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GEOGRAPHICAL SYNOPSIS FOR CONSULTATION PURPOSES ONLY

LATIN AMERICA AND THE CARIBBEAN

1990-91 EXPORT AND INVESTMENT PROMOTION OPERATIONAL PLAN



JANUARY 1990

**GEOGRAPHIC SYNOPSIS OF
EXPORT PROMOTION PROGRAM PLANS
OF CANADIAN MISSIONS ABROAD
FY 1990/91**

FORWARD

This report contains a summary of the highlights of the proposed work plans of the export and investment promotion program of Canadian diplomatic missions in Latin America and Caribbean for fiscal year 1990/91 commencing April 1, 1990.

The format of this synopsis is designed to provide Canadians involved in the process of export promotion the means to identify quickly the key components of the trade program of External Affairs and International Trade Canada missions and access conveniently those feature of the plans which are pertinent to their specific interests.

This synopsis is organized alphabetically by mission and is available for each of seven geographic regions. A similar geographic synopsis is also available for the following geographic regions:

Africa
Asia Pacific
Eastern Europe
Middle East
United States
Western Europe

The synopsis provides a trade and economic overview of each country in the region in which market prospects exist for Canadian exporters, a listing of sectoral priorities for each market, profiles of important or interesting sectors as well as proposed promotional projects in support of specific program activities.

The emphasis in the synopsis has been placed on providing factual information in as brief a format as possible with minimal narrative.

The computerized planning system from which this report was produced was developed by the Department of External Affairs and International Trade Canada to facilitate the assembly of vast amounts of detailed information on world markets from some 92 missions abroad. It is programmed to make this information available to government in a format which would enable specific data on sectors or geographic regions to be accessed conveniently.

II

In their Conference on the Economy held in Regina in 1985, First Ministers noted the major contribution made by the export sector to Canada's national income and expressed concern at the decline of Canada's share of world markets. To meet this challenge, First Ministers endorsed the need to generate widespread support for a new trade strategy for Canada which would embody three principal elements:

- a) to increase Canadian competitiveness;
- b) to maintain and increase access to foreign markets;
- and
- c) to achieve more effective international marketing.

It was recognized that these objectives can be met but only if a full and effective partnership of the federal and provincial governments, the private sector and labour can be achieved to ensure a more focused and consistent approach to international marketing. Appropriate means of assembling and organizing information to suit specific needs is a foundation of the process of consultation from which consensus would be reached. To this end the current computerized planning system was conceived.

In addition to the geographic perspective of this report, information from the data bank is available in a variety of configurations, the most important of which are synopses of 16 sectors and a variety of market reports. Information from these reports can be obtained on request from the geographic or sectoral bureaux of the Department.

The purpose of this synopsis is to provide those engaged in the process of promoting exports from Canada the means to obtain condensed market information on export opportunities. It does not attempt to cover all aspects of foreign markets and by design avoids minutiae and detail. It is intended to highlight what, in the opinion of Canadian Trade Commissioners abroad, is important in their respective territories and what tactics they envisage would be most appropriate to exploit the market. Where markets or sectors in these synopsis stimulate interest on the part of exporters, they are invited to seek out more detail information and further background direct from the post, the geographic and sectoral bureaux of the External Affairs and International Trade Canada or the International Trade Centres currently located within the provincial offices of Industry, Science and Technology Canada.

III

A Last word on statistics. The statistical information contained in this synopsis is to be considered as an attempt on the part of the Trade Commissioners abroad to estimate the order or magnitude of market size, market shares, and possible export potential. Users of this synopsis are cautioned that these figures are in many cases best guesses based on discussion with trade sources. In many markets reliable published statistics are simply not available. However, in an attempt to provide exporters with notional ideas of market size, Trade Commissioners have been asked to do their best to give their considered impressions wherever possible. Therefore it is not intended that the statistical information should be used for purposes other than general guidance.

Dept. of External Affairs
Min. des Affaires extérieures
OTTAWA

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DEPARTMENT OF EXTERNAL AFFAIRS
AND INTERNATIONAL TRADE CANADA
EXPORT AND INVESTMENT PROMOTION PLANNING SYSTEM
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RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: BOGOTA

Country: COLOMBIA

SINCE AUGUST 1989 THE COLOMBIAN POLITICAL SCENE HAS BEEN DOMINATED BY AN OFTEN VIOLENT CONFRONTATION BETWEEN THE COLOMBIAN GOVERNMENT AND THE DRUG TRAFFICKERS BASED IN THE COUNTRY. THIS HAS AFFECTED NEGATIVELY THE OUTLOOK FOR INVESTMENT, TOURISM, CONSTRUCTION AND GENERAL CONSUMPTION AND PRODUCTION. THE COLOMBIAN ECONOMY HAS ALSO BEEN BUFFETTED BY THE COLLAPSE OF THE INTERNATIONAL COFFEE AGREEMENT AND THE CONSEQUENT LOWER THAN PROJECTED COFFEE EXPORT REVENUES.

NEVERTHELESS, DESPITE THESE UNFORTUNATE REVERSES, THE COLOMBIAN ECONOMY REMAINS ONE OF THE MOST SOUND AND PRUDENTLY MANAGED IN LATIN AMERICA. IT IS A CREDIT TO THE STRENGTH AND DIVERSITY OF THE COLOMBIAN ECONOMY THAT IT IS EXPECTED TO WEATHER THESE BLOWS WITH A MINIMAL IMPACT UPON ITS GROWTH, ESPECIALLY IF SUPPORT AND COOPERATION IS MAINTAINED AND EXPANDED BY THE INTERNATIONAL COMMUNITY, PARTICULARLY MULTILATERAL FINANCIAL INSTITUTIONS AND THE INTERNATIONAL BANKING COMMUNITY.

ALTHOUGH THE OUTLOOK FOR THE ECONOMY AS A WHOLE IN 1989 IS NO LONGER AS BRIGHT AS ORIGINALLY PREDICTED AT THE BEGINNING OF THE YEAR BY THE COLOMBIAN GOVERNMENT, REAL GDP IS STILL ANTICIPATED TO REACH A HEALTHY THREE PERCENT (REVISED DOWNWARDS FROM AN ESTIMATED FOUR PERCENT AND BELOW THE 3.7 PERCENT ACHIEVED IN 1988). INFLATION WILL BE HELD BELOW 30 PERCENT AGAIN IN 1989 AND MAY ACTUALLY DECREASE IN 1990.

FOREIGN EXCHANGE RESERVES, IN THE ORDER OF US \$3.5 BILLION, ARE SUBSTANTIAL AS ANNUAL IMPORTS ARE APPROXIMATELY US \$4.5 TO \$5.0 BILLION. IT IS STILL UNCLEAR IF RECENT DEVELOPMENTS WILL PUSH UP COLOMBIA'S FOREIGN BORROWING REQUIREMENT. TOTAL COLOMBIAN EXTERNAL DEBT, ABOUT US \$16 BILLION, IS MODEST BY LATIN AMERICAN STANDARDS AND COLOMBIA CONTINUES TO TREASURE ITS STATUS AS THE ONLY MAJOR COUNTRY IN THE REGION TO HAVE CONSISTENTLY MET ITS DEBT SERVICING OBLIGATIONS. A DEBT RESCHEDULING WOULD APPEAR UNLIKELY IN THE NEAR FUTURE, BARRING A REFUSAL BY THE INTERNATIONAL BANKING COMMUNITY TO PARTICIPATE IN FURTHER SYNDICATED LOANS SUCH AS THE US \$1.7 BILLION "CHALLENGER" LOAN NEGOTIATED IN EARLY 1989.

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: BOGOTA

Country: ECUADOR

In the near future Ecuador will continue to confront severe economic difficulties arising from a heavy external debt burden, an excessive public sector deficit, and fluctuating terms of trade. The new government which took office in August 1988 is only slowly coming to grips with the economy's structural problems and appears more inclined to apply gradualist "political" solutions which seek to suppress symptoms of the country's economic ills without addressing the underlying malaises.

