE AUTO SHOWS. ASSESS WHICH AUTOPRODUCTS ARE BEST SUITED TO PANAMA'S MARKET.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 645 SAN JOSE		
Sector: 001 AGRI & FOOD PRODUCTS & SERVICE		
010 FAIRS FIAGA '90	PANAMA CITY	0990
020 MISSION OUTGOING		
TECHNICAL SEMINAR - CATTLE BREEDING	PANAMA CITY	0290
TECHNICAL SEMINAR - CATTLE BREEDING	SAN JOSE	0290
TECHNICAL SEMINAR - CATTLE BREEDING	SAN SALVADOR	0290
TECHNICAL SEMINAR - SWINE BREEDING	PANAMA CITY	0291
TECHNICAL SEMINAR - SWINE BREEDING	SAN JOSE	0291
TECHNICAL SEMINAR - SWINE BREEDING	SAN SALVADOR	0291
024 MISSION INCOMING		
INCOMING BUYERS-SWINE BREED STOCK		0689
INCOMING BUYERS CATTLE BREED STOCK		0690
Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.		
020 MISSION OUTGOING		
OUTGOING RAIL EQUIPMENT/SERVICES	SAN JOSE/COSTA RICA	1189
OUTGOING RAIL EQUIPMENT/SERVICES	PANAMA CITY	1189
Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES		
020 MISSION OUTGOING		
FOREST TECHNOLOGY SEMINAR	TEGUCIGALPA	0390
FOREST TECHNOLOGY SEMINAR	SAN JOSE	0390
Sector: 010 MINE, METAL, MINERAL PROD & SRV		
024 MISSION INCOMING		
INCOMING BUYERS - MINING EQUIPMENT		1090
Sector: 999 MULTIPLE SECTORS		
010 FAIRS		
EXPOCOMER 91	PANAMA CITY	0391
EXPOCOMER 90	PANAMA CITY	0390

Export and Investment Promotion Planning System

88/89 Trade and Economic Overview

Mission: 646 GUATEMALA

Country: 172 GUATEMALA

DESPITE CENTRAL BANK FORECASTS OF A 2% EXPANSION IN THE NATIONAL ECONOMY IN 1987, GUATEMALA APPEARS TO BE HEADED FOR ANOTHER YEAR OF ZERO GROWTH IN ABSOLUTE TERMS AND ANOTHER YEAR OF DECLINE IN RELATIVE TERMS. INTERNATIONAL PRICES OF GUATEMALA'S MAIN EXPORT COMMODITIES (COFFEE, SUGAR, CARDAMOM AND BANANAS) HAVE FALLEN BELOW THE MARKET PRICES UPON WHICH THE FEDERAL BUDGET WAS CONSTRUCTED, INCREASING THE FISCAL DEFICIT AND HEAVILY BURDENING THE SERVICE OF THE \$2.7 BILLION PUBLIC SECTOR EXTERNAL DEBT WHICH WILL ABSORB APPROX 40% OF EXPORT EARNINGS. BILATERAL NEGOTIATIONS WITH THE IMF WHICH INCLUDE INCREASE IN RESERVES AND FISCAL DEFICIT REDUCTION AND WHICH SHOULD RESULT IN RESCUE FUNDING ARE MEASURES PRESENTLY BEING TAKEN TO ALLEVIATE THE BURDEN OF SHORT TERM PAYMENT OF THE EXTERNAL DEBT. INFLATION MAINTAINED REASONABLE PERCENTAGE LEVELS AND BUSINESS CONFIDENCE REMAINS LOW FURTHER INHIBITING PRIVATE INVESTMENT WHICH HAD AN UPSURGE IN 1986 BUT HAS OTHERWISE BEEN MINIMAL AT BEST IN THE LAST FIVE YEARS. FOREIGN EXCHANGE CONTROLS CONTINUE TO BE IN EFFECT TO CURB CAPITAL FLOWS AND MONITOR IMPORT/EXPORT ACTIVITIES. AS FAR AS FISCAL DEVELOPMENTS, THE GOVERNMENT IS IN THE PROCESS OF APPROVING THE LARGEST BUDGET IN THE COUNTRY'S HISTORY AND HAS ALSO RECENTLY LEGISLATED A NEW TAX REFORM PACKAGE WHICH IS INTENDED TO PAY FOR PROPOSED LARGE PUBLIC INVESTMENT PROJECTS AND INCREASED GOVERNMENT EXPENDITURES. THE MEASURES HAVE SET OFF A WAVE OF CRITICISM FROM PRIVATE SECTOR QUARTERS WHO MAINTAIN A STRONG POLICY OF AUSTERITY. TRADE BALANCE HAS BEEN AFFECTED IN UNPRECEDENTED WAYS BY THE BURDEN OF THE FOREIGN DEBT SERVICE, BUT THERE ARE ALSO BILATERAL MEDIUM AND LONG TERM COMMITMENTS FROM JAPAN, ITALY, FRANCE AND THE U.S. WHO ARE FINANCING INFRA-STRUCTURE PROJECTS WHICH SHOULD ASSIST IN TRADE GROWTH. AS MENTIONED ABOVE, DECLINING COMMODITY PRICES IN FOREIGN MARKETS, LOW INTEREST LEVELS, HIGH LEVELS OF UNEMPLOYMENT ARE UNFAVOURABLE TERMS FOR GUATEMALA'S TRADE/EXPORTS IN WORLD MARKETS. TRADE RELATIONS WITH CANADA CONTINUE TO BE LIMITED AS A RESULT OF THE YET UNRESOLVED BILATERAL PROBLEMS BETWEEN THE EDC AND THE GOVERNMENT OF GUATEMALA BECAUSE OF THE RAILWAY'S OUTSTANDING OBLIGATION. RECENT BILATERAL NEGOTIATIONS SHOW POSITIVE SIGNS OF RESOLVING THIS PROBLEM AND NORMALIZING CANADIAN FINANCIAL PARTICIPATION. IN THE MEANTIME, TRADE IS LIMITED TO TRADITIONAL EXPORTS, SPOT OPPORTUNITIES AND PARTICIPATION IN MULTILATERALLY FINANCED PROJECTS.

Export and Investment Promotion Planning System

REPT: SYN-GEO 88/89 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 646 GUATEMALA

Market: 172 GUATEMALA

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

1. 007 POWER & ENERGY EQUIP. & SERV.

REASONS: 1) SMALL HYDRO DVLPMT. THIS SECTOR IS A GOVT PRIORITY & CDN INVOLVEMENT IN THE CPPF RIO BOBOS PRJ SHOULD INCREASE OPPORT'IES FOR FURTHER PARTICIPATION IN OTHER SIMILAR PRJS/DVLPMTS. 2) WB POWER V PROJ-GENERATION.

2. 012 PETROCHEM & CHEM PROD, EQP, SERV

REASONS: 1) CPPF INVOLVEMENT IN FINANCING FEASIBILITY STUDIES FOR A PIPELINE & STORAGE TANKS SHOULD MAINTAIN CDN PRESENCE IN SECTOR & ENHANCE COMMERCIAL POSSIB'TIES FOR ENGIN'RING & EQP SALES. 2) RECENT POSITIVE

3. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: RECENT LIVESTOCK SALES TO GUATEMALAN BREEDERS SHOULD OPEN DOORS FOR LARGER AND CONTINUED SALES OF SWINE, CATTLE, SEMEN AND SOME EGPT TO OTHER CUSTOMERS. 2) WHEAT AND GRAIN SALES POTENTIAL.

4. 017 SERVICE INDUSTRIES

REASONS: LIMITED LOCAL CAPABILITY AND CONTINUED CDN PRESENCE BY CONSULTANTS WILL OFFER POTENTIAL FOR CONSULTING/ENGINEERING SERVICES IN A MARKET WHERE THIS EXPERTISE IS ALMOST 100% IMPORTED.

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

1. 999 MULTIPLE SECTORS
2. 013 CONSUMER PRODUCTS
3. 001 AGRI & FOOD PRODUCTS & SERVICE
4. 010 MINE, METAL, MINERAL PROD & SRV

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 646 GUATEMALA

Market: 172 GUATEMALA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 011 ANIMAL, POULTRY BREEDING STOCK

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	168.00M	\$ 160.00M	\$ 147.20M	\$ 150.00M
Canadian Exports \$	4.80M	\$ 3.20M	\$ 1.47M	\$ 3.00M
Canadian Share of Import Market	3.00%	2.00%	1.08%	2.08%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	070 %
ii) 128 GERMANY WEST	020 %
iii) 613 CENTRAL AMERICA	005 %
iv) 616 OTHER COUNTRIES	005 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) BEEF CATTLE	\$ 0.00 M
ii) DAIRY CATTLE	\$ 0.00 M
iii) SWINE STOCK	\$ 0.00 M
iv) SEMEN-BOVINE & SWINE	\$ 0.00 M
v) WHEAT & GRAINS	\$ 0.00 M
vi) EQPT. & HARDWARE	\$ 0.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

Export and Investment Promotion Planning System

MISSION: 646 GUATEMALA

COUNTRY: 172 GUATEMALA

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- strong sectoral capability in Canada

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

Activity: PROMOTION OF SALES OF DAIRY & BEEF CATTLE.

Results Expected: SALES

Activity: CONTINUED MARKETING EFFORTS FOR FUTHER INTRODUCTION OF SWINE STOCK TO GUATEMALA.

Results Expected: SALES

Activity: INVESTIGATE PROSPECTS FOR WHEAT SALES & OTHER GRAINS AS WELL AS EGPT. IN THE AGRICULTURE SECTOR.

Results Expected: AWARENESS OF WHEAT MARKET COMPETITION & SALES OF EGPT.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights

Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 646 GUATEMALA

Market: 172 GUATEMALA

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 071 HYDRO

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	34.00M	\$ 30.00M	\$ 29.00M	\$ 28.00M
Canadian Exports \$	1.02M	\$ 0.15M	\$ 0.15M	\$ 0.14M
Canadian Share of Import Market	3.00%	0.50%	0.50%	0.50%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	050 %
ii) 128 GERMANY WEST	010 %
iii) 512 SWITZERLAND	010 %
iv) 112 FRANCE	010 %
v) 237 ITALY	010 %
vi) 616 OTHER COUNTRIES	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) GENERATING EQPT.	\$ 0.00 M
ii) DISTRIBUTION EQPT.	\$ 0.00 M
iii) HARDWARE & SOFTWARE	\$ 0.00 M
iv) ENGINEERING SERVICES	\$ 0.00 M
v) GEOLOGICAL SERVICES	\$ 0.00 M
vi) SMALL CENTRAL TECHNOLOGY	\$ 0.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: POWER V GENERATION/DISTRIBUTION EXPANSION

Approximate Value: \$ 100 M

Financing Source: 001 IBRD

For further info. please contact:

SNALL HYDRO DEVELOPMENT

Export and Investment Promotion Planning System

MISSION: 646 GUATEMALA

COUNTRY: 172 GUATEMALA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: SMALL HYDRO DEVELOPMENT

Approximate Value: \$ 60 M

Financing Source: 003 IADB

For further info. please contact:

iii) Project Name: TRANSMISSION LINES

Approximate Value: \$ M

Financing Source: 025 OTHER

For further info. please contact:

iv) Project Name: LOAD DISPATCH CENTER

Approximate Value: \$ 15 M

Financing Source: 025 OTHER

For further info. please contact:

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- the presence of CIDA programs which have opened the market to Canadian companies
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: RIO BOBOS DEVELOPMENT/FEASIBILITY STAGE

Results Expected: GOOD PROSPECTS FOR PARTICIPATION IN
ENGINEERING PHASE

Export and Investment Promotion Planning System

MISSION: 646 GUATEMALA

COUNTRY: 172 GUATEMALA

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

Activity: CLOSE MONITORING OF THE NATIONAL MINI-HYDRO MASTER PLAN AIMING TO INVOLVE MORE CDN. COMPANIES

Results Expected: CDN. COMPANY PARTICIPATION

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 646 GUATEMALA

Market: 172 GUATEMALA

Sector: 012 PETROCHEM & CHEM PROD, EQP, SERV

Subsector: 122 EQUIPMENT & MACHINERY

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	72.20M	\$ 70.00M	\$ 48.20M	\$ 105.50M
Canadian Exports \$	3.60M	\$ 1.40M	\$ 0.48M	\$ 1.05M
Canadian Share of Import Market	5.00%	2.00%	1.00%	1.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	080 %
ii) 112 FRANCE	010 %
iii) 499 SPAIN	010 %
iv) 616 OTHER COUNTRIES	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) PIPELINE EQPT.	\$ 0.00 M
ii) OIL WELL HARDWARE	\$ 0.00 M
iii) STORAGE TANKS	\$ 0.00 M
iv) TRANSFER OF TECHNOLOGY	\$ 0.00 M
v) CONSULTING & ENGINEERING SERVICES	\$ 0.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: EXECUTION OF EL PENATE PIPELINE
Approximate Value: \$ M
Financing Source: 025 OTHER
For further info. please contact:
EMBASSY

ii) Project Name: LPG & GASOLINE STORAGE TANKS
Approximate Value: \$ M
Financing Source: 025 OTHER
For further info. please contact:
EMBASSY

