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BELL CANADA INTERNATIONAL AND MOROCCO SIGN TELECOMMUNICATIONS DEVELOPMENT AGREEMENT

OTTAWA - International Trade Minister John C. Crosbie and Communications Minister Flora MacDonald announced today that the Canadian government, through the Export Development Corporation, is financing a \$212 million loan to the Office National des Postes et des Télécommunications of Morocco. The loan, guaranteed by the Kingdom of Morocco, is in support of a contract to Bell Canada International for the installation of 300,000 new telephone lines in the first phase of Morocco's telecommunications development plan.

The Ministers congratulated Bell Canada International for securing this contract in light of the fierce competition that existed for this project. Minister Crosbie said that "the Government of Canada considers this to be an important contract for Canadian industry, for Bell Canada International and sub-suppliers in the telecommunications sector in particular, and for the Kingdom of Morocco... I expect that this contract will generate some 6,800 person-years of employment over the next 5 years."

In meetings with Miss MacDonald in Geneva last October and in Ottawa in February, the Moroccan Minister of Communications, His Excellency Mohand Laensar, informed the Canadian government that a total of 1.2 million telephone lines will be required before the year 2000, and that future contracts will be awarded to the country that can ensure technology transfer and integration with existing systems in the shortest possible time.

"The Canadian telecommunications sector is now well positioned to respond to such a challenge", Minister MacDonald said. "As a result of this important decision by the Government of Morocco, it will be the first African country to introduce the world's most fully-digital telecommunications switching technology. We are proud that Bell Canada International is the company to take up the challenge."

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"The awarding of this contract to a Canadian firm reinforces our already excellent bilateral relations with Morocco on economic, political and cultural fronts," Mr. Crosbie said. "I should like to extend our appreciation to the Kingdom of Morocco for selecting Canada as their international partner in this project. It represents one of the most significant breakthroughs for the Canadian communications industry in foreign markets."

The Ministers congratulated Bell Canada International and all members of the Canadian team who worked so hard to win this major contract. The close cooperation over the past three years of Bell Canada International, the Departments of Communications, External Affairs and the Export Development Corporation is an encouraging precedent for future opportunities, they said. This is especially true considering the stiff competition Canada faced in bidding against other major foreign corporations who have always enjoyed great support from their home governments. Bell Canada International's victory is further confirmation of the technical excellence of Northern Telecom's technology and enhances the visibility of Canadian industry's performance as a whole in the communications and information-technology sector.

The Export Development Corporation is Canada's official export credit agency responsible for providing export credit insurance, loans, guarantees, and other financial services to promote Canadian export trade.

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