In commercial terms, this has led to the application of additional import restrictions. Moreover, the Ecuadorian government normally insists upon a financing offer from foreign suppliers for its projects, which the Export Development Corporation would be unlikely to concede in light of Ecuador's recent repayment record. The post therefore is concentrating its trade promotion efforts on areas of national urgency (such as maintaining oil and gas production) with guaranteed financing and projects to be undertaken with IFI or private sector financing.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: BOGOTA

Country: COLOMBIA

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

1. AGRI & FOOD PRODUCTS & SERVICE

A SUBSTANTIAL CANADIAN PARTICIPATION IN AGROEXPO 89 HEIGHTENED COL INTEREST IN CDN SOURCES OF SUPPLY AND CANADIAN COMPANIES ARE FOLLOWING UP. FOOD PROCESSING ALSO IS DEVELOPING AN INTERESTING SALES POTENTIAL.

2. OIL & GAS EQUIPMENT, SERVICES

AN EDC US \$10 MILLION LINE OF CREDIT WAS NEAR SIGNING WITH THE STATE OIL COMPANY OF COLOMBIA AT THE TIME OF THIS REPORT. THIS SHOULD ASSIST CANADIAN SUPPLIERS TO PENETRATE WHAT IS A PRIORITY SECTOR FOR THE COLOMBIAN ECONOMY. PRIORITY IS ATTACHED TO NEW EXPLORATION AND DEVELOPMENT OF BOTH OIL AND GAS AND RESEARCH/TRAINING.

3. MINE, METAL, MINERAL PROD & SRV

CONTINUING IMPORT REQUIREMENTS FOR THE EL CERREJON COAL PROJECT AS WELL AS THE DEVELOPMENT OF NEW COAL AND GOLD MINES OFFER PROMISING SALES PROSPECTS FOR CANADIAN COMPANIES. CANADIAN TECHNOLOGY IS HIGHLY REGARDED. JOINT VENTURE MINING UNDERTAKINGS ARE ALSO OF INTEREST.

4. ADVANCED TECH. PROD. & SERV

RURAL AND URBAN TELECOMMUNICATIONS EXPANSION CONTINUE TO RECEIVE PRIORITY FROM THE COLOMBIAN GOVERNMENT. CANADA IS ALSO WELL-PLACED FOR SALES OF TRAINING AND RESEARCH EQUIPMENT.

5. TRANSPORT SYS, EQUIP, COMP, SERV.

A COMPLETE OVERHAUL OF THE NATIONAL RAILWAY SYSTEM HAS BEEN APPROVED AND CANADIAN COMPANIES HAVE BEEN CLOSELY INVOLVED. THE MARINE PORT AND NATIONAL AIRPORT SYSTEMS ARE ALSO CONTEMPLATING MAJOR NEW INVESTMENTS.

6.

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

1. TRANSPORT SYS, EQUIP, COMP, SERV.
2. MINE, METAL, MINERAL PROD & SRV
3. OIL & GAS EQUIPMENT, SERVICES

4. ADVANCED TECH. PROD. & SERV
5. AGRI & FOOD PRODUCTS & SERVICE
- 6.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: BOGOTA

Country: ECUADOR

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

1. OIL & GAS EQUIPMENT, SERVICES

OIL EXPORTS ARE THE PRIMARY FOREIGN EXCHANGE EARNER AND AS SUCH, MAINTAINING AND ENHANCING OIL PRODUCTION IS A TOP GOVERNMENT PRIORITY. YEARS OF CAREFUL CULTIVATION OF THIS SECTOR ARE BEGINNING TO BRING RESULTS FOR CANADIAN FIRMS.

2. MINE, METAL, MINERAL PROD & SRV

THE ECUADOR GOVERNMENT IS COMMITTED TO EXPANDING NON-TRADITIONAL EXPORTS AND HAS INCREASINGLY FOCUSED ON THE MINING SECTOR, ONE IN WHICH CANADIAN PRODUCTS AND TECHNOLOGIES ARE ALREADY WELL-KNOWN AND HIGHLY THOUGHT OF IN ECUADOR.

3.

4.

5.

6.

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

1. MINE, METAL, MINERAL PROD & SRV
2. CHEM PROD & PETROCHEM, EQP, SERV
3. FOREST PRODUCTS, EQUIP, SERVICES

4. ADVANCED TECH. PROD. & SERV
5. GRAINS AND OILSEEDS
- 6.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BOGOTA

Market: COLOMBIA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	253.00 \$M	223.00 \$M	239.00 \$M	251.00 \$M
Canadian Exports	52.00 \$M	64.00 \$M	68.00 \$M	72.00 \$M
Canadian Share of Market	21.00 %	29.00 %	31.00 %	29.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	25.00 %
BRAZIL	15.00 %
ARGENTINA	10.00 %
GERMANY WEST	5.00 %
FRANCE	5.00 %
AUSTRALIA	5.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Fertilizers
2. Harvesters, combines, seeders
3. Implements for soil preparation and cultivation
4. Grain milling equipment
5. Dairy equipment (milking and other)
6. Fumigation equipment (aerial and surface)
7. Incubators, hatchers, mixers, crushers, etc.
8. Food processing equipment.
9. seeds (vegetables, pasture, flowers) nursery stock
10. Live animals
11. veterinary products
12. semen and embryos

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BOGOTA

Market: COLOMBIA

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Fairs and Missions support
- Trade Fair activity
- Competitive pricing
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- _____
- _____

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

- Activity: Explore availability of Canadian seeds (vegetable and pasture) for Colombia.
Expected Results: Increase awareness of Cda's capabilities to supply good seed
- Activity: Promote Canadian agriculture machinery among producers' associations
Expected Results: Increase awareness of farmers about Cdn expertise.
- Activity: Promote attendance of Canadian cattle judges to Colombian Agriculture Fairs.
Expected Results: Broaden influence of Cdn cattle industry in Colombia.
- Activity: Promote Canadian expertise in semen and embryos technology.
Expected Results: Increase Canadian presence in market.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BOGOTA

Market: COLOMBIA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	100.00 \$M	140.00 \$M	190.00 \$M	220.00 \$M
Canadian Exports	1.50 \$M	2.00 \$M	3.80 \$M	4.50 \$M
Canadian Share of Market	1.50 %	1.43 %	2.00 %	2.00 %

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

Major Competing Countries

Market Share

JAPAN	30.00 %
GERMANY WEST	20.00 %
UNITED STATES OF AMERICA	18.00 %
FRANCE	15.00 %
SPAIN	8.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. RURAL TELECOMMUNICATIONS EQUIPMENT
2. TV AND CABLE TV EQUIPMENT
3. CELLULAR TELEPHONE EQUIPMENT
4. TELEPHONE FAULT FINDING EQUIPMENT
5. ELECTRONIC TRAINING EQUIPMENT
6. EDUCATIONAL SOFTWARE

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- Fairs and Missions support
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BOGOTA

Market: COLOMBIA

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
 - Import duties are high
 - Restrictive quotas
 - Non-competitive pricing
 - Lack of promotion and advertising
 - Non-competitive financing
 - Limited appreciation/understanding of distribution system
 - Market prospects have not been adequately explored
-
-

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Promote Canadian suppliers in rural telecom projects.
Expected Results: Win business on one or more turnkey projects

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BOGOTA

Market: COLOMBIA

Sector : TRANSPORT SYS,EQUIP,COMP,SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	290.00 \$M	380.00 \$M	420.00 \$M	470.00 \$M
Canadian Exports	58.20 \$M	38.00 \$M	63.00 \$M	56.20 \$M
Canadian Share of Market	20.00 %	10.00 %	15.00 %	12.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries

Market Share

JAPAN	30.00 %
UNITED STATES OF AMERICA	25.00 %
FRANCE	15.00 %
BRAZIL	5.00 %

Current Status of Canadian
exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. RAILWAY LOCOMOTIVE SPARE PARTS
2. CIVILIAN AIRCRAFT
3. AIRPORT COMMUNICATIONS EQUIPMENT
4. AIRPORT NAVIGATION AIDS
5. AUTOMOTIVE SPARE PARTS
6. PORT CONSULTING SERVICES

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- Fairs and Missions support
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing

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DEPARTMENT OF EXTERNAL AFFAIRS

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BOGOTA

Market: COLOMBIA

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Restrictive quotas
- Non-competitive pricing
- Non-competitive financing

-

-

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BOGOTA

Market: COLOMBIA

Sector : MINE, METAL, MINERAL PROD & SRV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	150.00 \$M	170.00 \$M	150.00 \$M	200.00 \$M
Canadian Exports	15.00 \$M	18.00 \$M	18.00 \$M	20.00 \$M
Canadian Share of Market	10.00 %	10.60 %	12.00 %	10.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: \$M

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	40.00 %
GERMANY WEST	20.00 %
JAPAN	20.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. DUMPING TRUCKS
2. OPEN PIT EQUIPMENT
3. UNDERGROUND EQUIPMENT
4. GEOPHYSICAL SURVEY
5. CONSULTING SERVICES

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Fairs and Missions support
- Trade Fair activity
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing

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DEPARTMENT OF EXTERNAL AFFAIRS

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BOGOTA

Market: COLOMBIA

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Non-competitive financing

-

-

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BOGOTA

Market: COLOMBIA

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	190.00 \$M	220.00 \$M	300.00 \$M	350.00 \$M
Canadian Exports	3.50 \$M	7.00 \$M	10.00 \$M	14.00 \$M
Canadian Share of Market	1.84 %	3.18 %	3.33 %	4.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: \$M

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	58.00 %
JAPAN	10.00 %
GERMANY WEST	8.00 %
BRAZIL	7.00 %
VENEZUELA	4.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. PRODUCTION EQUIPMENT
2. EXPLORATION SERVICES
3. TRAINING SERVICES

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing

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DEPARTMENT OF EXTERNAL AFFAIRS

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BOGOTA

Market: COLOMBIA

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- _____
- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Establishment of EDC line of credit
Expected Results: Larger participation of Cdn companies.

Activity: Coordinate sectoral market strategy (Federal/Provincial)
Expected Results: Ensure efficient allocation of Trade Prom.Res.in this sector

Activity: Promote registration of Canadian Oil Equipment supply house with Ecopetrol.
Expected Results: Expand Ecopetrol sourcing in Canada

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BOGOTA

Market: ECUADOR

Sector : MINE, METAL, MINERAL PROD & SRV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	80.00 \$M	95.00 \$M	120.00 \$M	145.00 \$M
Canadian Exports	6.00 \$M	12.00 \$M	18.00 \$M	24.00 \$M
Canadian Share of Market	7.00 %	13.00 %	15.00 %	17.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: \$M

Major Competing Countries Market Share

UNITED STATES OF AMERICA	50.00 %
UNITED KINGDOM	15.00 %
GERMANY WEST	10.00 %
FRANCE	5.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. GOLD MINING
2. CONSULTING SERVICES
3. EXPLORATION SERVICES
4. MINING PLANTS/MILLS
5. SMALL EQPT/INSTRUMENTS
6. GEOPHYSICAL SERVICES
7. ASBESTOS
8. ZINC
9. ALUMINUM
10. SPECIAL STEEL PLANT
11. FORGED TOOLS JV

Factors contributing to current successful Canadian exports:

- Import duties are low
- Fairs and Missions support
- Provincial export promotion
- Strong sectoral capability in Canada
- Willingness of exporters to invest/joint venture in territory

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DEPARTMENT OF EXTERNAL AFFAIRS

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BOGOTA

Market: ECUADOR

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Restrictive standards
- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored

- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BOGOTA

Market: ECUADOR

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	17.00 \$M	22.00 \$M	85.00 \$M	280.00 \$M
Canadian Exports	0.10 \$M	1.20 \$M	12.00 \$M	45.00 \$M
Canadian Share of Market	0.50 %	5.00 %	14.00 %	16.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: \$M

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	65.00 %
FRANCE	10.00 %
VENEZUELA	8.00 %
BRAZIL	5.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. HELICOPTER SERVICES
2. HEAVY CRUDE EXPLOITATION
3. GAS LIFT
4. DRILLING EQUIPMENT
5. CONSULTING SERVICES
6. TRAINING SERVICES
7. PIPELINE SERVICING AND MAINTENANCE EQUIPMENT

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Trade Fair activity
- Provincial export promotion
- Strong sectoral capability in Canada
- Willingness of exporters to invest/joint venture in territory

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BOGOTA

Market: ECUADOR

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored

- _____
- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: OIL AND GAS REPORT

Expected Results: Assist canadian companies to identify opportunities.

Activity: ALBERTA OIL AND GAS MISSION

Expected Results: Greater awareness of Canadian expertise

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BOGOTA

Market: ECUADOR

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

CONOCO DEVELOPMENT PLAN	Approximate Value: 300 M\$
	Financing Source : TO BE DETERMINED
	Contact : Canadian Embassy/Bogota
GAS LIFT PROJECT/CEPE	Approximate Value: 20 M\$
	Financing Source : TO BE DETERMINED
	Contact : Canadian Embassy/Bogota
HEAVY CRUDE EXPLOITATION	Approximate Value: 40 M\$
	Financing Source : TO BE DETERMINED
	Contact : Canadian Embassy/Bogota
NEW PIPELINE	Approximate Value: 50 M\$
	Financing Source : TO BE DETERMINED
	Contact : Canadian Embassy/Bogota

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RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: BOGOTA

Country: COLOMBIA

The mission is of the opinion that Canada can reasonably expect to attract the following amount of foreign investment from its territory/country next year:

COLOMBIANS AND ECUADORIANS HAVE LITTLE INTEREST IN INVESTING IN CANADA. OUR PROMOTIONAL EFFORTS TO DATE HAVE BEEN DIRECTED TOWARDS THE ENTREPRENEUR AND INVESTOR CATEGORIES OF THE BUSINESS IMMIGRATION PROGRAM IN COOPERATION WITH THE IMMIGRATION DIVISION OF THE EMBASSY.

Canada's major competitors for investment from this territory/country are:

- UNITED STATES

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Bogota

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/07/00	Bogota International Fair National Stand	General

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: BRASILIA

Country: BRAZIL

4 A) TRADE PROMOTION OVERVIEW. Embassy territory covers 65% of Brazil and accounts for over 60 million of Brazil's 145 million inhabitants, level of urbanization is low and our territory accounts for a mere 25% of Brazil's GDP. Consequently, much of our trade promotion activity is centered on lobbying government ministries and agencies. Over the next year, we will be setting up the administrative infrastructure and developing a pro-active approach to the new CIDA INC fund for local initiatives. This new tool for trade promotion will play an increasingly important role in the pursuit of our major program activities as follows: (1) PROMOTION OF SALE OF SPAR SATELLITES. Our efforts will be focussed upon either a) assisting Spar in implementing the contract if awarded to Spar; or b) continuing to assist Spar should tender award be further delayed or should a new tender call be issued. (2) PROMOTION OF NORTEL/NOVATEL CONSORTIUM FOR CELLULAR TELEPHONY. We will assist consortium in negotiating and implementing the contract for Brasilia and assist in pursuit of upcoming cellular telephony tenders in Belo Horizonte, Salvador, Recife and Fortaleza. (3) EXPAND DEVELOPMENT OF BUSINESS LINKS IN BELO HORIZONTE. Considerable potential exists for direct trade promotion activities in Belo Horizonte, Brazil's third largest industrial center. We will expand upon the development already started over the last 3 years under the BCCC-INDI agreement. We will assist in the identification and selection of a new consultant and the development of a more comprehensive and pro-active approach to developing business associations with Minas Gerais. (4) ASSIST THERA-TRONICS IN FINALIZING MINISTRY OF HEALTH PROJECT and in promoting new sales of cancer treatment equipment to the Ministry of Health. (5) ASSIST BELL HELICOPTERS IN PURSUIT OF TENDER FOR SECOND BATTALION OF HELICOPTERS VALUED AT UP TO US\$ 150 MILLION. (6) PROMOTE ONGOING SALES OF CANADIAN LIVESTOCK AND GENETIC MATERIAL to major breeders and breeding associations located in Goias, Minas Gerais, Bahia and Pernambuco. (7) MONITOR DEVELOPMENTS IN WHEAT MARKET AND ASSIST CANADIAN WHEAT BOARD in pursuit of new opportunities emerging in Brazil as a result of changing market conditions. (8) ASSIST FES INTERNATIONAL IN FINALIZING SALE OF ELECTRONIC DIAGNOSTIC EQUIPMENT TO ELETRONORTE AND OTHER INTERESTED UTILITIES. (9) PROMOTE CANADIAN CAPABILITIES (CANADAIR, CONAIR, BC GOVT.) IN THE ENVIRONMENTAL PROTECTION/FOREST FIRE MANAGEMENT AREA WITH THE BRAZILIAN ENVIRONMENTAL PROTECTION AGENCY (IBAMA). (10) PROTECT AND EXPAND CANADIAN MARKET SHARE IN KEY COMMODITIES SUCH AS COAL, SULPHUR AND POTASH. It will be a continuing responsibility of the embassy to monitor market and make demarches to Brazilian government authorities to protect and expand our market share. (11) DEVELOP A NETWORK OF CONTACTS AND MARKET INTELLIGENCE OPPORTUNITIES IN BRAZIL'S MILITARY PROCUREMENT PROGRAM. (12) PROMOTE CANADIAN INVESTMENT OPPORTUNITIES WITH POTENTIAL BRAZILIAN INVESTORS. Due to recent relaxations in regulations affecting Brazilian investors, there has been growing interest in Canada as a gateway to the North American market, as evidenced by recent Brazilian investments in Canada.