Export and Investment Promotion Planning System

MISSION: 646 GUATEMALA

COUNTRY: 172 GUATEMALA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CPPF/PIPELINE & LPG/FUEL STORAGE TANKS

Results Expected: COMPLETION OF STUDIES & SOLID PROSPECTS FOR ENGINEERING PHASE

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

Activity: INTIMATE FOLLOW-UP ON ENGINEERING CONSTRUCTION & EQPT. STAGES OF EL PENATE PIPELINE & STORAGE TANKS

Results Expected: SALES OF SERVICES & EQPT.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 646 GUATEMALA

Market: 172 GUATEMALA

Sector: 017 SERVICE INDUSTRIES

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	10.00M	\$ 8.00M	\$ 5.50M	\$ 8.20M
Canadian Exports \$	0.50M	\$ 0.08M	\$ 0.03M	\$ 0.04M
Canadian Share of Import Market	5.00%	1.00%	0.50%	0.50%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	070 %
ii) 128 GERMANY WEST	010 %
iii) 265 JAPAN	010 %
iv) 616 OTHER COUNTRIES	010 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) CONSULTING & ENG. SERVICES IN PETROLEUM SECTOR	\$ 0.00 M
ii) CONSULTING & ENG. SERVICES IN ENERGY SECTOR	\$ 0.00 M
iii) CONSULTING & ENG. SERVICES IN TRANSPORTATION	\$ 0.00 M
iv) TELECOMMUNICATIONS	\$ 0.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: GUATEMALA CITY URBAN COLLECTIVE TRANSPORTATION STUDY

Approximate Value: \$ 1 M

Financing Source: 001 IBRD

For further info. please contact:
EMBASSY

ii) Project Name: STREET MAINTENANCE STUDY GUATEMALAN MUNICIPALITY

Approximate Value: \$ 1 M

Financing Source: 001 IBRD

For further info. please contact:
EMBASSY

Export and Investment Promotion Planning System

MISSION: 646 GUATEMALA

COUNTRY: 172 GUATEMALA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: SMALL HYDRO DEVELOPMENT IDENTIFICATION STUDIES

Approximate Value: \$ M

Financing Source:

For further info. please contact:

iv) Project Name: ENGINEERING PIPELINE STORAGE TANKS

Approximate Value: \$ 10 M

Financing Source: 025 OTHER

For further info. please contact:

EMBASSY

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive financing from Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: RIO BOBOS CPPF/COMPLEMENTARY FUNDS NOW BEING SOUGHT FOR COMPLETION OF STUDIES.

Results Expected: APPROVAL OF FUNDS & TO PROCEED TO ENGINEERING PHASE

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Export and Investment Promotion Planning System

MISSION: 646 GUATEMALA

COUNTRY: 172 GUATEMALA

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CPPF APPROVAL OF FUNDS FOR FEASIBILITY STUDIES FOR PIPELINE & STORAGE TANKS.

Results Expected: FURTHER DETAILED STUDIES & ENGINEERING.

Export and Investment Promotion Planning System

88/89 Trade and Economic Overview

Mission: 653 HAVANA

Country: 083 CUBA

(THIS POST'S TERRITORY IS THE NATION OF CUBA). THE VIEW EXPOUNDED BY CUBAN LEADERS THAT THEIR CURRENTLY SEVERELY DEPRESSED ECONOMY WILL AGAIN BE HEALTHY IN THREE TO FOUR YEARS, IF NOT SOONER, APPEARS UNREALISTIC. ACCORDING TO THE PARIS CLUB MAJOR ECONOMIC RESTRUCTURING IS REQUIRED, BUT THE CUBANS DO NOT SEEM TO HAVE ACCEPTED THIS POINT OF VIEW. CUBA'S FOREIGN EXCHANGE EARNINGS ARE HEAVILY DEPENDENT UPON SALES OF SUGAR AND EXCESS OIL FROM THE USSR; BOTH OF THESE COMMODITIES ARE EXPERIENCING LOW PRICES - RESULTING IN DIMINISHED IMPORT POSSIBILITIES FROM THE WEST. SINCE MANY OF CUBA'S CONTRACTS ARE IN US DOLLARS, THE DECLINE IN THE VALUE OF THIS CURRENCY HAS ALSO REDUCED HARD CURRENCY EARNINGS. CREDIT FROM WESTERN NATIONS HAS ALL BUT DRIED UP. CUBA HAS A HARD CURRENCY DEBT OF APPROX \$4.2 BILLION AND IS ATTEMPTING TO OBTAIN BETTER REPAYMENT TERMS. IMPORTS FOR 1987 AND 1988 HAVE BEEN SET AT US \$600-700 MILLION, ALMOST HALF OF THE VALUE OF RECENT YEARS. AS A RESULT, IN 1987 IMPORTS FROM ALL HARD CURRENCY COUNTRIES WILL DROP DRAMATICALLY. IN CANADA'S CASE EXPORTS ARE EXPECTED TO BE DOWN BY APPROXIMATELY 35%. STILL CANADA WILL BE CUBA'S SECOND RANKED SUPPLIER IN 1987 FROM WESTERN COUNTRIES (WHEN USSR PURCHASES OF WHEAT AND FLOUR FOR CUBA ARE INCLUDED). IT IS AGAINST THIS BACKGROUND THAT SALES PROSPECTS FOR CANADIAN GOODS MUST BE EVALUATED. IN SPITE OF THE FOREGOING, CUBA REMAINS A MARKET WITH IMPORTANT POTENTIAL FOR CANADIAN EXPORTERS. DOMESTIC OIL IS EXPECTED TO DOUBLE SHORTLY AND LEAD TO INCREASED EXPORT EARNINGS. IF INTERNATIONAL OIL AND SUGAR PRICES CONTINUE THEIR UPWARD TREND A MAJOR IMPROVEMENT IN THE CUBAN ECONOMY WOULD RESULT. EMPHASIS IS BEING PLACED ON TOURIST EARNINGS AND MAJOR PROJECTS IN THIS FIELD HAVE BEGUN THUS PROVIDING OPPORTUNITIES FOR CANADIAN EXPORTERS. WHILE FINANCING REMAINS A KEY FACTOR IN EXPORT SALES TO CUBA (SOME CASH DEALS ARE POSSIBLE) IMAGINATIVE APPROACHES, INVOLVING COUNTERTRADE IN SOME CASES, COULD BE SUCCESSFUL. MOREOVER, AN IMPORT BUDGET OF US \$600-700 MILLION IS A FIGURE THAT ALLOWS FOR SIGNIFICANT CANADIAN SALES. FINALLY, CANADIAN TECHNOLOGY AND QUALITY ARE VALUED BY CUBAN BUYERS; THIS WILL CONTINUE TO BE TRANSLATED INTO SALES. IN SUMMARY, WHILE WE EXPECT OVERALL EXPORTS FROM CANADA TO BE DOWN AGAIN IN 1988, THEY WILL REMAIN AT A LEVEL THAT MAKE SALES EFFORTS DIRECTED AT CUBA WORTH THE EFFORT. THIS IS PARTICULARLY TRUE IN THOSE SECTORS TO WHICH CUBA HAS ATTACHED PRIORITY: HEALTH, EDUCATION, TOURISM, CONSTRUCTION, 1991 PAN-AM GAMES.

Export and Investment Promotion Planning System

REPT: SYN-GEO 88/89 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 653 HAVANA

Market: 083 CUBA

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

1. 005 COMM. & INFORM. EQP. & SERV

REASONS: IN CUBAN EMPRESA'S POINT OF VIEW IMPROVING COMMUNICA'NS IS SEEN AS A GOOD WAY TO IMPROVE EFFICIENCY. HAVANA'S TELEPHONE SYSTEM IS 30 YEARS OLD. SEVERAL NEW AIRPORT PROJS WIL REQUIRE RELATED COMMUNICA'NS EQPT.

2. 016 INDUSTRIAL MACHIN, PLANTS, SERV.

REASONS: NICKELS MINES ARE ACTUALLY PRODUCING AT 20-30% OF THEIR CAPACITY BECAUSE OF OLD EQPT & LACK OF MAINTENANCE. NICKEL IS AN IMPORTANT SOURCE OF HARD CURRENCY & COULD DO MUCH BETTER WITH APPROPRIATE EQPT. FOR

3. 015 CONSTRUCTION INDUSTRY

REASONS: EXISTING INFRASTRUCTURE FOR TOURISTS IS TAXED TO THE MAXIMUM. TOURISM IS A GOOD HARD CURRENCY SOURCE & CUBA IS PUTTING A HIGH PRIORITY ON TOURISM IND. ALSO, IN THIS COMING YEAR, POSSIBILITIES OF J. VS ARE VERY

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

1. 003 GRAINS AND OILSEEDS
2. 009 FOREST PRODUCTS, EQUIP, SERVICES
3. 010 MINE, METAL, MINERAL PROD & SRV
4. 007 POWER & ENERGY EQUIP. & SERV.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 653 HAVANA

Market: 083 CUBA

Sector: 005 COMM. & INFORM. EQP. & SERV

Subsector: 053 TELECOMMUNICATIONS (INC SPACE)

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	60.00M	\$ 50.00M	\$ 30.00M	\$ 30.00M
Canadian Exports \$	5.00M	\$ 4.00M	\$ 4.00M	\$ 2.50M
Canadian Share of Import Market	8.00%	8.00%	1.30%	8.00%

Major Competing Countries

	Market Share
i) 123 EAST GERMANY	040 %
ii) 032 HUNGARY	025 %
iii) 599 YUGOSLAVIA	010 %
iv) 499 SPAIN	005 %
v) 047 BRAZIL	005 %
vi) 265 JAPAN	005 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) TELEPHONE NETWORK	\$ 15.00 M
ii) RADIO COMM. EQUIPMENT	\$ 8.00 M
iii) CENTRAL OFFICES SYSTEMS	\$ 10.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: TELEPHONE SYSTEM FOR 60 HOTELS
Approximate Value: \$ 10 M
Financing Source: 023 EDC
For further info. please contact:
EMBASSY TEL: 2-6421 TLX: 511586 CANCU
- ii) Project Name: TELEPHONE NETWORK FOR MINAG
Approximate Value: \$ 5 M
Financing Source: 023 EDC
For further info. please contact:
EMBASSY TEL: 2-6421 TLX: 511586 CANCU

Export and Investment Promotion Planning System

MISSION: 653 HAVANA

COUNTRY: 083 CUBA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: TELEPHONE SYSTEM FOR VARIOUS OTHER GOVERNMENTS INSTITUTIONS

Approximate Value: \$ 2 M

Financing Source: 023 EDC

For further info. please contact:

EMBASSY TEL: 2-6421 TLX: 511586 CANCU

iv) Project Name: RADIO-COMM. EQUIPMENT FOR SUGAR IND.

Approximate Value: \$ 2 M

Financing Source: 023 EDC

For further info. please contact:

EMBASSY TEL: 2-6421 TLX: 511586 CANCU

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be low
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: TECHNICAL SEMINAR BY MITEL CORPORATION.

Results Expected: TO INSPIRE CUBAN CONFIDENCE IN THIS NEW TECHNOLOGY - EXPOSE 60 KEYS USERS TO MITEL PRODUCER LICENSE MANUFACTURING AGREEMENT WITH MINBAS - CONVINE MINAG TO BUY SYST. - REFRESH KNOW

Export and Investment Promotion Planning System

MISSION: 653 HAVANA

COUNTRY: 083 CUBA

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

Activity: SPILSBURY SEMINAR

Results Expected: INTROD. 75 TECHNICIANS TO THEIR EQPT. -COUNTERCAT PROMOTIONAL EFFORTS OF COMPETITORS. - IDENTIFY JOINT VENTURE WITH MINISTRY OF COMMUNICATION.

Activity: ORGANIZE PRESENTATIONS TO COMMUNICATION EXPERTS AND UNIVERSITIES IN HAVANA AND SANTIAGO ON CDN CAPABILITIES.

Results Expected: OBTAIN T. V. COVERAGE NATIONWIDE - EXPOSE CUBAN TECHNICIANS TO CDN CAPABILITIES & INFLUENCE CUBAN END USERS TO BUY CDN PRODUCTS.

