

# News Release

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## NEW BUSINESS DEALS SIGNED IN THE PHILIPPINES

On November 9 and 10, several Canadian companies participating in a trade mission to the Philippines led by the Honourable Roy MacLaren, Minister for International Trade, signed new business deals worth over \$200 million.

"These new business transactions are a testimony to Canadian business confidence in the Philippine market and the opportunities it presents in such sectors as telecommunications, oil and gas, mining, power generation, and agri-food," said Mr. MacLaren.

"The Philippines has made significant strides over a short period of time. Its economic liberalization program, *Philippines 2000*, has revitalized and stabilized the economy by removing barriers to this market and promoting exports and foreign and direct investment."

During his visit, Mr. MacLaren and Philippine Secretary of Trade and Industry Rizalino Navarro signed a Foreign Investment Protection Agreement (FIPA) in the presence of President Fidel Ramos.

"This is the first Foreign Investment Protection Agreement Canada has signed with a country in Asia. It signals Canada's commitment to develop further our trade and economic presence in the Philippines and in the region," said Mr. MacLaren.

The FIPA will promote investment flows between Canada and the Philippines by providing a high level of protection for investments between the two countries. Canada is currently among the top 15 investors in the Philippines, with Canadian direct investment valued at about \$1 billion.

The Philippines is an important partner for Canada in the Asia-Pacific region, as both countries prepare to chair the Asia-



Pacific Economic Co-operation (APEC) process: the Philippines in 1996 and Canada in 1997.

- 30 -

A backgrounder on the new business agreements is attached.

For further information or a list of the companies that participated in the trade mission to the Philippines, media representatives may contact:

Media Relations Office  
Department of Foreign Affairs and International Trade  
(613) 995-1874

## Backgrounder

### NEW BUSINESS ARRANGEMENTS BETWEEN CANADA AND THE PHILIPPINES

#### Atomic Energy of Canada Limited (AECL), Mississauga, Ontario

AECL has signed a technical co-operation agreement with the Philippines Nuclear Research Institute (PNRI) of the Department of Science and Technology. The agreement provides a framework for joint research programs and the training and exchange of personnel.

#### Canadian Communications Consortium (CCC)<sup>1</sup>, Vancouver, British Columbia

The CCC<sup>2</sup> has signed a memorandum of understanding with the Philippine Department of Education, Culture and Sports (DECS) to undertake a feasibility study of a satellite-based education network. The network would distribute courses and education curriculum for DECS and other departments.

The CCC also signed an agreement with its sister company, the Communications Consortium of Asia, the ABS-CBN Foundation and Skycable to establish the Philippines International Distance Learning Institute. This institute would provide continuous management, operations and production support for preparation of interactive audio-visual courses, including curriculum development. The institute would also provide internationally accredited distance learning courses to students throughout the Philippines who cannot attend traditional classroom based institutions.

#### Cree Construction Company, St-Laurent, Quebec

The Cree Construction Company has signed a memorandum of understanding with the Philippine Department of Public Works and Highways to undertake a feasibility study for the construction of the East-West lateral road in Mindanao. The road project is a priority for the Philippine government; upon completion, it will help bring considerable economic activity to this developing region of the Philippines.

#### LanSer Technologies, Westmount, Quebec

LanSer Technologies has signed a technical service agreement with Philippines Long Distance Telephone (PLDT) to provide its CELLPAC™ wireless data communications service. PLDT is the largest telephone company in the Philippines and the principal supplier of long distance telephone services. It has supplied about 90 per cent of all telephone installations nationwide.

LanSer Technologies has also signed a purchase agreement with PLDT to supply CELLPAC wireless communications equipment and to service point of sale networks and the Automatic Teller Machines of large retail networks and major banks. The agreement has a potential value over five years of more than \$50 million.

**LVM Tech Inc., Montreal, Quebec**

LVM Tech Inc., a subsidiary of The Dessau Group Ltd., has entered into a joint venture with Philnor Consultants & Planners Inc. to provide ISO 9000 quality management services for Philippine exporters. The new partners also signed a memorandum of understanding with the University of the Philippines Engineering Research Foundation to collaborate on this project. The Dessau Group Ltd. is an engineering and construction firm and LVM Tech Inc. provides quality control management services. Philnor Consultants & Planners Inc. undertakes feasibility studies and provides engineering design, construction supervision and management services.

**NorTel, Mississauga, Ontario**

NorTel has signed a contract, valued at close to \$100 million, with the International Communications Corporation (ICC) to supply and install switching and transmission equipment in Metro Manila and five provinces in the Philippines. The transaction is supported by EDC (Export Development Corporation). ICC is one of the new franchise holders licensed to offer telephone services in the Philippines.

**SaskTel International, Regina, Saskatchewan**

SaskTel International has signed a contract with Philippines Long Distance Telephone (PLDT) to organize and develop ways to improve PLDT's ability to develop capital works projects in switching and transmission, and operational support. Operating in the Philippines since 1986, SaskTel provides technical consulting, network planning, project management, turn-key installation, operations and maintenance of telecommunications systems.

**SaskTel International, Regina, Saskatchewan  
Teleglobe International, Montreal, Quebec**

SaskTel and Teleglobe have signed a contract to assist in the preparation of design and bid documents for a digital backbone system to run throughout the Philippines for Telec Phil.

**Worldwide Telephonic Corporation (WorldTel), Vancouver, British Columbia**

WorldTel has entered into a joint venture with Prudentiallife to establish a Global Trading and Investment Network on the Information Highway worth about \$1.5 million. WorldTel provides commercial Internet services and network systems integration capabilities for voice, data, telex and facsimile using land- and satellite-based

technologies. Prudentiallife is one of the leading providers of insurance, banking, educations plans, and travel services in the Philippines.

### Notes

1. The CCC is a group of nine communications equipment manufacturing and service providers that specialize in the development, production, marketing, sale and integration of telecommunications broadcast equipment and systems. Their products include television and radio broadcast systems and point-to-point systems.

2. Consortium members involved in this project include Linear Telecommunications (Vancouver), Norsat (Vancouver), Wellfund Audio Visual (Vancouver), the Open Learning Agency (Vancouver), the University of British Columbia, the Simon Fraser University (Vancouver), the Association of Community Colleges (Toronto), the International Distance Learning Institute (Vancouver), the Commonwealth of Learning (Vancouver), and the Canadian Exporters' Association (Ottawa).