B) ECONOMIC OVERVIEW. Brazil is of increasing relevance to Canada not only in the context of our new strategy for Latin America but in view of its stature as the world's eighth largest economy. We will continue our monitoring, representing and reporting relative to: (A) the Brazilian economy, (B) foreign debt; and Brazil's role in the MTN-GATT process,

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RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: BRASILIA

Country: BRAZIL

(C) agricultural commodities and farm policy; (D) minerals and mining policy; (E) Argentina-Brazilian economic integration.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: BRASILIA

Country: BRAZIL

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

1. AGRI & FOOD PRODUCTS & SERVICE
 - Canadian livestock especially dairy and goats recognized in Brazil for high genetic quality.
 - Intensive marketing efforts by Posts through seminars, fairs, and incoming missions have further increased awareness of superior genetic improvement programs in Canada.
2. ADVANCED TECH. PROD. & SERV
 - Due to very successful Brasilsat program (Spar) Brazilian officials well-disposed towards Canada for second generation satellites.
 - Cellular telephony offers interesting market opportunities for Northern Telecom who has already been awarded the contract for Brasilia.
3. POWER & ENERGY EQUIP. & SERV.
 - After several years hiatus, new hydro generation projects now being undertaken.
 - Lack of local funding may result in encouragement of private sector initiatives.
4. GRAINS AND OILSEEDS
 - Canada has reputation as reliable long-term supplier of good quality grain. President of Junta to Trigo is strong ally of Cda. Long term opportunities for Cdn wheat remain excellent. Due to market conditions, sales resumed in 1989 and should continue for the next few years at least for moderate quantities.
5. DEFENCE PROGRAMS, PRODUCTS, SERV
 - Brazil will be undertaking significant military procurement program that could involve Canadian sales of helicopters, communications equipment and advanced technology. In addition, Brazil has its own extensive defence industry where considerable potential exists for cooperation between Brazilian and Canadian companies.

6.

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

- | | |
|-------------------------------------|--------------------------------------|
| 1. MINE, METAL, MINERAL PROD & SRV | 4. TRANSPORT SYS, EQUIP, COMP, SERV. |
| 2. ADVANCED TECH. PROD. & SERV | 5. GRAINS AND OILSEEDS |
| 3. FOREST PRODUCTS, EQUIP, SERVICES | 6. |

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BRASILIA

Market: BRAZIL

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	800.00 \$M	900.00 \$M	1000.00 \$M	1300.00 \$M
Canadian Exports	25.00 \$M	90.00 \$M	100.00 \$M	260.00 \$M
Canadian Share of Market	10.00 %	10.00 %	10.00 %	20.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	30.00 %
ARGENTINA	15.00 %
EUROPEAN COMMON MARKET C	15.00 %
URUGUAY	10.00 %
EAST GERMANY	5.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Fertilizer (Potash)
2. Dairy and beef breeding cattle
3. Artificial insemination material
4. Swine, horses, goats and sheep
5. Poultry & hatching eggs
6. Seed potatoes
7. Lentils, peas, canary seed, mustard seed
8. Food processing equipment
9. Dairy products
10. Frozen beef, pork and offals

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRASILIA

Market: BRAZIL

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada
- Willingness of exporters to invest/joint venture in territory

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Restrictive standards
- Non-competitive pricing
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Performance of local agent or representative
- _____
- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Maintain and expand contacts with animal importers.
Expected Results: Establish new livestock sales.

Activity: Monitor and report on various market access issues, particularly for potash.
Expected Results: Ensure equal access and protect Canadian market share.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRASILIA

Market: BRAZIL

For the next fiscal year, the mission will carry out the following approved fairs and missions:

- Activity: Zebu cross breed show - Uberaba - 1990
Expected Results: Establish a new market for Canadian breeders
- Activity: Goiania agricultural exhibition - 1990
- Activity: Incoming technical artificial insemination mission - Apr. 90
Expected Results: Increased activity in cross breeding market for dairy/beef
- Activity: Incoming follo-up mission on seed potato exchange agreement.
Expected Results: Establish approved Canadian varieties for Brazilian market.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BRASILIA

Market: BRAZIL

Sector : GRAINS AND OILSEEDS

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1000.00 \$M	1000.00 \$M	1000.00 \$M	1500.00 \$M
Canadian Exports	136.00 \$M	5.00 \$M	75.00 \$M	150.00 \$M
Canadian Share of Market	14.00 %	1.00 %	7.50 %	15.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries

Market Share

ARGENTINA	45.00 %
UNITED STATES OF AMERICA	10.00 %
FRANCE	15.00 %
EUROPEAN COMMON MARKET C	10.00 %

Current Status of Canadian
exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. Wheat
2. Mustard seeds
3. Canary seeds

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Fairs and Missions support
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRASILIA

Market: BRAZIL

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Restrictive quotas
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Performance of local agent or representative
- _____
- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Continue to work with Junta do Trigo re: supply of Canadian wheat in view of foreseen need to import.

Expected Results: Resumption of wheat sales in 1989 and into the medium term.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BRASILIA

Market: BRAZIL

Sector : DEFENCE PROGRAMS, PRODUCTS, SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	400.00 \$M	300.00 \$M	350.00 \$M	450.00 \$M
Canadian Exports	30.00 \$M	30.00 \$M	40.00 \$M	100.00 \$M
Canadian Share of Market	3.00 %	10.00 %	11.00 %	22.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries	Market Share
UNITED KINGDOM	25.00 %
UNITED STATES OF AMERICA	25.00 %
FRANCE	14.00 %
GERMANY WEST	15.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Aircraft Engines
2. Grumman aircraft conversion kits
3. Naval Engineering
4. Satellite Communications
5. Vessel Control & Communication Systems
6. Engine Parts for Armoured Tanks
7. Marine Vessel Engines/Parts
8. Air Search Radar
9. Avionics Systems
10. Landing Systems

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRASILIA

Market: BRAZIL

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Import Prohibitions
- Sensitivities of marketing defence
- systems and tech. to non Nato memb.

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Follow up to HITECH 88.
Expected Results: Identify new opportunities: potential approx. \$20MM.

Activity: Assist group in bid on Grumman conversion.
Expected Results: Potential sale of kits \$50MM.

Activity: Prepare and distribute update on navy programs.