Activity: ORGANIZE MAIL CAMPAIGN OF CDN COMPANY BROCHURES.

Results Expected: REACH KEY DECISION MAKERS - INTRODUCE NEW CDN PRODUCTS TO CUBAN CLIENTS.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 653 HAVANA

Market: 083 CUBA

Sector: 015 CONSTRUCTION INDUSTRY

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	120.00M	\$ 100.00M	\$ 60.00M	\$ 40.00M
Canadian Exports \$	20.00M	\$ 15.00M	\$ 4.00M	\$ 0.00M
Canadian Share of Import Market	16.00%	16.00%	6.00%	0.00% NA

Major Competing Countries

Market Share

i) 553 UNION OF SOVIET SOC REP	040 %
ii) 499 SPAIN	005 %
iii) 349 MEXICO	004 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) BUILDING MATERIALS AND EQUIPMENT	\$ 9.00 M
ii) ENG. SERVICES	\$ 3.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: HOTEL PROJECT IN VARIOUS TOURIST LOCATIONS

Approximate Value: \$ 19 M

Financing Source: 023 EDC 025 OTHER

For further info. please contact:

EMBASSY TEL: 2-6421 TLX: 511586 CANCU

ii) Project Name: 40-STOREYS BUILDING FOR CECE

Approximate Value: \$ 20 M

Financing Source: 023 EDC

For further info. please contact:

EMBASSY TEL: 2-6421 TLX: 511586 CANCU

Export and Investment Promotion Planning System

MISSION: 653 HAVANA

COUNTRY: 083 CUBA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: NEW AIRPORTS

Approximate Value: \$ 7 M

Financing Source: 023 EDC 025 OTHER

For further info. please contact:

EMBASSY TEL: 2-6421 TLX: 511586 CANCU

iv) Project Name: OTHER CONSTRUCTION PROJECTS (DIPLOMERCA-
DO, HOSPITAL, TEXTILE MILL, ROOF PROJECT)

Approximate Value: \$ 10 M

Financing Source: 023 EDC 025 OTHER

For further info. please contact:

EMBASSY TEL: 2-6421

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: 40 STOREY BUILDING PROJECT FOR CUBAN GOVERNMENT (CECE).

Results Expected: CDN COMPANY WILL BE AWARDED DESIGN TESTING CONTRACT. CDN COMPANIES WILL BE INVITED TO BID ON CONSTRUCTION CONTRACT.

Export and Investment Promotion Planning System

MISSION: 653 HAVANA

COUNTRY: 083 CUBA

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: TOURIST INDUSTRY CONSTRUCTION AND RENOVATION PROJECTS.

Results Expected: CANADIANS TO RECEIVE REQUEST FOR QUOTATIONS ON VARIOUS SPECIFIC PROJECTS.

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

Activity: PROMOTE JOINT VENTURE POSSIBILITIES

Results Expected: INCREASED CDN INVOLVEMENT IN CONSTRUCTION PROJECTS. - CDN CO-MANAGEMENT OF TOURIST HOTELS AND FOLLOW UP SALES.

Activity: PROMOTE NEW FINANCIAL APPROACHES

Results Expected: INCREASED CDN INVOLVEMENT IN CONSTRUCTION PROJECTS. - EXPECTED NUMBER OF CDN COMPANIES INVOLVED IN CUBAN MARKET TO INCREASE.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 653 HAVANA

Market: 083 CUBA

Sector: 016 INDUSTRIAL MACHIN. PLANTS. SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	180.00M	\$ 150.00M	\$ 150.00M	\$ 220.00M
Canadian Exports \$	30.00M	\$ 25.00M	\$ 25.00M	\$ 37.00M
Canadian Share of Import Market	11.00%	11.00%	12.00%	12.00%

Major Competing Countries

Market Share

i) 553 UNION OF SOVIET SOC REP	043 %
ii) 088 CZECHOSLOVAKIA	040 %
iii) 349 MEXICO	004 %
iv) 499 SPAIN	002 %
v) 035 ROMANIA	000 %

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) MINING EXPLORATION EQPT.	\$ 50.00 M
ii) TRANSFORMERS	\$ 10.00 M
iii) SWITCHGEAR	\$ 10.00 M
iv) LIGHTING EQPT.	\$ 10.00 M
v) TURBINES PARTS	\$ 5.00 M
vi) OIL PUMPING EQPT.	\$ 15.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects:

i) Project Name: DOUBLING OF OIL PRODUCTION

Approximate Value: \$ 20 M

Financing Source: 023 EDC

For further info. please contact:

EMBASSY TEL: 2-6421 TLX: 511586 CANCU

Export and Investment Promotion Planning System

MISSION: 653 HAVANA

COUNTRY: 083 CUBA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: EXPANSION OF CITRUS PRODUCTION

Approximate Value: \$ 10 M

Financing Source: 023 EDC

For further info. please contact:

EMBASSY TEL: 2-6421 TLX: 511586 CANCU

iii) Project Name: MODERNIZING OF SUGAR PLANTS

Approximate Value: \$ 40 M

Financing Source: 023 EDC

For further info. please contact:

EMBASSY TEL: 2-6421 TLX: 511586 CANCU

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: TESTING OF ASBESTOS BY CUBAN TECHNICIANS

Results Expected: CONVINCING CUBANS THAT ASBESTOS IS A SAFE PROD. AGREEMENT THAT CDN ASBESTOS IS SAFER THAN ASBESTOS FM BRAZIL. - INCREASE SALES BY ONE-THIRD.

Export and Investment Promotion Planning System

MISSION: 653 HAVANA

COUNTRY: 083 CUBA

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

Activity: SEMINAR ON LIGHTING EQUIPMENT. FOLLOW UP SEMINAR ON ASBESTOS. SEMINAR ON SOLAR ENERGY.

Results Expected: EXPLAIN TECHNOLOGY INVOLVED AND GAIN ACCEPTANCE OF CDN PRODUCTS. - MINIMIZE EFFECTS OF COMPETITION.

Activity: IDENTIFY AND CONTACT ENLARGED NUMBER OF END USERS WITH HELP OF MINBAS AND NATIONAL ENERGY COMMISSION.

Results Expected: DISSEMINATE INFORMATION ON CDN CAPABILITIES. IDENTIFY NEW PROJECTS. - INFLUENCE PURCHASE DECISIONS.

Activity: DISTRIBUTION OF COMPANY CATALOGUES.

Results Expected: ENSURE KEY CUBAN OFFICIALS AWARE OF LATEST CDN PRODUCTIONS.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		
Mission: 653 HAVANA		
Sector: 005 COMM. & INFORM. EQP. & SERV.		
024 MISSION INCOMING RADIOCOM TRADE SHOW COMMUNICATION SYSTEM MISSION	QUEBEC CITY MTL/OTT/TRNTO/VNCVR	0588 0289
Sector: 007 POWER & ENERGY EQUIP. & SERV.		
024 MISSION INCOMING ELECTREX ONTARIO TRADE SHOW	TORONTO	1088
Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.		
024 MISSION INCOMING RAILWAY MISSION	MONTREAL/TORONTO	1188
Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES		
024 MISSION INCOMING EXFOR '89 TRADE SHOW FOREST EQUIPMENT MISSION	MONTREAL QUE. , ONT. , B. C.	0189 0688
Sector: 010 MINE, METAL, MINERAL PROD & SRV		
024 MISSION INCOMING MINING EQUIPMENT MISSION	QUE. , ONT. , MANITOBA	1188
Sector: 015 CONSTRUCTION INDUSTRY		
024 MISSION INCOMING CONSTRUCTION FOR TOURISM HOSTEX '88 TRADE SHOW	MONTREAL/TORONTO TORONTO	0588 0488
Sector: 016 INDUSTRIAL MACHIN, PLANTS, SERV.		
010 FAIRS CANADIAN HARDWARE SHOW	TORONTO	0289
Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 653 HAVANA		
Sector: 007 POWER & ENERGY EQUIP. & SERV.		
024 MISSION INCOMING ELECTREX QUEBEC TRADE SHOW	MONTREAL	0989

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 653 HAVANA		
Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES		
024 MISSION INCOMING EXFOR '90 TRADE SHOW	MONTREAL	0190
Sector: 010 MINE, METAL, MINERAL PROD & SRV		
024 MISSION INCOMING CANADIAN MINING AND INDUSTRIAL EQPT. MISSION	SUDBURY	0489
Sector: 014 EDUCATION, MEDICAL, HEALTH PROD		
020 MISSION OUTGOING SAUDI PARA TODOS	HAVANA	0489
Sector: 015 CONSTRUCTION INDUSTRY		
024 MISSION INCOMING HOSTEX '89 TRADE SHOW	TORONTO	0489
Sector: 016 INDUSTRIAL MACHIN. PLANTS, SERV.		
010 FAIRS CANADIAN HARDWARE SHOW HAVANAPAK '89	TORONTO HAVANA	0290 1189

Export and Investment Promotion Planning System

88/89 Trade and Economic Overview

Mission: 656 PORT-OF-SPAIN

Country: 543 TRINIDAD AND TOBAGO

TRINIDAD AND TOBAGO CONTINUES TO FACE A RECESSION CAUSED BY THE DECLINE IN WORLD OIL PRICES. THE CONSEQUENT SHORTAGE OF FOREIGN EXCHANGE IS OUR MOST SERIOUS CONSTRAINT IN THIS MARKET. GORTT HAS ALSO TAKEN STEPS TO EXPAND ITS POLICY OF IMPORT SUBSTITUTION. THE OIL SECTOR, THE CATALYST FOR THIS ECONOMY, HAS VIRTUALLY CEASED EXPLORATION ACTIVITIES IN AN ATTEMPT TO FORCE GORTT TO REMOVE THE SUPPLEMENTARY PETROLEUM TAX, THUS CAUSING A SIGNIFICANT DROP IN PRODUCTION FAVOUR, HOWEVER WE ARE EXPERIENCING A REDUCTION IN EXPORTS OF FOODSTUFFS AND MANY FINISHED GOODS. GORTT IS STILL ATTEMPTING TO FORMULATE A STRATEGIC RESPONSE TO THE ECONOMIC DOWNTURN. PRIME MINISTER ROBINSON IS EXPECTED TO ARTICULATE THE OVERALL ECONOMIC STRATEGY FOR THE COUNTRY IN THE ANNUAL BUDGET SPEECH (DEC. 1987). THIS WILL LIKELY INCLUDE POTENTIAL PROJECTS WHICH HE MAY HAVE ARRANGED DURING HIS RECENT NORTH AMERICAN TOUR. AS FOR INITIATIVES ALREADY UNDERWAY, GORTT HAS SET UP AN IMPROVED INVESTMENT INCENTIVES POLICY PACKAGE. HOWEVER, THERE IS STILL LITTLE EVIDENCE THE POLICY HAS BEEN TRANSLATED INTO IMPROVED PROCEDURES. THE TOURISM SECTOR IS ALSO BEING GIVEN A MAJOR BOOST, WITH SIGNIFICANT IMPROVEMENTS PLANNED FOR CROWN POINT AND PIARCO AIRPORTS AND SCARBOROUGH HARBOUR. IN ADDITION, STATE-OWNED COMPANIES ARE BEING EXAMINED FOR POSSIBLE PRIVATIZATION AND HAVE BEEN PUT UNDER A RIGID BUDGETARY REGIME. DESPITE CONTINUED SLOW-DOWN IN THE ECONOMY, OPPORTUNITIES EXIST, MANY OF THEM ARISING FROM GORTT'S POLICY OF IMPORT SUBSTITUTION. THESE INCLUDE JOINT VENTURES AND TECHNOLOGY TRANSFERS IN SEVERAL SECTORS AND EXPORTS OF SEMI-FINISHED GOODS AND RAW MATERIALS. SECTORS OF PARTICULAR INTEREST TO CANADIAN EXPORTERS INCLUDE DOWNSTREAM STEEL INDUSTRIES, PLASTICS, FOOD AND MEAT PROCESSING, PACKAGING AND AGRICULTURAL TECHNOLOGY. CARIBCAN HAS BEEN WIDELY PUBLICIZED IN TRINIDAD & TOBAGO AND FEEDBACK TO DATE HAS BEEN ENCOURAGING. THE GREATEST ACTIVITY HAS BEEN IN THE FORMATION OF JOINT VENTURES INTENDED TO SERVICE THE CANADIAN MARKET, USING TRINIDAD AS THE SITE FOR FINAL PROCESSING. THE POST WILL PREPARE A REVIEW OF CARIBCAN'S PERFORMANCE OVER ITS FIRST TWO YEARS. EXPORT POTENTIAL IN GUYANA CONTINUES TO BE DEPENDENT UPON THE GOVERNMENT'S DECISIONS ON THE EXPANSION OF ITS HARDWOOD LUMBER INDUSTRY AND THE GOLD MINING ACTIVITIES OF GOLDEN STAR RESOURCES AND PLACER DEVELOPMENT. OUR ACTIVITIES IN OUR OTHER TERRITORIES (FRENCH GUIANA, FRENCH WEST INDIES, SURNAME AND HAITI) ARE MOSTLY RESPONSIVE IN NATURE, WITH LITTLE EXPORT POTENTIAL FORESEEN IN THE NEAR FUTURE. AS A RESULT, ONLY A TRADE AND ECONOMIC OVERVIEW ON THESE TERRITORIES IS ATTACHED.

