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CANADIAN MINISTER OF TRADE VISITS KENYA

Trade Minister Ed Lumley announced today, at the end of a two-day visit to Kenya, new contracts for Canadian firms in the energy and transportation sectors.

The first is a more than \$20 million contract to Lavalin International of Montreal for the construction of an oil storage facility. This was first raised last August during Prime Minister Trudeau's visit to Kenya when he discussed several areas of co-operation in the energy sector with President Arap Moi of Kenya.

The second contract is a \$2 million locomotive spare parts order to Bombardier Canada Ltd., also of Montreal.

The loan for the locomotive contract will be financed by the Canadian International Development Agency (CIDA); and the Export Development Corporation (EDC) will be financing the Canadian content of the oil storage facility.

The spare parts contract is for locomotives that were purchased with a loan from Canada in 1970.

Most of the locomotives in question are used mainly on long hauls between Mombasa and Nairobi and the Uganda border. A shortage of vital spare parts has reduced the number of the Canadian-made MLW locomotives in service on these important rail links.

Canada is supporting several projects in Kenya, the largest of which are in the area of electrical power where 80 per cent of CIDA's current budget for Kenya is committed. A combination of loans and grants from Canada totalling more than \$82 million is helping Kenya reinforce and expand its electrical interconnectors and its power grid in rural areas.

There are also a number of Canadian voluntary organizations working with Kenyans in the fields of education and rural development.

During his trip to Kenya, Mr. Lumley met with Kenyan government ministers to discuss economic and commercial relations between the two countries.

His visit to Africa also includes a visit to Zimbabwe (February 11) and Swaziland (February 12).

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