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

Activity: Revise defense sector report and prepare strategy.
Expected Results: Identify opportunities, recommend plan action following years

Activity: Resume contacts with Navy and CTA particularly abandoned since they cancelled CTA Mission to Canada.
Expected Results: Improve networking in Defence ind./chances increased sales.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRASILIA

Market: BRAZIL

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Marine Vessel Program

Approximate Value: 30 M\$

Financing Source : DOM - Domestically funded
B.C. - Buyer Credits required

Contact : CONGEN

Aircraft carrier modernization

Approximate Value: 50 M\$

Financing Source : DOM - Domestically funded
B.C. - Buyer Credits required

Contact : CONGEN

Grumman aircraft conversion

Approximate Value: 50 M\$

Financing Source : DOM - Domestically funded
B.C. - Buyer Credits required

Contact : CONGEN

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BRASILIA

Market: BRAZIL

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1000.00 \$M	2000.00 \$M	2500.00 \$M	3000.00 \$M
Canadian Exports	38.00 \$M	50.00 \$M	100.00 \$M	150.00 \$M
Canadian Share of Market	3.80 %	2.50 %	4.00 %	2.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	30.00 %
JAPAN	10.00 %
FRANCE	5.00 %
PACIFIC RIM COUNTRIES	5.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Digital switches
2. Cellular telephony
3. Satellite receivers & equipment
4. Satellite communications equipment
5. Software
6. Instrumentation

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRASILIA

Market: BRAZIL

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Restrictive quotas
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Performance of local agent or representative

- _____
- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Cellular telephony projects in various cities.
Expected Results: Implement Brasilia contract.

Activity: Brasilsat communications satellite.
Expected Results: Assist Spar in efforts win contract and implement contract.

Activity: REDE SCADA system for railways
Expected Results: Assist SASKTEL (low bidder) in efforts to win contract.

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

Activity: Identify market opportunities in regional utilities in northeast Brazil.
Expected Results: Identify new markets for Canadian exporters.

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: BRASILIA

Country: BRAZIL

The mission is of the opinion that Canada can reasonably expect to attract the following amount of foreign investment from its territory/country next year:

Of growing importance due to recent changes in Brazilian regulations which remove some restrictions on Brazilian foreign investment, Brazilian investors are increasingly interested in Canada as a "gateway" to North America.

Canada's major competitors for investment from this territory/country are:

- U.S.A.
- EEC
- Latin America

The following types of activities are currently being undertaken by Canada's major competitors to attract investment from this territory/country:

- Prior to recent changes in Brazil's formerly restrictive regulations covering foreign investment, there was little or no possibility of attracting Brazilian capital and thus there were few, if any, activities undertaken by our competitors to attract Brazilian capital.

Compared to major competitive destinations, Canada is perceived to have the following advantages:

- Gateway to North America after the FTA.
- Secure investment climate.
- Economic prospects are stable and promising.

The mission indicates the following potential for various types of investment from within its territory/country:

Type of Investment	Potential
Portfolio	HIGH
Acquisition	HIGH
Greenfield	LOW
Joint Venture	MEDIUM
Strategic Partnering	HIGH
Technology Licensing	MEDIUM

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RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: BRASILIA

Country: BRAZIL

The mission believes that the following sectors are of greatest interest to investors in its territory/country an assigned ranking A = High B = Medium C = Low

Sector	Ranking
Agriculture/Food/Fish	C
Resource Processing	A
Machinery and Equipment	B
Transportation	B
Consumer Products	B
Commercial Service	C
Computer and Communications	C
Health Care Products/Medical	C
Aerospace and Defence	B
Strategic Technologies	C

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PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Brasilia

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/05/00 Booth	GOIANIA 90, Brazil Products	Agriculture and Food Info
90/05/00	Swine Buyers Mission from Latin America	Agri Food Products
90/09/00	Urban Transit Buyers from Latin America	Transportation Sys, Equip Comp, Services
90/09/00	Cattle Buyers from Latin America	Transport Sys., Equip, Comp Services

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: SAO PAULO

Country: BRAZIL

The period following "Plano Verao" (Jan-Mar 1989) was marked by a recession and by an immediate return to chronic high inflation (36% in Sept 1989). GPD in 1988 had declined by 0.3%. The first quarter of 1989 showed a decline of 2.4% over 1988 with further drop by year end forecasted. In 1988 indl output fell 2.6% in the first half of 1989 by another 3.6%. While 1989 began with an increase in exports of 28%, sales in the first 8 months dropped to US\$23.4 billion, approx. 6% over 1988. Total exports for 1989 are expected to be US\$ 34.0 billion. Relaxation of import controls indicate the first concrete signs of change. Imports grew by almost 21% in the first 8 months compared to the same period of 1988. The year end forecast for total imports is US\$18.0 billion. Neither the increase in energy consumption, employment and production levels, nor relative social stability reflect the grim picture portrayed by official GPD stats. While difficult to prove, the informal sector accounts for up to 50% of increased economic activity while contributing to a higher GDP, higher demand for consumer and capital goods, and signs of an economy possibly overheating.

Meanwhile, private firms are awaiting results of the forthcoming presidential election before making the further investments needed for expansion. High interest rates on the overnight market (50-60% month) have acted as a restraint to potentially uncontrollable capital flight. Although imports are increasing, the 35% average rate of import duty is still an important barrier which exporters must face. However, current government regulations and limits on cruzado financing compel firms and parastatals to seek project financing offshore, a situation which Canadian exporters can take advantage of. Unless Brazilians elect a leftist government, we believe the economy should show signs of private sector led growth. With little means to grow and to remain credible with lending institutions and foreign governments, the public sector will have to reduce activity and balance its budget. A new "volet" to our Program will be promoting Brazilian investments in Canada. With the relaxation of regulations on Brazilian investments abroad and to take advantage of the opportunities provided by the Canada-US Free Trade Agreement, the Brazilian private sector shows increasing interest in investing in Canada. Tourism is also an activity which we intend to promote. Maintaining credibility while increasing benefits for Canada in the complex Brazilian environment, will require a balance between our export drive, our industrial cooperation program, and our push for more investment in Canada.

The main objectives of our trade program for 90-91 are:

- 1) to secure market access and maintain market access and maintain market share of our traditional exports;
- 2) to increase exports and consolidate our position in priority market niches already identified, to identify new market niches and to develop a stronger business and industrial network based on our priority sectors (transportation, advanced technology, oil/gas, chemicals and petrochemicals, agriculture, pulp/paper); and
- 3) to promote Canada as a gateway to the North American market.

The following types of activities are planned:

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: SAO PAULO

Country: BRAZIL

- 1) specialized fairs, missions and seminars;
- 2) pro-active use of CIDA INC funds to:
 - a) support projects receiving IFI financing and those with regional development banks and agencies, and
 - b) to upgrade our business/industrial network.
- 3) enhance economic/political reporting;
- 4) enhance coverage of other states outside Sao Paulo;
- 5) new initiatives in investment and tourism promotion; and
- 6) closer coordination between post's activities and continuous support of CCBC.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: SAO PAULO

Country: BRAZIL

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

1. **TRANSPORT SYS, EQUIP, COMP, SERV.**
Investment in transport is a priority for the country. Rail projects offer a market of US\$ 300-400 million over the next 3-4 yrs. CDN well positioned in this subsector. MLS, aircraft engines, and naval equipt. and services also offer significant opportunities.
2. **ADVANCED TECH. PROD. & SERV**
With the "market reserve" in informatics expected to be lifted in early '91, and given Brazils need for new technologies, CDN companies must maintain their momentum in penetrating the market. CDN software and technology is already well recognized and accepted by Brazil and is well placed against foreign competition.
3. **OIL & GAS EQUIPMENT, SERVICES**
Petrobras is finally showing signs of opening procurement of foreign equipment and services. As a result of govt regulations and limits on cruzado financing of parastatals, offshore financing is now a must for Petrobras to implement its projects. Acknowledged CDN expertise and a CDN\$ 10 million EDC LOC place CDN companies in a strong position.
4. **CHEM PROD & PETROCHEM, EQP, SERV**
Reduction in duties by CACEX on fine chemicals from 40% to 5%, provide a long awaited opportunity for CDN industry. Several major chemical complexes are in the planning, and we would hope to see CDN technology and equipment being procured. Special marketing efforts will be undertaken towards this goal.
5. **AGRI & FOOD PRODUCTS & SERVICE**
CDN exporters of beef and dairy cattle are just starting to benefit from years of promotion efforts. Considering that Brazil is the 2nd most important market in the world (after USA), our presence must be maintained and increased in other subsectors incl. ovine, equine, and porcine. Import relaxation could permit export of machinery & equipt.
6. **FOREST PRODUCTS, EQUIP, SERVICES**
The investment programme of the Brazilian Industry has now been increased to US\$ 10.0 billion until '95. This, coupled with the need for offshore financing is generating interest for foreign equipt. and services and we are now beginning to recieve inquiries on EDC. However high import tariffs and the law of similars will still be a hurdle.