Export and Investment Promotion Planning System

REPT: SYN-GEO 88/89 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 656 PORT-OF-SPAIN

Market: 543 TRINIDAD AND TOBAGO

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: COMPETITIVE PRICES VIS-A-VIS U. S. SOURCES. DIRECT SHIPPING LINKS FROM CANADA. HISTORICAL TRADE CONTACTS. CONSUMER ACCEPTANCE AND DEMAND FOR KNOWN CANADIAN BRAND NAMES.

2. 002 FISHERIES, SEA PRODUCTS & SERV.

REASONS: COMPETITIVE PRICES VIS-A-VIS U. S. SOURCES. DIRECT SHIPPING LINKS FROM CANADA. HISTORICAL TRADE CONTACTS. CONSUMER ACCEPTANCE AND DEMAND FOR KNOWN CANADIAN BRAND NAMES.

3. 012 PETROCHEM & CHEM PROD, EQP, SERV

REASONS: COMPETITIVE PRICING ON ACCOUNT OF FAVOURABLE EXCHANGE RATE. LOCAL KNOWLEDGE OF CDN CAPABILITIES IN PLASTICS SECTOR. EXCELLENT SERVICE BACK-UP. GOVT DIRECTION AND SUPPORT FOR GREATER ACTIVITY IN LOCAL

4. 011 OIL & GAS EQUIPMENT, SERVICES

REASONS: CANADIAN TRAINED PETROLEUM ENGINEERS. SUPERIOR CANADIAN TECHNOLOGY IN SPECIFIC AREAS.

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE
2. 002 FISHERIES, SEA PRODUCTS & SERV.
3. 012 PETROCHEM & CHEM PROD, EQP, SERV
4. 011 OIL & GAS EQUIPMENT, SERVICES
5. 005 COMM. & INFORM. EQP. & SERV

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 656 PORT-OF-SPAIN

Market: 543 TRINIDAD AND TOBAGO

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	420.00M	\$ 473.00M	\$ 470.00M	\$ 457.00M
Canadian Exports \$	42.00M	\$ 45.00M	\$ 40.00M	\$ 51.00M
Canadian Share of Import Market	10.00%	9.50%	8.50%	11.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	033 %
ii) 609 EUROPEAN COMMON MARKET C	015 %
iii) 011 AUSTRALIA	001 %
iv) 370 NEW ZEALAND	001 %

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are
good market prospects

Current Total Imports

In Canadian \$

i) SEMI-PROCESSED AND PROCESSED FOOD	\$ 6.50 M
ii) VEGETABLES (POTATOES, ONIONS)	\$ 7.50 M
iii) PULSES (DRIED PEAS)	\$ 2.30 M
iv) ANIMAL BREEDING STOCK	\$ 1.50 M
v) FOOD HANDLING & PROCESSING EQUIPMENT	\$ 0.40 M
vi) MEAT & MEAT BY-PRODUCTS	\$ 2.50 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: CHARLIE'S MEAT INTEGRATED MEAT PROCES-
SING PLANT.

Approximate Value: \$ 10 M

Financing Source: 012 DOM

For further info. please contact:

R. KRIS PANDAY (809) 623-7254/8

Export and Investment Promotion Planning System

MISSION: 656 PORT-OF-SPAIN

COUNTRY: 543 TRINIDAD AND TOBAGO

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- ii) Project Name: TOBAGO MEAT PRODUCTS
 Approximate Value: \$ 2 M
 Financing Source: 012 DOM
 For further info. please contact:
 R. KRIS PANDAY (809)623-7254/8

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:
 FOREIGN EXCHANGE RESTRICTIONS

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CANADIAN FIRMS ARE INVOLVED IN SEVERAL ABATTOIR AND MEAT PROCESSING PROJECTS IN BOTH TRINIDAD AND TOBAGO.

Results Expected: INCREASED EXPORTS OF CANADIAN MEAT PROCESSING EQUIPMENT AND WATER TREATMENT TECHNOLOGY.

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

Activity: MATURE MARKET WITH ESTABLISHED EXPORTERS. POST WILL CONTINUE TO PROVIDE MAXIMUM SUPPORT.

Results Expected: INCREASED EXPORTS.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 656 PORT-OF-SPAIN

Market: 543 TRINIDAD AND TOBAGO

Sector: 002 FISHERIES, SEA PRODUCTS & SERV.

Subsector: 021 FISH & SHELLFISH & OTHER PROD

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	20.00M	\$ 23.00M	\$ 22.60M	\$ 18.40M
Canadian Exports \$	11.00M	\$ 12.00M	\$ 13.40M	\$ 11.40M
Canadian Share of Import Market	55.00%	52.00%	59.00%	62.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	029 %
ii) 265 JAPAN	004 %
iii) 051 UNITED KINGDOM	001 %

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) COD - SALTED	\$ 5.20 M
ii) SARDINES	\$ 3.30 M
iii) OTHER SALTED FISH	\$ 2.30 M
iv) SALMON	\$ 1.07 M
v) SMOKED HERRING	\$ 0.70 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- the apparent limited sectoral capability in Canada compared to other competing export countries
- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:

FOREIGN EXCHANGE RESTRICTIONS, INABILITY OF CANADIAN PRODUCERS TO
SATISFY DEMAND FOR COD.

Export and Investment Promotion Planning System

MISSION: 656 PORT-OF-SPAIN!

COUNTRY: 543 TRINIDAD AND TOBAGO

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 656 PORT-OF-SPAIN

Market: 543 TRINIDAD AND TOBAGO

Sector: 011 OIL & GAS EQUIPMENT, SERVICES

Subsector: 116 MACHINERY AND EQUIPMENT

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	120.00M	\$ 132.60M	\$ 126.60M	\$ 131.80M
Canadian Exports \$	0.60M	\$ 0.20M	\$ 0.80M	\$ 2.40M
Canadian Share of Import Market	0.50%	0.10%	0.60%	1.80%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA

095 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector:

5-15 \$M

Current status of Canadian exports:

Mature with little growth

Products/services for which there are
good market prospects

Current Total Imports

In Canadian \$

- i) PETROLEUM & GAS PRODUCTION MACHINERY
- ii) VALVES/FITTINGS
- iii) PUMPS AND PUMPING SYSTEMS

\$ 1.00 M

\$ 0.30 M

\$ 0.20 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by
some Canadian companies
- other factor(s) described by the Trade Office as follows:
 - DOWNTURN IN OIL INDUSTRY
 - DISTANCE FROM EQUIPMENT PRODUCERS
 - TRADITIONAL SOURCING IN HOUSTON

Export and Investment Promotion Planning System

MISSION: 656 PORT-OF-SPAIN

COUNTRY: 543 TRINIDAD AND TOBAGO

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of provincial governments export promotion activities
- strong sectoral capability in Canada

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 656 PORT-OF-SPAIN

Market: 543 TRINIDAD AND TOBAGO

Sector: 012 PETROCHEM & CHEM PROD, EQP, SERV

Subsector: 123 PLASTICS PRODUCTS, EQUIP, SERVIC

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	120.00M	\$ 146.00M	\$ 208.00M	\$ 157.00M
Canadian Exports \$	2.00M	\$ 3.10M	\$ 1.40M	\$ 3.00M
Canadian Share of Import Market	1.60%	2.10%	0.60%	2.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	060 %
ii) 128 GERMANY WEST	015 %
iii) 051 UNITED KINGDOM	010 %
iv) 265 JAPAN	008 %
v) 237 ITALY	005 %
vi) 354 NETHERLANDS	002 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) PLASTIC PROCESS EQUIPMENT	\$ 0.90 M
ii) SYNTHETIC RESINS	\$ 0.70 M
iii) PLASTIC ARTICLES	\$ 0.50 M
iv) DIES/MOULDS FOR PLASTIC INDUSTRY	\$ 0.40 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate

Export and Investment Promotion Planning System

MISSION: 656 PORT-OF-SPAIN

COUNTRY: 543 TRINIDAD AND TOBAGO

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- the apparent limited sectoral capability in Canada compared to other competing export countries
- non-tariff protectionist measures which are difficult to overcome
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:
FOREIGN EXCHANGE RESTRICTIONS

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

Export and Investment Promotion Planning System

BB/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 656 PORT-OF-SPAIN

Market: 543 TRINIDAD AND TOBAGO

Sector: 999 MULTIPLE SECTORS

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	1300.00M	\$ 1480.00M	\$ 1992.00M	\$ 1532.00M
Canadian Exports \$	66.00M	\$ 83.00M	\$ 101.50M	\$ 114.50M
Canadian Share of Import Market	5.00%	5.60%	5.10%	7.50%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	039 %
ii) 609 EUROPEAN COMMON MARKET C	021 %
iii) 265 JAPAN	010 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Mature with little growth

Products/services for which there are
good market prospects

Current Total Imports In Canadian \$
\$ 21.00 M
\$ 3.00 M
\$ 0.50 M

- i) BASIC AGRIC. PRODUCTS
- ii) PLASTICS MACH. & QUIP.
- iii) OIL AND GAS EQUIPMENT

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Export and Investment Promotion Planning System

MISSION: 656 PORT-OF-SPAIN

COUNTRY: 543 TRINIDAD AND TOBAGO

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

Export and Investment Promotion Planning System

88/89 Trade and Economic Overview

Mission: 657 KINGSTON

Country: 246 BAHAMAS

THE RE-ELECTION OF THE GOVT OF SIR LYNDEN PINDLING IN JUNE 1987 ASSURED THE BAHAMAS OF CONTINUED POLICIES OF STEADY ECONOMIC EXPANSION BASED ON TOURISM & THE FINANCIAL SECTOR. REAL GDP GROWTH IN 1986 REACHED AN IMPRESSIVE 4.5% WITH INCREASED CONSTRUCTION EXPENDITURES (UP 18%) LEADING THE WAY. MOST OF THE CONSTRUCTION WAS INFRASTRUCTURE RELATED WITH SEVERAL LARGE NEW HOTELS BEING STARTED AS WELL AS AMBITIOUS PROGRAMS TO REHABILITATE NASSAU INT'L AIRPORT, THE NEW PROVIDENCE WATER & SEWERAGE SYSTEM & NASSAU HARBOUR ALL COMMENCING. ONE DOWN SIDE OF THE CONTINUED STRONG ECONOMIC GROWTH HAS BEEN A MINOR RESURGENCE IN INFLATION WHICH INCREASED FROM 4.4% (ON AN ANNUALISED BASIS) IN THE FIRST QUARTER OF CALENDAR YEAR 1986 TO 6.9% IN THE FIRST QUARTER OF 1987.

THE BAHAMAS HAS TRADITIONALLY DEPENDED ON TOURISM FOR OVER 70% OF GDP, 60% OF GOVT REVENUE & 65% OF ALL EMPLOYMENT. DURING THE 1986-87 WINTER SEASON, TOURISM ARRIVALS JUMPED 14.3% OVER THE PREVIOUS YEAR & REACHED 3 MILLION VISITORS FOR THE FIRST TIME EVER. WHILE THE MAJORITY OF THIS INCREASE WAS ATTRIBUTABLE TO CRUISE SHIP PASSENGER ARRIVALS TOTAL VISITOR EXPENDITURES INCREASED OVER 11%. THE BAHAMIAN CURRENT ACCOUNT DEFICIT CONTINUED TO FALL ALTHOUGH IMPORTS ROSE SLIGHTLY WHILE EXPORTS WERE STAGNANT. NEW REVENUES FROM THE TOURIST INDUSTRY & ADDITIONAL REVENUE FROM THE FINANCIAL SECTOR COMBINED TO LOWER THE BAHAMAS CURRENT ACCOUNT DEFICIT TO A MERE US\$4.1 MILLION.

WHILE THE STOCK MARKET COLLAPSE IN THE UNITED STATES COULD HAVE A DETRIMENTAL EFFECT ON TOURIST LANDINGS, THE PROXIMITY OF THE BAHAMAS TO THE USA AND THE FACT THE BAHAMIAN DOLLAR IS TIED TO THE U.S. DOLLAR SHOULD COMBINE TO MINIMISE THIS EFFECT. ECONOMIC GROWTH DURING THE NEXT YEAR SHOULD, THEREFORE, BE STRONG UNLESS THERE IS A MAJOR DOWNTURN IN THE USA ECONOMY. PROSPECTS FOR THE IMPORT OF GOODS AND SERVICES RELATED TO THE HOSPITALITY INDUSTRY AND THE INFRASTRUCTURE REQUIRED FOR IT REMAIN GOOD. FOOD PRODUCTS, CONSUMER GOODS, CONSTRUCTION MATERIALS AND HOTEL FIXTURES AND FITTINGS SHOULD ALL HAVE A READY MARKET IN THE BAHAMAS DURING THE NEXT TWELVE MONTHS.

Export and Investment Promotion Planning System

REPT: SYN-GEO 88/89 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 246 BAHAMAS

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

1. 013 CONSUMER PRODUCTS

REASONS: VIRTUALLY ALL PROD. IN THIS SECTOR IMPORTED. BAHAMAS HAS RELATIVELY WEALTHY POPULACE WHICH DEMANDS HIGH QUALITY PROD. COUNTRY'S TOURIST IND. BASED ON UP MKT CLIENT. WITH CONSID. HIGH. THAN AVER. SPEND. PATTERNS

2. 015 CONSTRUCTION INDUSTRY

REASONS: MAJOR INFRASTRUCTURE AND TOURISM RELATED PROJECTS PLANNED. ALL MATERIALS IMPORTED.

3. 008 TRANSPORT SYS, EQUIP, COMP, SERV.

REASONS: GOVERNMENT SPENDING HEAVILY ON TRANSPORTATION INFRASTRUCTURE. GOOD OPPORTUNITY FOR CANADIAN AIRCRAFT.

4. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: ALMOST ALL FOOD IMPORTED. BAHAMIANS GENERALLY UPMARKET CONSUMERS LOOKING FOR A HIGH QUALITY PRODUCT. HEAVY DEMAND FROM HOSPITALITY INDUSTRY.

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE
2. 013 CONSUMER PRODUCTS
3. 005 COMM. & INFORM. EQP. & SERV
4. 003 GRAINS AND OILSEEDS

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 246 BAHAMAS

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	230.00M	\$ 225.00M	\$ 218.50M	\$ 199.80M
Canadian Exports \$	7.50M	\$ 6.50M	\$ 6.00M	\$ 5.80M
Canadian Share of Import Market	3.30%	2.90%	2.70%	2.90%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	079 %
ii) 051 UNITED KINGDOM	004 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) BEVERAGES	\$ 34.00 M
ii) PROCESSED FOODS	\$ 31.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

Export and Investment Promotion Planning System

MISSION: 657 KINGSTON

COUNTRY: 246 BAHAMAS

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

Activity: WILL HOLD "BEVERAGE PRODUCT" RECEPTION IN JUNE 1988. FUNCTION TO BE COMBINATION CATALOGUE SHOW/COCKTAILS.

Results Expected: THREE NEW AGENCIES IN FISCAL 1988/89.

Activity: WILL HOLD "PORTION PACK" RECEPTION IN OCTOBER 1988. FUNCTION AS ABOVE.

Results Expected: THREE NEW AGENCIES IN FISCAL 1988/89.

Activity: MAKE DIRECT PRESENTATIONS TO MAJOR PROCESSED FOOD IMPORTERS TO INTEREST THEM IN CDN SUPPLIERS AND POSSIBILITY OF BUYING LESS THAN CONTAINER LOADS.

Results Expected: INCREASED PROCUREMENT IN CANADA BY THE FIVE LEADING BAHAMIAN PROCESSED FOOD IMPORTERS.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 246 BAHAMAS

Sector: 003 GRAINS AND OILSEEDS

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	28.50M	\$ 28.00M	\$ 27.90M	\$ 27.70M
Canadian Exports \$	2.00M	\$ 1.90M	\$ 2.10M	\$ 2.00M
Canadian Share of Import Market	7.00%	6.80%	7.50%	7.30%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA

083 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector:

5-15 \$M

Current status of Canadian exports: Mature with little growth

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- No factors reported by mission

Some Canadian exporters to this market in this sector(sub-sector)
have enjoyed success previously as a result of a variety of
factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market
- strong sectoral capability in Canada

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 246 BAHAMAS

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

Subsector: 041 AEROSPACE & MARINE

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	17.50M	\$ 16.00M	\$ 14.20M	\$ 14.00M
Canadian Exports \$	1.30M	\$ 1.00M	\$ 1.03M	\$ 0.43M
Canadian Share of Import Market	7.40%	6.20%	7.20%	3.10%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA

074 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector:

30-60 \$M

Current status of Canadian exports:

No Export results to date

Products/services for which there are good market prospects

Current Total Imports

In Canadian \$

i) COMMUTER AIRCRAFT

\$ 0.00 M

ii) CONSULTING SERVICES

\$ 6.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: HS 748 REPLACEMENT/BAHAMASAIR

Approximate Value: \$ 60 M

Financing Source: 024 BC

For further info. please contact:

M. P. WHALEN, CHC (809)926-1500

ii) Project Name: COMMUTER AIRPORT/PARADISE ISLAND

Approximate Value: \$ 25 M

Financing Source: 012 DOM

For further info. please contact:

M. P. WHALEN, CHC (809)926-1500

iii) Project Name: CRUISE SHIP FACILITIES/BALMORAL ISLAND

Approximate Value: \$ 25 M

Financing Source: 012 DOM

For further info. please contact:

M. P. WHALEN, CHC (809)926-1500

Export and Investment Promotion Planning System

MISSION: 657 KINGSTON

COUNTRY: 246 BAHAMAS

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive financing from Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

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

Activity: WILL MEET WITH BAHAMASAIR, MIN OF TRANSPORT AND OTHER INTERESTED PARTIES IN COOPERATION WITH EDC AND DEHAVILLAND TO PROMOTE DASH 8 OPTION. MEETINGS TO BE HELD EVERY TWO MONTHS AT A MINIMUM.

Results Expected: SALE OF 5 DASH 8 AIRCRAFT

Activity: WILL CONTINUE SERIES OF MEETINGS WITH PROMOTERS OF PARADISE ISLAND AIRPORT TO PUSH FOR CANADIAN DESIGN AND CONTRUST BID. MEETINGS TO BE HELD EVERY TWO MONTHS.

Results Expected: AWARD TO CDN GROUP OF CONTRACT FOR AIRPORT DESIGN/CONSTRUCTION

Activity: WILL CONTINUE SERIES OF MEETINGS WITH PROMOTERS OF BALMORAL ISLAND AND CRUISE SHIP FACILITIES TO PUSH FOR CDN DESIGN AND CONSTRUCT BID. MEETINGS TO BE HELD EVERY TWO MONTHS.

Results Expected: AWARD TO CDN GROUP OF CONTRACT FOR CRUISE SHIP FACILITIES DESIGN/CONSTRUCTION

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 246 BAHAMAS

Sector: 013 CONSUMER PRODUCTS

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	285.00M	\$ 275.00M	\$ 285.20M	\$ 223.50M
Canadian Exports \$	3.50M	\$ 2.30M	\$ 3.30M	\$ 3.30M
Canadian Share of Import Market	1.20%	0.80%	1.10%	1.50%

Major Competing Countries

Market Share

- i) 577 UNITED STATES OF AMERICA
- ii) 051 UNITED KINGDOM

075 %
003 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector:

5-15 \$M

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

- i) HIGH QUALITY CLOTHING
- ii) JEWELLERY
- iii) FURNITURE

In Canadian \$
\$ 38.00 M
\$ 19.50 M
\$ 25.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market

Export and Investment Promotion Planning System

MISSION: 657 KINGSTON

COUNTRY: 246 BAHAMAS

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

Activity: DIRECT REPRESENTATIONS TO MAJOR IMPORTERS TO INTEREST THEM IN HIGH FASHION CANADIAN CLOTHING

Results Expected: 2 NEW BUYING CONNECTIONS

Activity: CANADIAN FASHION EVENING/RECEPTION TO BE HELD FEBRUARY 1989.

Results Expected: INQUIRIES FOR CANADIAN PRODUCT BY THREE LOCAL FIRMS.

Activity: REPORT TO BE PREPARED ON BAHAMIAN JEWELLERY MARKET AND CIRCULATED TO CDN SUPPLIERS.

Results Expected: VISIT TO MARKET BY THREE CDN SUPPLIERS.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 246 BAHAMAS

Sector: 015 CONSTRUCTION INDUSTRY

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	125.00M	\$ 95.00M	\$ 92.10M	\$ 84.00M
Canadian Exports \$	10.00M	\$ 1.50M	\$ 0.90M	\$ 0.50M
Canadian Share of Import Market	8.00%	1.60%	0.90%	0.60%

Major Competing Countries

Market Share

- | | |
|---------------------------------|-------|
| i) 577 UNITED STATES OF AMERICA | 084 % |
| ii) 051 UNITED KINGDOM | 003 % |

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports In Canadian \$	
i) STRUCTURAL PRODUCTS	\$ 22.00 M
ii) DECORATIVE BUILDING PRODS	\$ 12.00 M
iii) CONSTRUCTION SERVICES	\$ 10.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: BAY WEST DEVELOPMENT
Approximate Value: \$ 50 M
Financing Source: 012 DOM
For further info. please contact:
M. P. WHALEN, CHC, (809)926-1500

- ii) Project Name: BALMORAL ISLAND COMPLEX
Approximate Value: \$ 100 M
Financing Source: 012 DOM
For further info. please contact:
M. P. WHALEN, CHC, (809)926-1500

Export and Investment Promotion Planning System

MISSION: 657 KINGSTON

COUNTRY: 246 BAHAMAS

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: NASSAU AIRPORT REDEVELOPMENT
Approximate Value: \$ 60 M
Financing Source: 012 DOM
For further info. please contact:
M. P. WHALEN, CHC, (809)926-1500

iv) Project Name: BALMORAL ISLAND AIRPORT
Approximate Value: \$ 25 M
Financing Source: 012 DOM
For further info. please contact:
M. P. WHALEN, CHC, (809)926-1500

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

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

Activity: INVENTORY OF PLANNED PROJECTS TO BE PREPARED BY JULY 1988 AND CIRCULATED TO CANADIAN COMPANIES.

Results Expected: VISIT TO MARKET BY FOUR FIRMS.

Activity: LOCAL EXECUTING AGENCIES TO BE APPROACHED DIRECTLY IN A SERIES OF MARKETING CALLS WITH HIGH COMMISSIONER'S SUPPORT.

Results Expected: EACH PROJECT TO INCLUDE AT LEAST 2 CANADIAN COMPANIES ON PREQUALIFIED LIST.