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

- | | |
|--------------------------------------|-------------------------------------|
| 1. AGRI & FOOD PRODUCTS & SERVICE | 4. CHEM PROD & PETROCHEM, EQP, SERV |
| 2. OIL & GAS EQUIPMENT, SERVICES | 5. |
| 3. TRANSPORT SYS, EQUIP, COMP, SERV. | 6. |

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAO PAULO

Market: BRAZIL

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	800.00 \$M	900.00 \$M	1000.00 \$M	1300.00 \$M
Canadian Exports	25.00 \$M	90.00 \$M	100.00 \$M	260.00 \$M
Canadian Share of Market	10.00 %	10.00 %	10.00 %	20.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	30.00 %
ARGENTINA	15.00 %
EUROPEAN COMMON MARKET C	15.00 %
URUGUAY	10.00 %
EAST GERMANY	5.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Fertilizer (potash).
2. Dairy and beef breeding cattle.
3. Artificial insemination material.
4. Swine, horses, goats and sheep.
5. Poultry and hatching eggs.
6. Seed potatoes.
7. Lentils, peas, mustard seeds.
8. Food processing equipment.
9. Agricultural machinery.
10. Dairy products.
11. Frozen beef, pork and beef offals.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Willingness of exporters to invest/joint venture in territory

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
 - Non-competitive pricing
 - Lack of promotion and advertising
 - Limited appreciation/understanding of distribution system
 - Market prospects have not been adequately explored
 - Performance of local agent or representative
-
-

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

- Activity: Follow up on participation in Expointer'89 and Expotiba'89, and with CDN sponsored visitors RAWF & Agribition.
- Expected Results: Up to \$5-6 million in sales of livestock and semen.
- Activity: Maintain/expand contacts with bovine, swine, horses, poultry, sheep and goats importers.
- Expected Results: Firm up new rep. agreements and sales of livestock.
- Activity: Monitor and report on various mkt access issues affecting CDN exports, particularly trade arrangements for potash.
- Expected Results: Ensure, equal access to CDN suppliers.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

For the next fiscal year, the mission will carry out the following approved fairs and missions:

- Activity: Expointer'90 - Rio Grande do Sul.
Expected Results: Maintain and enlarge CDN participation in agric. mkt.
- Activity: Expotiba'90 - Parana.
- Activity: Incoming Technical Artificial Insemination Mission/April'90.
Expected Results: Increased activity in cross breeding mkt, dairy and beef.
- Activity: Incoming follow up mission on seed potato exchange agreement.
Expected Results: Increase of CDN varieties in table stock and industrial mkt.

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

- Activity: Incoming cross breeding technical mission.
Expected Results: Expansion of CDN market share.
- Activity: Pursue agric. cooperation agreement with Parana regarding livestock and genetic material.
Expected Results: Increased sales of all material for dairy & beef cattle.
- Activity: Official participation in regional agric. shows (eg. Maringa, Londrina, and Curitiba).
Expected Results: Sales of livestock and A.I. material (up to \$2-3 million).
- Activity: Development of contacts with agric secretariats of southern states, breeding assocs, and agric. federations.
Expected Results: Expected sales opportunities for CDN livestock A.I. materials

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Grain storage/handling

Approximate Value: 0 M\$
Financing Source : IBRD - World Bank
IDA - World Bank
Contact : Consulate General, Sao Paulo.
Embassy Brasilia.

Irrigation project

Approximate Value: 0 M\$
Financing Source : IBRD - World Bank
IDA - World Bank
Contact : Consulate General, Sao Paulo.
Embassy Brasilia.

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAO PAULO

Market: BRAZIL

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1000.00 \$M	2000.00 \$M	2500.00 \$M	3000.00 \$M
Canadian Exports	38.00 \$M	50.00 \$M	100.00 \$M	150.00 \$M
Canadian Share of Market	3.80 %	2.50 %	2.50 %	5.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries Market Share

UNITED STATES OF AMERICA	30.00 %
JAPAN	10.00 %
PACIFIC RIM COUNTRIES	5.00 %
FRANCE	5.00 %
FRENCH GUIANA	5.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Digital Switches.
2. Mobile Cellular Tel System.
3. Satellite Receivers and Equipment.
4. Satellites Communications System.
5. Software (in general).
6. Instrumentation.

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Performance of local agent or representative
- Law of Nat.Sim., Inf.
- Go-Slow Cacex/Sei.
- Cdn cos not used Brzln procedures

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

- Activity: Mobile Cellular Telephone Systems.
Expected Results: Elebra/N.Telecom/Novatel won Brsla;Constestes by competition
- Activity: Communication Satellites - Phase II of BRZLN Comm. Sat. Program (Brasilsat III and IV).
Expected Results: Spar delivered BID, competing with Hughes:result end 09/89.
- Activity: Support to CDN software companies.
Expected Results: Several representations signed others forthcoming.

For the next fiscal year, the mission will carry out the following approved fairs and missions:

- Activity: Informatica 90 - Rio de Janeiro.
Expected Results: Info booth - Mkt awareness support to cos in market.
- Activity: Informatica 91 - Sao Paulo.
Expected Results: Newmarket identification.
- Activity: Canadian Computer Show & Conference - Oct'90.
Expected Results: Exposure of leaders of BRZLN industry and CDN market.

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

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

Activity: Continued participation in technical seminars promoted by RNT and others.

Expected Results: Increased awareness to CDN technologies.

Activity: Reports on subsectors.

Expected Results: Market opportunity identification.

Activity: Intercomm 90 VCR (in conj. with CDN Comp Show).

Expected Results: Exposure of leaders at BRZLN industry and CDN market.

Activity: Participation in seminars and conferences.

Expected Results: Increased knowledge of market awareness of CDN technologies.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Mobile Cellular Tel. System	Approximate Value: 60 M\$ Financing Source : EDC - Export Dev Corporation CIDA - Cdn Int'l Dev Agency DOM - Domestically funded Contact : Consulate General, Sao Paulo.
Communication Satellites Related Equipments	Approximate Value: 300 M\$ Financing Source : EDC - Export Dev Corporation CIDA - Cdn Int'l Dev Agency DOM - Domestically funded Contact : Consulate General, Sao Paulo.
Software and Systems	Approximate Value: 0 M\$ Financing Source : DOM - Domestically funded Contact : Consulate General, Sao Paulo.
Scada Systems	Approximate Value: 0 M\$ Financing Source : EDC - Export Dev Corporation DOM - Domestically funded Contact : Consulate General, Sao Paulo.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAO PAULO

Market: BRAZIL

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	725.00 \$M	400.00 \$M	600.00 \$M	900.00 \$M
Canadian Exports	2.00 \$M	4.00 \$M	6.00 \$M	8.00 \$M
Canadian Share of Market	0.30 %	1.00 %	1.00 %	1.00 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	30.00 %
JAPAN	20.00 %
FRENCH GUIANA	10.00 %
FRANCE	5.00 %
ITALY	5.00 %
EAST GERMANY	5.00 %

Current Status of Canadian
exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. Test and analysis equipments and services.
2. Control systems (SCADA).
3. Consulting services.
4. Instrumentation.
5. High voltage transformers.
6. Circuit breakers.
7. Network protectors.

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Law of National
- Similar.
- Local ind meets 95% of requirements

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Post will give continued support to CDN companies in marketing and sales activities in Brazil.

Expected Results: Increment of sales in niche opportunities.