Export and Investment Promotion Planning System

88/89 Trade and Economic Overview

Mission: 657 KINGSTON

Country: 257 JAMAICA

THE JAMAICAN ECONOMY CONTINUED ITS RECOVERY OVER THE LAST TWELVE MONTHS. REAL GDP INCREASED 3.7% IN THE FISCAL YEAR ENDED MARCH 31, 1987 & INCREASED AT AN ANNUAL RATE OF 8% IN THE FIRST QUARTER OF THE NEW FISCAL YEAR. INFLATION FELL FROM AN ANNUALISED RATE OF 22.6% IN THE FIRST QUARTER OF 1986 TO 7.4% DURING THE SAME PERIOD IN 1987. PRELIMINARY INDICATIONS ARE THAT INFLATION IS CONTINUING TO FALL & JAMAICA SHOULD MEET ITS IMF MANDATED TARGET OF 7%. DESPITE ENCOURAGING GROWTH IN EXPORTS (UP 16.4% IN THE FIRST QUARTER OF THE NEW FISCAL YEAR) JAMAICA'S TRADE DEFICIT CONTINUED TO WIDEN AS IMPORTS INCREASED AT AN ANNUAL RATE OF ALMOST 27%. THE GOVT CONCLUDES THAT THIS IS A BLIP IN THE STATISTICS DUE TO IMPORTS OF PRODUCTIVE FACTORS REQUIRED TO INCREASE PRODUCTION OF LOCAL GOODS INCLUDING THOSE FOR EXPORT. THE RAPID RISE IN THE VISIBLE TRADE DEFICIT, HOWEVER, WILL PUT SIGNIFICANT PRESSURE ON FOREIGN EXCHANGE RESERVES & THE JAMAICAN DOLLAR EXCHANGE RATE IF IT IS NOT CURTAILED IN THE NEAR FUTURE. COUNTERBALANCING THE VISIBLE DEFICIT SOMEWHAT IS THE CONTINUED STRONG GROWTH IN TOURIST ARRIVALS. THE 1986/87 WINTER SEASON SHOWED A 22.4% INCREASE IN STOPOVER ARRIVALS WITH TOURIST EXPENDITURES INCREASING 26.1%. IT IS LIKELY THAT VISITOR ARRIVALS WILL REACH 1 M. IN 1987, A FIRST FOR JAMAICA. DURING 1987 THE GOVT'S PRIVATISATION & DEBT EQUITY SWAP PLANS COMBINED TO RETURN SEVERAL MAJOR ENTERPRISES TO THE PRIVATE SECTOR. 51% OF THE NATION'S LARGEST COMMERCIAL BANK, NCB, WAS SOLD TO THE PUBLIC IN A MASSIVELY OVERSUBSCRIBED SHARE OFFERING WHILE THE CARIBBEAN CEMENT CO. WAS SOLD TO A COMBINATION OF FOREIGN INVESTORS & THROUGH THE LOCAL STOCK MKT. IN ADDITION, THE GOVT OFFERED ALL ITS HOTEL PROPERTIES FOR SALE & PROMISED TO PRIVATISE THE JAMAICA BROADCASTING CORP. IT FURTHER ANNOUNCED A PLAN TO SWAP US \$200 M. WORTH OF DEBT FOR EQUITY OVER THE NEXT 5 YEARS. CONTINUED STRONG GROWTH IN THE ECONOMY COUPLED WITH LARGE INCREASES IN GOVT SPENDING FOR ROADS, WATER & POWER (ANNOUNCED IN THE APRIL BUDGET) WILL COMBINE TO OFFER SIGNIFICANT OPPORTUNITIES FOR CDN EXPORTERS. GOVT PLANS FOR MAJOR INFRASTRUCTURE INVESTMENTS OFFER OPENINGS FOR CDN SUPPLIERS OF CONSULTING & ENGINEERING SERVICES AS WELL AS EQUIPMENT. THE RAPID GROWTH IN THE HOSPITALITY INDUSTRY OPENS UP POSSIBILITIES IN CONSTRUCTION MATERIALS, FOOD PRODUCTS & HOTEL & RESTAURANT EQUIP. CONTINUED GROWTH IN EXPORT ORIENTED LIGHT INDUSTRY, PARTICULARLY THE GARMENT TRADE, SHOULD SEE STRONG GROWTH IN DEMAND FOR TEXTILES, PACKAGING MAT. & BLDG MAT. THE GOVT CONTINUES TO FOSTER AN OPEN IMPORT MKT. PRESHIPMENT INSPECTION BY SGS BE DROPPED AS OF JAN. 1, 1988. TARRIFS WILL BE ROLLED BACK TO A MAXIMUM OF 68% OVER THE NEXT 2 YEARS & IMPORTERS HAVE BEEN GUARANTEED CONTINUED FREE ACCESS TO FOREIGN EXCHANGE THROUGH THE TWICE WEEKLY BANK OF JAMAICA AUCTIONS.

Export and Investment Promotion Planning System

REPT: SYN-GEO 88/89 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 257 JAMAICA

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: LARGE & GROWING IMPORT MKT DIRECTED AT UPPER INCOME JAMAICANS & TOURISTS. LARGE PROCESSING INDUSTRY IN JAMAICA WITH SIGNIFICANT POTENTIAL FOR CANADIAN SUPPLY OF RAW MATERIALS.

2. 005 COMM. & INFORM. EQP. & SERV

REASONS: JAMAICA TELEPHONE CO. UNDERTAKING MAJOR EXPANSION AND UPGRADING OF SYSTEM. GOOD POSSIBILITY OF CANADIAN LINE OF CREDIT BEING PUT INTO PLACE.

3. 009 FOREST PRODUCTS, EQUIP, SERVICES

REASONS: CANADIANS ALREADY WELL ESTABLISHED IN CERTAIN PAPER/WOOD PRODUCTS. ADDITIONAL OPPORTUNITIES EXIST IN LUMBER AND PACKAGING WHERE USA COMPANIES DOMINATE.

4. 007 POWER & ENERGY EQUIP. & SERV.

REASONS: JAMAICA PUBLIC SERVICE COMPANY LIMITED AND PETROLEUM CORPORATION UNDERTAKING MAJOR EXPANSIONS AND UPGRADING IN NEXT TWO YEARS.

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

1. 002 FISHERIES, SEA PRODUCTS & SERV.
2. 009 FOREST PRODUCTS, EQUIP, SERVICES
3. 003 GRAINS AND OILSEEDS
4. 005 COMM. & INFORM. EQP. & SERV

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 257 JAMAICA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	105.00M	\$ 100.00M	\$ 106.80M	\$ 117.70M
Canadian Exports \$	4.20M	\$ 3.70M	\$ 3.50M	\$ 2.50M
Canadian Share of Import Market	4.00%	3.70%	3.30%	2.10%

Major Competing Countries

Market Share

- i) 577 UNITED STATES OF AMERICA 072 %
- ii) 051 UNITED KINGDOM 004 %
- iii) 354 NETHERLANDS 002 %
- iv) 265 JAPAN 002 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

- i) PORTION CONTROL FOODS \$ 3.50 M
- ii) PROCESSED FOODS FOR LOCAL REPACKAGING \$ 4.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- high tariffs

Export and Investment Promotion Planning System

MISSION: 657 KINGSTON

COUNTRY: 257 JAMAICA

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

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

Activity: IN COOPERATION WITH ONTARIO FOOD PRODUCTS MISSION EXPECTED OCT. 1988 HOLD PRODUCT INFORMATION EVENING FOCUSING ON PORTION CONTROL PRODUCTS.

Results Expected: THREE (3) NEW AGENCY AGREEMENTS

Activity: PREPARE IN EARLY 1989 UPDATE TO 1986 FOOD PRODUCTS SURVEY AND CIRCULATE TO MAJOR EXPORTERS.

Results Expected: ALLOW CDN EXPORTERS TO TAKE ADVANTAGE OF NEW OPPORTUNITIES THAT HAVE DEVELOPED AND CONSUMMATE ADDITIONAL SALES.

Activity: INVESTIGATE MARKET FOR CANADIAN DAIRY PRODUCTS AND THE POSSIBILITY OF LICENCE MANUFACTURE.

Results Expected: MAKE LARGE CDN FIRMS AWARE OF OPPORTUNITIES IN THIS AREA AND ARRANGE AT LEAST ONE LICENCE

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 257 JAMAICA

Sector: 002 FISHERIES, SEA PRODUCTS & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	30.00M	\$ 28.00M	\$ 34.00M	\$ 25.90M
Canadian Exports \$	17.00M	\$ 14.00M	\$ 19.50M	\$ 9.70M
Canadian Share of Import Market	56.60%	50.00%	57.30%	37.40%

Major Competing Countries

Market Share

i) 410 NORWAY	016 %
ii) 265 JAPAN	015 %
iii) 354 NETHERLANDS	008 %

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

Current status of Canadian exports: Mature with little growth

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- other factor(s) described by the Trade Office as follows:

MAJOR CANADIAN EXPORTS IN THIS AREA FINANCED BY CIDA

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

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DEPARTMENT OF EXTERNAL AFFAIRS

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Export and Investment Promotion Planning System

MISSION: 657 KINGSTON

COUNTRY: 257 JAMAICA

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 257 JAMAICA

Sector: 003 GRAINS AND DILSEEDS

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	98.00M	\$ 95.00M	\$ 90.50M	\$ 119.10M
Canadian Exports \$	9.00M	\$ 8.50M	\$ 8.90M	\$ 7.80M
Canadian Share of Import Market	9.20%	8.90%	9.80%	6.50%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA

084 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector:

15-30 \$M

Current status of Canadian exports: Mature with little growth

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- difficulties in obtaining credit facilities in Canada
- other factor(s) described by the Trade Office as follows:

MAJOR COMPETITION IS GRAIN FINANCED BY VARIOUS US GOVERNMENT PROGRAMS

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- competitive export pricing for this market
- the availability of competitive Canadian financing

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DEPARTMENT OF EXTERNAL AFFAIRS

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Export and Investment Promotion Planning System

MISSION: 657 KINGSTON

COUNTRY: 257 JAMAICA

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights

Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 257 JAMAICA

Sector: 005 COMM. & INFORM. EQP. & SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	48.00M	\$ 41.00M	\$ 35.10M	\$ 33.40M
Canadian Exports \$	9.00M	\$ 8.20M	\$ 3.10M	\$ 3.40M
Canadian Share of Import Market	18.70%	20.00%	8.80%	10.20%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	061 %
ii) 051 UNITED KINGDOM	020 %
iii) 265 JAPAN	005 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) TELEPHONE SWITCHES	\$ 5.00 M
ii) TELEPHONE TRANSMISSION EQUIP.	\$ 0.00 M
iii) CELLULAR TELEPHONES	\$ 0.00 M
iv) COMPUTER SOFTWARE	\$ 4.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: JAMAICA TELEPHONE 4 YEAR REHAB PROGRAM

Approximate Value: \$ 60. M

Financing Source: 024 BC

For further info. please contact:

M. P. WHALEN, CDN HIGH COMMISSION (809)926-1500

Export and Investment Promotion Planning System

MISSION: 657 KINGSTON

COUNTRY: 257 JAMAICA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

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

Activity: PROVIDE MARKET INFO ON JTC'S REHAB PROGRAM TO EDC AND EXTOTT THAT WILL PROVIDE BASIS FOR ESTABLISHMENT OF TELECOM LINE OF CREDIT IN JAMAICA

Results Expected: ESTABLISHMENT OF \$40-60 MILLION EDC LINE OF CREDIT BY MID 1988.

Activity: MAKE DIRECT REPRESENTATIONS TO JAMAICA TELEPHONE CO IN SUPPORT OF CANADIAN EQUIPMENT SUPPLIERS.

Results Expected: SALES IN 1988-89 OF \$12 MILLION

Activity: PREPARE MARKET REPORT ON JAMAICAN TELECOM NEEDS IN PERIOD 1988-1992. CIRCULATE TO CANADIAN INDUSTRY.

Results Expected: VISIT TO MKT BY MINIMUM 4 CDN FIRMS INTERESTED IN MARKETING TO JAMAICA TELEPHONE SALES THROUGH LOC.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 257 JAMAICA

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	29.00M	\$ 22.00M	\$ 19.20M	\$ 28.50M
Canadian Exports \$	5.00M	\$ 3.70M	\$ 2.70M	\$ 1.10M
Canadian Share of Import Market	17.20%	16.80%	14.00%	3.80%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	060 %
ii) 051 UNITED KINGDOM	009 %
iii) 237 ITALY	004 %
iv) 265 JAPAN	004 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) DISTRIBUTION EQPT.	\$ 4.00 M
ii) TRANSMISSION EQPT	\$ 4.00 M
iii) CONSULTING SERVICES	\$ 2.50 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: POWER IV PROJECT
Approximate Value: \$ 40. M
Financing Source: 001 IBRD
For further info. please contact:
M P WHALEN (809) 926-1500

ii) Project Name: BACK RIO GRANDE HYDRO PROJECT
Approximate Value: \$ 65. M
Financing Source: 003 IADB
For further info. please contact:
M P WHALEN (809) 926-1500

Export and Investment Promotion Planning System

MISSION: 657 KINGSTON

COUNTRY: 257 JAMAICA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada

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

Activity: WILL ARRANGE FOR PRESENTATION BY ONTARIO HYDRO AT HIGHEST LEVELS OF JAMAICAN GOVERNMENT THEIR PROPOSAL FOR SITING A RECONDITIONED COAL POWER PLANT IN JAMAICA.

Results Expected: SALE OF RECONDITIONED COAL FIRED POWER PLANT WITH VALUE OF ROUGHLY \$50M.

Activity: ESTABLISH DIRECT CONTACT WITH CANADIAN TRANSMISSION AND DISTRIBUTION EQUIPMENT MFRS TO ADVISE THEM OF POWER IV OPPORTUNITIES.

Results Expected: SOURCING OF MINIMUM \$2.0 M WORTH OF CANADIAN EQUIPMENT FOR PROJECT.

Activity: DIRECT REPRESENTATIONS TO THE PETROLEUM CORP OF JAMAICA REGARDING THE BID OF MACROCAN POWER FOR A COGEN PLANT.

Results Expected: SALE OF \$10.0M WORTH OF POWER GENERATION EQUIPMENT AND SERVICES.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 257 JAMAICA

Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES

Subsector: 092 WOOD AND WOOD PRODUCTS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	82.00M	\$ 77.50M	\$ 68.10M	\$ 64.70M
Canadian Exports \$	12.00M	\$ 10.40M	\$ 5.30M	\$ 5.90M
Canadian Share of Import Market	14.60%	13.40%	7.80%	9.10%

Major Competing Countries

	Market Share
i) 577 UNITED STATES OF AMERICA	060 %
ii) 051 UNITED KINGDOM	007 %
iii) 507 SWEDEN	006 %
iv) 543 TRINIDAD AND TOBAGO	002 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

- i) PAPERBOARD
- ii) CARDBOARD BOXES
- iii) KRAFT PAPER PRODUCTS
- iv) SOFTWOOD LUMBER

Current Total Imports In Canadian \$
\$ 7.00 M
\$ 8.00 M
\$ 8.00 M
\$ 6.80 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- other factor(s) described by the Trade Office as follows:
IN CERTAIN SUB-SECTORS CANADIAN FIRMS HAVE NOT BEEN ACTIVE

Export and Investment Promotion Planning System

MISSION: 657 KINGSTON

COUNTRY: 257 JAMAICA

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: SURVEY OF JAMAICAN PACKAGING REQUIREMENTS TO BE CIRCULATED 12/87

Results Expected: VISIT TO MARKET BY MINIMUM 3 CDN EXPORTERS

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

Activity: PRESENTATION TO BE MADE TO JAMAICA COMMODITY TRADING CO ON CDN SOFTWOOD LUMBER

Results Expected: DIVERSIFICATION OF JAMAICAN SOURCING FROM SOUTHERN PINE BUREAU MEMBERS (USA)

Activity: VISIT TO JAMAICA BY TECHNICAL EXPERT FROM COFI OR SIMILAR ORGANIZATION.

Results Expected: DIVERSIFICATION OF JAMAICAN SOURCING FROM SOUTHERN PINE BUREAU MEMBERS (USA)

Activity: DIRECT FOLLOW UP WITH RECIPIENTS OF PACKAGING SURVEY.

Results Expected: VISIT TO MARKET BY 3 CDN COMPANIES.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 657 KINGSTON		
Sector: 007 POWER & ENERGY EQUIP. & SERV.		
024 MISSION INCOMING POWER GENERATING EQUIP. MISS. FM BAH., BELIZE, JAMAICA ONTARIO/QUEBEC		1189
Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES		
020 MISSION OUTGOING CANADIAN LUMBER PRODUCTS MISSION	KINGSTON	0489
Sector: 999 MULTIPLE SECTORS		
010 FAIRS HORIZONTAL SOLO SHOW	KINGSTON	0390
HORIZONTAL SOLO SHOW	NASSAU/BAHAMAS	0390
020 MISSION OUTGOING CARIBCAN OPPORTUNITIES MISSION	KINGSTON	0989
024 MISSION INCOMING HOSTEX SHOW	TORONTO	0489

Export and Investment Promotion Planning System

88/89 Trade and Economic Overview

Mission: 658 BRIDGETOWN

Country: 525 BARBADOS

ECONOMIC ACTIVITY IN BRBDS, AFTER A RELATIVELY BOUYANT 86, HAS AGAIN LEVELLED OFF & REAL GROWTH OF 1%, AT BEST, IS FORECAST FOR 87 & INTO 88. WORLD MKT PRICES FOR SUGAR REMAIN VERY LOW & EXPORT MFTG IS SEVERELY DEPRESSED; WHEREAS CONSTRUCT'N, TOURISM & OTHER SRVCE SECTORS HAVE SHOWN SOME STRENGTH. THE OTHER TEN SMALL COUNTRIES & DEPENDENCIES IN OUR TERRITORY, ALTHOUGH VERY DEPENDENT ON A FEW AGRI. COMMODITIES & SUSCEPTABLE TO THE VAGARIES OF TOURISM, CONTINUE TO SHOW GOOD GROWTH, AVERAGING 4-5% IN 87. THIS PERFORMANCE SHLD BE MAINTAINABLE INTO 88, BUT WITH A GREATER CONVERGENCE OF INDIVIDUAL COUNTRY GROWTH THAN PREVIOUSLY. REG'L TRADE, WHICH HAS DECLINED STEADILY SINCE 83 APPEARS TO HAVE BOTTOMED OUT AND MODEST INCREASES ARE ANTICIPATED. INFLATION REMAINS GENERALLY LOW, WHILE UNEMPLOYMENT CONTINUE TO BE SERIOUS THROUGHOUT MOST OF THE TERRITORY. FOR BRBDS, THE MODERATE DOWNTURN IN IMPORT LEVELS IN 87 (TO US\$500MN) IS EXPECTED TO CONTINUE INTO 88. THIS IS DUE IN PARTICULAR TO THE SHARP DECLINE IN MFTG ACTIVITY & THE LOWER DEMAND FOR INTERMEDIATE GDS. THE MKT FOR CAPITAL & CONSUMER GDS SHLD REMAIN STEADY, WITH THE USA, UK & CDA AS THE MAJOR SUPPLIERS. IMPORTS BY THE WINDWARD & LEEWARD ISLANDS SHLD GROW marginally both in 87 & 88; SHOWING SIMILAR SUPPLY PATTERNS & REACHING SOME US\$550MN. SUBSTANTIAL & GROWING TRADE DEFICITS PLUS LOW LEVELS OF PRIVATE SECTOR INVSTMT REMAIN PROBLEMS THROUGHOUT THE ISLANDS. LICENSING OF IMPORTS, TO PROTECT LOCAL & REG'L MFTRS & TO REGULATE FOREIGN EXCHANGE OUTFLOWS, IS BECOMING AN INCREASINGLY SIGNIFICANT FACTOR. TERRITORY EXPORTS TO MAJOR TRADING PARTNERS HAVE IN MANY CASES BEEN DECLINING IN SPITE OF FACILITATIVE PROGRAMMES SUCH AS CBI & LOME. WITH RESPECT TO CARIBCAN, EXPORTS TO CDA WERE WELL UP IN 86 BUT ARE LIKELY TO DECLINE FM BRBDS IN 87. MODEST BUT STEADY GROWTH IS ANTICIPATED IN 88. THE APRIL 87 BRBDS BUDGET, TO RELIEVE PRESSURE ON THE BALANCE OF PAYMENTS FROM CONSUMER-DRIVEN IMPORTS & TO COUNTER A DETERIORATING FISCAL SITUATION, SUBSTANTIALLY RAISED INDIRECT TAXES, IN PARTICULAR STAMP DUTIES & CONSUMPTION TAXES ON EXTRA-REG'L GDS. THE FOREIGN RESERVES POSITION HAS BEEN SUPPLEMENTED WITH FOREIGN BORROWINGS. IN THE REMAINDER OF THE TERRITORY, ALTHOUGH ECONOMIES ARE INDIVIDUALLY MUCH SMALLER & LESS DIVERSIFIED, THEIR FISCAL & FOREIGN RESERVES POSITION HAS GENERALLY IMPROVED. DEVALUA'N OF EAST CARIBBEAN & BARBADIAN CURRENCIES, BOTH LINKED TO THE AMERICAN DOLLAR, REMAINS A REMOTE POSSIBILITY. WITHOUT THE BENEFIT OF AIRCRAFT DELIVERIES IN 87, CDN SALES TO THE TERRITORY WILL LEVEL OFF. OUR MKT SHARE IS HOWEVER IMPROVING, (PARTICULARLY IN BRBDS), & A LARGE TRADE BALANCE IN OUR FAVOUR WILL BE MAINTAINED. THE GROWTH OF OUR EXPORTS WILL BE AFFECTED BY THE ECONOMIC CLIMATE DESCRIBED ABOVE. SEVERAL SECTORS WILL SUFFER SOMEWHAT FM INCREASED TAXES & DUTIES & LICENSING PROVISIONS BUT OVERALL AN UPTURN IS ANTICIPATED. AS THE MKT IS MADE UP OF NUMEROUS SMALL ISLANDS WITH VARIED

Export and Investment Promotion Planning System

REPT: SYN-GEO 88/89 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 658 BRIDGETOWN

Market: 525 BARBADOS

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: PROCESSED & SEMI PROCESSED FOOD PRODS REQUIRED FOR THE CRITICALLY IMPORTANT N. AMERICAN ORIENTED TOURISM IND.; AGRICULTURAL DIVERSIFICATION EFFORTS THROUGHOUT TERRITORY INCLUDING LIVESTOCK DEVELOPMENT.

2. 015 CONSTRUCTION INDUSTRY

REASONS: SIGNIFICANT EXPENDITURES IN EXPANDING AND UPGRADING TOURISM PLANT; HOUSING A HIGH PRIORITY IN MOST OF TERRITORY; INFRASTRUCTURE RELATED ACTIVITIES OF IFI'S.

3. 005 COMM. & INFORM. EQP. & SERV

REASONS: IMPROVING COMMUNICA'NS & INFO. A PRIORITY OF MOST TERRITORY GOVTS AND PROJS UNDERWAY FINANCED BY IFI'S, CIDA/EDC ETC; ENHANCED USE OF COMPUTER DATA AT BUSINESS, GOVT AND EDUCATIONAL LEVELS.

4. 014 EDUCATION, MEDICAL, HEALTH PROD

REASONS: UPGRADING HEALTH CARE AND EDUCATIONAL FACILITIES. PRIORITIES FOR TERRITORY GOVERNMENTS PLUS FOR IFI'S AND BILATERAL FUNDING AGENCIES.

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE

2. 005 COMM. & INFORM. EQP. & SERV

3. 015 CONSTRUCTION INDUSTRY

4. 014 EDUCATION, MEDICAL, HEALTH PROD

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 658 BRIDGETOWN

Market: 525 BARBADOS

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	122.00M	\$ 120.00M	\$ 125.00M	\$ 102.40M
Canadian Exports \$	14.60M	\$ 13.20M	\$ 12.50M	\$ 10.80M
Canadian Share of Import Market	12.00%	11.00%	10.00%	11.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	030 %
ii) 051 UNITED KINGDOM	010 %

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) MEAT & MEAT-BY PRODUCTS	\$ 20.00 M
ii) SEMI & PROCESSED FOOD	\$ 66.50 M
iii) HORTICULTURE	\$ 9.50 M
iv) BREEDING STOCK	\$ 2.25 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- high tariffs
- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:

HIGH DEGREE OF PROTECTION (TARIFFS & LICENSING) FOR REGIONAL
PRODUCERS AND MANUFACTURERS (CARICOM)

Export and Investment Promotion Planning System

MISSION: 658 BRIDGETOWN

COUNTRY: 525 BARBADOS

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: PROMOTE FURTHER SALES OF BREEDING STOCK TO CO-OPERATIVES, INDIVIDUAL FARMERS AND GOVT AGENCIES; PART OF AGRICULTURAL DIVERSIFICATION PROGRAM AWAY FROM SUGAR.

Results Expected: FURTHER SALES OF BREEDING STOCK AND CONSULTING SERVICES, MACHINERY AND EQUIPMENT.

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

Activity: PROMOTION WITH MIN. OF AGRICULTURE AND MAJOR INDUSTRIAL GROUPS OF AT LEAST TWO NEW JOINT VENTURES IN PROCESSING OF AGRICULTURAL PRODUCTS. (COTTON AND FOODS).

Results Expected: ADDITIONAL CANADIAN INVESTMENT AND TECHNOLOGY TRANSFER IN TERRITORY PLUS MATERIALS AND EQUIPMENT FROM CANADA.

Activity: PROMOTE CANADIAN PRODUCTS FOR FOODSERVICE INDUSTRY NAMELY HOTELIERS AND WHOLESALERS IN TERRITORY.

Results Expected: NEW BUYING CONNECTIONS AND INCREASED MARKET SHARE.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 658 BRIDGETOWN

Market: 525 BARBADOS

Sector: 005 COMM. & INFORM. EQP. & SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	26.50M	\$ 25.50M	\$ 23.00M	\$ 22.80M
Canadian Exports \$	7.20M	\$ 6.25M	\$ 6.00M	\$ 4.20M
Canadian Share of Import Market	27.17%	26.80%	26.10%	18.43%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	050 %
ii) 051 UNITED KINGDOM	009 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) TELEPHONE APPARATUS EQUIPMENT & PARTS	\$ 11.80 M
ii) COMPUTERS/SOFTWARE	\$ 6.50 M
iii) OTHER COMMUNICATIONS EQUIPMENT	\$ 6.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Export and Investment Promotion Planning System

MISSION: 658 BRIDGETOWN

COUNTRY: 525 BARBADOS

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FACILITATE CANADIAN INVESTMENT IN DATA ENTRY INDUSTRY WITH TERRITORY INDUSTRIAL DEVELOPMENT CORPS.