Activity: Continued assistance to FES Intal. and Vibrometer Inc.

Expected Results: Sales of highly specialized instrumentation to utilities.

Activity: Assistance to Ontario Hydro.

Expected Results: Consulting services.

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAO PAULO

Market: BRAZIL

Sector : TRANSPORT SYS,EQUIP,COMP,SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	979.00 \$M	1048.00 \$M	1200.00 \$M	1380.00 \$M
Canadian Exports	111.00 \$M	140.00 \$M	210.00 \$M	240.00 \$M
Canadian Share of Market	11.30 %	13.40 %	17.50 %	17.30 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: \$M

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	35.00 %
JAPAN	10.00 %
ITALY	15.00 %
FRANCE	20.00 %
UNITED KINGDOM	10.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Aircraft engines.
2. Locomotives and spare parts.
3. Communication equipment.
4. Trails.
5. Signalling equipment.
6. MLS - Landing system.
7. Cargo/Rail Transport management systems/services.
8. Ships design/engineering.
9. Consulting services.
10. Marine vessels equipment.

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- CIDA programs
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Competitive Canadian financing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Market prospects have not been adequately explored
- Local availability of services
- Goods are protect foreign trade pol

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Rail mission to Brazil.

Expected Results: Consolidate Canada's image as a supplier of equip & serv.

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

Activity: Technical seminar - Canadian Railway Industry (in Canada).

Expected Results: Exposed CDN capab/enable CDN manuf meet key decision makers.

Activity: Technical seminar on MLS - Landing systems.

Expected Results: Develop a deeper knowledge of CDN now-how among BRZLN auth.

Activity: Report on the Brazilian market of ships design/engineering and marine vessels equipment.

Expected Results: Identify opportunities for CDN companies.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Ferroeste - Railway Project	Approximate Value: 475 M\$
	Financing Source : IBRD - World Bank DOM - Domestically funded B.C. - Buyer Credits required
	Contact : Consulate General, Sao Paulo.
Fepasa Rehabilitation Project	Approximate Value: 225 M\$
	Financing Source : IBRD - World Bank DOM - Domestically funded B.C. - Buyer Credits required
	Contact : Consulate General, Sao Paulo.
Export Corridor Project	Approximate Value: 400 M\$
	Financing Source : IBRD - World Bank DOM - Domestically funded
	Contact : Consulate General, Sao Paulo.
Ferronorte	Approximate Value: 2500 M\$
	Financing Source : DOM - Domestically funded B.C. - Buyer Credits required
	Contact : Consulate General, Sao Paulo.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAO PAULO

Market: BRAZIL

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	250.00 \$M	250.00 \$M	300.00 \$M	35.00 \$M
Canadian Exports	55.00 \$M	65.00 \$M	75.00 \$M	90.00 \$M
Canadian Share of Market	22.00 %	26.00 %	25.00 %	26.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries Market Share

FINLAND	16.00 %
CHILE	15.00 %
UNITED STATES OF AMERICA	11.00 %
NORWAY	10.00 %
SWEDEN	3.00 %
BRAZIL	3.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Newsprint.
2. Pulp.
3. Process control equipment.
4. Engineering services.
5. Pulp and papers making equipment.
6. Forest management, technical cooperation.

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- CIDA programs
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
 - Indigenous capabilities
 -
-

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

- Activity: Continue to support by H.A.Simons and their JV with Natron. Assist them to protect market share.
Expected Results: Increased exposure to Brzln coys & new consulting contracts.
- Activity: Provide continued assistance to Valmet/Sentrol in their mktg strategy and protect mkt share from USA competition.
Expected Results: Achieve 4/5 additional contracts (\$4-5 million) next year.
- Activity: Assist other CDN exporters on ongoing basis, (eg. Universal Paper, Carborundum, USP Ind.).
Expected Results: Incremental sales next year of \$6-7 million.

For the next fiscal year, the mission will carry out the following approved fairs and missions:

- Activity: Official co-participation of Paper Congress 89.

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

- Activity: Intensify regular contact with senior officials of Brazilian pulp and paper mills (ANFPC - ABCP).
Expected Results: Inform CDN industry of tender opportunities.
- Activity: Report on major pulp and paper projects seek to develop technical coop. between CDN and Brazilian forestry agencies.
Expected Results: More tech. coop. activities (incl. reciprocal visits).

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Aracruz Pulp & Paper Expansion	Approximate Value: 1200 M\$
	Financing Source : DOM - Domestically funded B.C. - Buyer Credits required
	Contact : Consulate General, Sao Paulo.
Klabin Expansion Project	Approximate Value: 1000 M\$
	Financing Source : DOM - Domestically funded B.C. - Buyer Credits required
	Contact : Consulate Genera, Sao Paulo.
Suzano/Bahiasul Exp.Project	Approximate Value: 2000 M\$
	Financing Source : DOM - Domestically funded B.C. - Buyer Credits required
	Contact : Consulate General, Sao Paulo.
Morro Verde New Pulp Mill	Approximate Value: 200 M\$
	Financing Source : DOM - Domestically funded B.C. - Buyer Credits required
	Contact : Consulate General, Sao Paulo.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAO PAULO

Market: BRAZIL

Sector : MINE, METAL, MINERAL PROD & SRV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	2087.00 \$M	1900.00 \$M	1950.00 \$M	2300.00 \$M
Canadian Exports	167.00 \$M	115.00 \$M	110.00 \$M	160.00 \$M
Canadian Share of Market	8.00 %	6.00 %	6.00 %	7.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	40.00 %
POLAND	18.00 %
UNITED KINGDOM	9.00 %
AUSTRALIA	7.00 %
FINLAND	5.00 %
SOUTH AFRICA	5.00 %

Current Status of Canadian
exports in this sector/subsector: No export results to date

Products/services for which there are good market prospects:

1. Sulphur.
2. Coal.
3. Consulting/Engineering.
4. Underground mine equipment.
5. Zinc.
6. Continuous mining system.
7. Longwall system.
8. Jumbos.

Factors contributing to current successful Canadian exports:

- Provincial export promotion
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Lack of promotion and advertising
- Market prospects have not been adequately explored
- _____
- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Exposibram 89.
Expected Results: Direct sales/Joint ventures/Transfer of technology.

Activity: Mintec 89.
Expected Results: Direct sales (services and equipments).

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Mining Seminar 90.
Expected Results: Direct sales/joint ventures/transfer of technology.

Activity: Exposibram 91.
Expected Results: Increment of sales/JV-TT agreements.

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

Activity: Continued assistance to CDN companies trying to establish presence in mkt via agents or directly.
Expected Results: Agency agreements/direct sales.

Activity: Intensify contacts with Associations/Companies.
Expected Results: Identification of niches/introducing new CDN suppliers.

Activity: Mining Mission 91.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

CVRD Gold Project	Approximate Value: 200 M\$ Financing Source : DOM - Domestically funded Contact : Consulate General, Sao Paulo.
CVRD Copper Project	Approximate Value: 900 M\$ Financing Source : DOM - Domestically funded Contact : Consulate General, Sao Paulo.
Paranapanema Gold Project	Approximate Value: 60 M\$ Financing Source : DOM - Domestically funded Contact : Consulate General, Sao Paulo.
CRM Coal Project	Approximate Value: 80 M\$ Financing Source : DOM - Domestically funded IBRD - World Bank IDA - World Bank Contact : Consulate General, Sao Paulo.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAO PAULO

Market: BRAZIL

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	300.00 \$M	300.00 \$M	400.00 \$M	500.00 \$M
Canadian Exports	15.00 \$M	20.00 \$M	20.00 \$M	30.00 \$M
Canadian Share of Market	5.00 %	7.00 %	5.00 %	6.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	35.00 %
FRANCE	15.00 %
UNITED KINGDOM	15.00 %
GERMANY WEST	10.00 %
NORWAY	5.00 %
JAPAN	5.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Deep water production systems.
2. Natural gas distribution consulting services.
3. Natural gas processing plants.
4. Pipeline engineering.
5. Natural gas compressors and turbines.
6. SCADA systems.
7. Sludge and waste disposal systems.
8. Testing inspection & monitoring instruments/serv.
9. Drilling equipment and services.
10. Natural gas conversion for vehicles.
11. Data interpretation software and services.
12. Process simulation software and services.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory
- Long term commitment to

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Import Licenses, and
- Law of Similars
- CDN companies are small and often
- lack resources for longterm mktg.