Results Expected: NEW INVESTMENT AND EQUIPMENT SUPPLY.

Activity: CONTINUE TO REINFORCE CANADIAN CAPABILITIES IN TELECOMMUNICATION EQUIPMENT AND SERVICES WITH NEW OWNERS OF BARBADOS TELEPHONE CO.

Results Expected: ADDITIONAL SALES.

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

Activity: FACILITATE ADDITIONAL EXPORT FINANCING FOR CANADIAN TELECOMMUNICATION AND INFORMATICS EQUIPMENT AND SERVICES.

Results Expected: ADDITIONAL SALES, PARTICULARLY BARBADOS.

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 658 BRIDGETOWN

Market: 525 BARBADOS

Sector: 014 EDUCATION, MEDICAL, HEALTH PROD

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	30.00M	\$ 26.00M	\$ 25.00M	\$ 22.50M
Canadian Exports \$	7.00M	\$ 6.00M	\$ 5.50M	\$ 3.70M
Canadian Share of Import Market	23.30%	23.00%	22.00%	16.40%

Major Competing Countries

Market Share

- | | |
|---------------------------------|-------|
| i) 577 UNITED STATES OF AMERICA | 023 % |
| ii) 051 UNITED KINGDOM | 025 % |

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

- | | In Canadian \$ |
|----------------------------|----------------|
| i) PHARMACEUTICALS | \$ 14.00 M |
| ii) MEDICAL EQUIPMENT | \$ 2.00 M |
| iii) EDUCATIONAL MATERIALS | \$ 8.00 M |

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: EDUCATION II
Approximate Value: \$ 15.00 M
Financing Source: 001 IBRD
For further info. please contact:
MARGARET STRYBOS C.O. TLX: 2247 CDA WB.
- ii) Project Name: DECS TECHNICAL VOC. EDUC. TRAINING PROJ/
Approximate Value: \$ 4.00 M
Financing Source: 018 CDB 011 CIDA
For further info. please contact:
MARGARET STRYBOS, C.O. TLX: 2247 CDA WB.

Export and Investment Promotion Planning System

MISSION: 658 BRIDGETOWN

COUNTRY: 525 BARBADOS

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: INCREASE ADDITIONAL ACTIVITY BY CANADIAN TRADING HOUSES IN EDUCATIONAL, HEALTH, MEDICAL SECTOR.

Results Expected: GENERATE MORE SALES IN NUMEROUS SMALL MARKETS IN TERRITORY.

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

Activity: PROCUREMENT OF EQUIPMENT AND SUPPLIES FOR OECS TECH VOC EDUC TRAINING PROJECT.

Results Expected: ADDITIONAL SALES OF WIDE VARIETY OF EDUCATIONAL MATERIALS AND SUPPLIES

Activity: PROMOTE CDN JOINT VENTURE/LICENSING ARRANGEMENT IN PHARMACEUTICAL PRODUCTS.

Results Expected: TECHNOLOGY TRANSFER IN TERRITORY PLUS IMMEDIATE MATERIALS PACKAGING AND EQUIPMENT

Export and Investment Promotion Planning System

88/89 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 658 BRIDGETOWN

Market: 525 BARBADOS

Sector: 015 CONSTRUCTION INDUSTRY

Subsector: 151 BUILDING PRODUCTS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	56.00M	\$ 55.00M	\$ 48.50M	\$ 50.00M
Canadian Exports \$	5.00M	\$ 4.20M	\$ 3.50M	\$ 5.00M
Canadian Share of Import Market	8.90%	7.60%	7.20%	10.00%

Major Competing Countries

Market Share

- i) 577 UNITED STATES OF AMERICA
- ii) 051 UNITED KINGDOM

035 %
012 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector:

15-30 \$M

Current status of Canadian exports:

Mature with little growth

Products/services for which there are good market prospects

Current Total Imports

- i) LUMBER
- ii) PLUMBING
- iii) BUILDERS HARDWARE
- iv) STRUCTURAL

In Canadian \$
\$ 16.20 M
\$ 9.50 M
\$ 3.50 M
\$ 18.50 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: JARVIN INVESTMENT CARIBBEAN LTD.
RAMADA ST. KITTS

Approximate Value: \$ 20. M

Financing Source: 025 OTHER

For further info. please contact:

K. G. WHITING, COMM. COUNSELLOR TLX: 2247 CDA WB.

- ii) Project Name: GRENADINES MULTI-PROJECT.

Approximate Value: \$ 4.75 M

Financing Source: 018 CDB

For further info. please contact:

K. G. WHITING, COMM. COUNSELLOR TLX: 2247 CDA WB.

Export and Investment Promotion Planning System

MISSION: 658 BRIDGETOWN

COUNTRY: 525 BARBADOS

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: ROSEAU DAM CONSTRUCTION ST. LUCIA.
 Approximate Value: \$ 50. M
 Financing Source: 011 CIDA 001 IBRD
 For further info. please contact:
 K. G. WHITING, COMM. COUNSELLOR TLX: 2247 CDA WB.

iv) Project Name: SOUTH & WEST COAST SEWERAGE PROJECT
 BARBADOS
 Approximate Value: \$ 20. M
 Financing Source: 003 IADB
 For further info. please contact:
 K. G. WHITING, COMM. COUNSELLOR TLX: 2247 CDA WB.

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- other factor(s) described by the Trade Office as follows:
 TIMBER FRAME CONSTRUCTION UNACCEPTABLE IN THIS MARKETPLACE, VERY LOW LEVEL OF IFI FINANCED CONSTRUCTION PROJECTS IN BARBADOS.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUING EFFORTS WITH CANADIAN TRADING HOUSES SPECIALIZING IN CONSTRUCTION MATERIAL AND BUILDERS HARDWARE.

Results Expected: ADDITIONAL SALES, PARTICULAR FROM SMALL TO MEDIUM SIZE CANADIAN SUPPLIERS.

Export and Investment Promotion Planning System

MISSION: 658 BRIDGETOWN

COUNTRY: 525 BARBADOS

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

Activity: PROMOTE ESTABLISHMENT OF JOINT VENTURES WITH CANADIAN CONTRACTORS IN AT LEAST THREE ISLANDS IN TERRITORY.

Results Expected: TECHNOLOGY TRANSFER, INVESTMENT FROM CANADA PLUS MACHINERY AND EQUIPMENT TO TERRITORY.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 658 BRIDGETOWN		
Sector: 001 AGRI & FOOD PRODUCTS & SERVICE		
020 MISSION OUTGOING LIVESTOCK MEAT & POULTRY PRODUCTS FOOD PRODUCTS MISSION	ST. LUCIA/ANTIGUA ST. LUCIA/ANTIGUA	1090 0589
024 MISSION INCOMING HOSTEX (BUYERS)	TORONTO	0489
Sector: 005 COMM. & INFORM. EQP. & SERV		
024 MISSION INCOMING TELECOM/INFORMATICS (BUYERS)	VARIOUS	0689
Sector: 014 EDUCATION, MEDICAL, HEALTH PROD		
020 MISSION OUTGOING TRADING HOUSES	ST. LUCIA/ST. KITTS	0391
Sector: 016 INDUSTRIAL MACHIN, PLANTS, SERV.		
024 MISSION INCOMING FOOD PROCESSING & FOODS SERVICE EQUIPMENT MISSION HOSTEX (BUYERS)	TORONTO/MONTREAL TORONTO	0590 0489
Sector: 017 SERVICE INDUSTRIES		
020 MISSION OUTGOING TRADING HOUSES	DOMINICA/BVI/ST. KITT	1189
Sector: 999 MULTIPLE SECTORS		
010 FAIRS SOLO CDN SHOW		0390

Market : CARIB. & CENT. AMER.

REFERENCE NO.	SECTOR NO.	EVENT NAME & LOCATION	DATE
880624	999	EXPOCOMER 89/INC. DEF & PROV MISSION TO PANAMA	89/03/00
880615	008	RAILWAY EQUIPMENT MISSION TO MEXICO	89/02/00
880638	014	SALUD PARA TODOS, HAVANA	88/12/00
880640	999	HAVANA INTERNATIONAL FAIR	88/11/00
880646	999	CONSTRUCTION & CONSUMER PROD. MISSION TO ANTIGUA & ST. LUCIA	88/11/00
880621	014	MEDICAL PRODUCTS MISSION TO COSTA RICA, EL SALVADOR	88/10/00
880623	999	INTERNATIONAL FAIR OF EL SALVADOR	88/10/00
880635	007	ELECTRICAL PARTS MISSION FROM CUBA	88/10/00
880612	001	HOG BUYERS FROM MEXICO	88/09/00
880618	001	FIAGA 88/INC. FED & PROV MISSIONS, PANAMA	88/09/00
880627	005	COMPUTER PRODUCTS MISSION TO CENTRAL AM.	88/06/00
880630	013	INTERFER '88 - GUATEMALA	88/06/00
880641	001	FOOD HANDLING & FOOD PROCESS EQUIP MISSION TO TRINIDAD	88/06/00
880617	013	CONSUMER GOODS DUTY FREE ZONES MISSION FROM MEXICO	88/05/00
880622	999	HARDWARE BLDG. MATERIAL MISSION /SOLO DISPLAY, PANAMA	88/05/00
880643	001	INCOMING BUYERS-PROCESSED FOODS, JAMAICA	88/05/00
880616	013	TOURIST IND. EQUIPMENT MISSION TO MEXICO	88/04/00

Market : CARIB. & CENT. AMER.

<u>REFERENCE NO.</u>	<u>SECTOR NO.</u>	<u>EVENT NAME & LOCATION</u>	<u>DATE</u>
880748	999	SOLO SHOW, BERMUDA	89/03/00
880749	999	SOLO SHOW, DOMINICAN REPUBLIC	89/03/00
880674	001	16TH ANNUAL FOOD AND EQUIPMENT TRADE SHOW, S. JUAN, PUERTO RICO	88/04/16
880747	999	INDUSTRIAL TRADE FAIR, SAN JUAN PUERTO RICO	88/04/00
880744	008	AUTOMOTIVE EQUIPMENT AND SUP- PLIES MISSION TO MEXICO	00/00/00

Market : LATIN AMERICA

<u>REFERENCE NO.</u>	<u>SECTOR NO.</u>	<u>EVENT NAME & LOCATION</u>	<u>DATE</u>
880604	016	MISSION TO CANADIAN HARDWARE SHOW, BOGOTA	89/02/00
880567	999	FISA, CHILE	88/11/00
880597	010	PERU/CANADA MINING SYMP.	88/11/00
880607	003	CANOLA MISSION TO COLOMBIA, MEXICO AND VENEZUELA	88/10/00
880565	009	FOREST INDUSTRY EQUIP. SERV. MISSION FROM LATIN AMERICA	88/09/00
880571	001	EXPOINTER, BRAZIL	88/09/00
880572	001	AGRIC/CAN SEMINARS ON LIVE-STOCK & A. I., BRAZIL	88/09/00
880576	010	MINING DEVLOP SERV MISSION TO VENEZUELA, COLOMBIA, ECUADOR	88/09/00
880603	011	MISSION FROM BOGOTA TO CALGARY PETROLEUM SHOW	88/06/00
880605	001	SEED BUYERS MISSION FROM ARGENTINA	88/06/00
880569	001	GOIANIA AGRICULTURAL FAIR, BRAZIL	88/05/00
880602	008	MISSION FROM BOGOTA TO CDN AUTOMOTIVE SHOW	88/04/00
880606	001	AGRICULTURE EQUIPMENT MISSION TO COLOMBIA & VENEZUELA	88/04/00
880740	001	LIVESTOCK BUYERS MISSION FROM LATIN AMERICA	88/11/00
880746	011	PETROLEUM EQUIPMENT SYMPOSIUM (COLOMBIA/VENEZUELA)	88/10/00
880743	005	INCOMING OFFICIALS TO TELECOM. SYMPOSIUM(TELETECH'88)	88/09/00
880673	011	BOGOTA INTERNATIONAL FAIR, BOGOTA, COLOMBIA	88/07/09

Market : LATIN AMERICA

<u>REFERENCE NO.</u>	<u>SECTOR NO.</u>	<u>EVENT NAME & LOCATION</u>	<u>DATE</u>
880745	010	APCOMIN'88, SANTIAGO	88/07/00
880741	002	COMMERCIAL FISHING EQUIPMENT MISSION FROM CHILE	88/06/00
880672	005	AMERICAS TELECOM'88- RIO DE JANEIRO, BRAZIL	88/05/16
880742	005	AIR AND MARINE NAVAL AID MISSION FROM ARGENTINA	88/05/00