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Enchova Platform. US\$400. mil. NORTHRIDGE aggressively pursuing foreign component valued at approx. US\$85.mil.
Expected Results: Tenders in early 90. EDC issued of Letter of Interest .

Activity: Amazon LNG Project. PROPAK preparing detailed proposal.
Expected Results: US\$8.mil sale through EDC credit facility.

Activity: AFS gas conversion system for buses.
Expected Results: Hopefull j.v with SULZER will be concluded for production.

Activity: NORTHRIDGE acting as exporter of record (reps. 30 CDN coys) for export to PETROBRAS.
Expected Results: Immediate sales of CDN equipment and services.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: CONEXPO 90 -- Rio de Janeiro.

Expected Results: Consolidation of CDN profile within PETROBRAS.

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Enchova Platform	Approximate Value: 400 M\$ Financing Source : EDC - Export Dev Corporation Contact : Consulate General, Sao Paulo
Amazon LNG Project	Approximate Value: 10 M\$ Financing Source : EDC - Export Dev Corporation Contact : Consulate General, Sao Paulo
Gas Conversion for Buses	Approximate Value: 0 M\$ Financing Source : EDC - Export Dev Corporation Contact : Consulate General, Sao Paulo
Underwater Manifold, PETROBRAS	Approximate Value: 100 M\$ Financing Source : EDC - Export Dev Corporation Contact : Consulate General, Sao Paulo

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAO PAULO

Market: BRAZIL

Sector : CHEM PROD & PETROCHEM, EQP, SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	2900.00 \$M	3200.00 \$M	3200.00 \$M	3700.00 \$M
Canadian Exports	17.50 \$M	22.00 \$M	23.00 \$M	31.00 \$M
Canadian Share of Market	1.30 %	0.70 %	0.70 %	0.85 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	28.00 %
UNITED KINGDOM	12.00 %
GERMANY WEST	10.00 %
ITALY	10.00 %
FRANCE	7.00 %
SWITZERLAND	4.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Fine chemicals.
2. Industrial chemicals.
3. Synthetic rubber.
4. Inorganic chemicals.
5. High pressure couplings.
6. Petrochemicals equipment.
7. Chemical waste disposal system.
8. Services.

Factors contributing to current successful Canadian exports:

- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing

14/12/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPTD2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: SAO PAULO

The mission has proposed the following investment promotion activities for the next fiscal year:

Seq #

Date

Type: DIRECT MAIL CAMPAIGN

1 Event Description:

06/91

This will be the Post's first event of this type. Propose to use CDA-US F.T.A documentation to generate interest.

City :Sao Paulo

Country :BRAZIL

Investment Nature:Acquisition
Joint Venture

Investment Sector:RESOURCE PROCESSING

Event Cooperants :

Estimated Budget : \$3,000.00

Total estimated budget for all proposals: \$3,000.00

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Sao Paulo

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/08/00	EXPOINTER 90, Brazil Info Booth	Agri & Food Prod., & Services
90/09/00	INFORMATICA 90 Fair, National Stand	Advanced Tech. Prod. Services
90/11/00	EXPOTIBA 90 Info Booth	Agri & Food Prod., & Services

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: BRIDGETOWN

Country: BARBADOS

Barbados is again expected to achieve modest real growth in the 2 to 3% range in 1989 - a level which should be maintainable into 1990. Economic expansion in the Windward/Leeward Islands has been more robust (of late averaging 6%), but recent hurricane damage to crops, tourism facilities and other infrastructure (notably the devastation of Montserrat) will inhibit the overall performance of these islands in 1990. All are small and open economies, very import oriented and most are heavily reliant on tourism and the export of basic commodities. Inflation, although increasing throughout most of the territory, remains moderate while unemployment rates, which generally improved somewhat in 1989, are still high in many of these countries. Productivity and wage levels are cause for concern relative to the regions export and tourism competitiveness and devaluation remains a possibility.

Growth in Barbados was again led by the service sector (tourism in particular), plus construction and modest improvements in manufacturing. Import levels picked up somewhat in 1989 (US\$650 million) but balance of payments, foreign reserve and liquidity concerns will likely lead to dampened demand in 1990. Another fiscally conservative budget for 1989/90 included more new taxation plus expenditure restrictions. The performance of the agricultural sector, notably sugar, continues to deteriorate. Diversification in non-traditional crops and agro-processing has been disappointing but offers long term potential.

In most of the Windward and Leeward Islands, sustainable growth in the critical but often fickle tourism sector looks promising, with significant tourism related construction/refurbishment activities continuing. Antigua and St. Kitts should be able to rebound relatively quickly from Hurricane Hugo but for Montserrat the reconstruction and reactivation of the tourism sector will be more protracted. Agriculture output has weakened marginally and future performance depends on overcoming quality and market access problems and the rate of recovery from hurricane damage, (in particular Dominica's banana industry).

Encouraged by new initiatives within the Caricom group, regional trade levels should continue to improve. Protectionist pressures are mounting and with increasing levels of local production, assembly or finishing, restrictions on extra-regional goods are likely to tighten. Territory exports to major trading partners, in spite of facilitative programs such as CBI, Lome and Caribbean, are unlikely to grow substantially without greater private sector investment, productivity improvements and the further development of entrepreneurial skills. The level of Canadian sales to the territory and maintenance or improvement to our market share (particularly building materials and food products) remains somewhat dependent on the Cdn-US dollar exchange rate. A substantial trade surplus in our favour will be maintained. The major extra-regional suppliers continue to be the USA, the UK and Canada.

Trading houses retain an important role in our trade development activities; often being the most effective means of serving the small island markets. Multilateral and bilateral funding, particularly to the Windward and Leeward Islands, provide a major focus for project work in the territory plus ongoing opportunities for consultants/contractors/suppliers.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: BRIDGETOWN

Country: BARBADOS

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

1. AGRI & FOOD PRODUCTS & SERVICE
Same as last year

2. CONSTRUCTION INDUSTRY

3. ADVANCED TECH. PROD. & SERV

4. EDUCATION, MEDICAL, HEALTH PROD

5.

6.

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

1. AGRI & FOOD PRODUCTS & SERVICE
2. CONSTRUCTION INDUSTRY
3. ADVANCED TECH. PROD. & SERV

4. EDUCATION, MEDICAL, HEALTH PROD
5.
6.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BRIDGETOWN

Market: BARBADOS

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	130.00 \$M	137.70 \$M	140.00 \$M	142.00 \$M
Canadian Exports	12.30 \$M	13.00 \$M	13.50 \$M	14.00 \$M
Canadian Share of Market	9.50 %	9.58 %	9.65 %	9.85 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	32.10 %
UNITED KINGDOM	8.77 %

Current Status of Canadian
exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. Meat & Meat by-products
2. Semi & Processed foods
3. Feed, fertilizer and veterinary products
4. Horticulture
5. Breeding Stock

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- Fairs and Missions support
- Provincial export promotion
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Restrictive quotas
- Non-competitive pricing
- High degree of protection for
- CARICOM producers/manufacturers

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRIDGETOWN

Market: BARBADOS

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

Activity: Promote additional joint ventures in agriculture sector
Expected Results: Additional sales, technology transfer

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BRIDGETOWN

Market: BARBADOS

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	23.90 \$M	29.20 \$M	30.00 \$M	32.00 \$M
Canadian Exports	4.80 \$M	6.60 \$M	7.00 \$M	7.60 \$M
Canadian Share of Market	20.24 %	22.45 %	23.50 %	23.75 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	45.77 %
UNITED KINGDOM	5.04 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Telecommunications
2. Other electronics

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Strong sectoral capability in Canada
- Competitive Canadian financing

Factors for Canadian exports not reaching market potential:

- Market prospects have not been adequately explored
- _____
- _____

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRIDGETOWN

Market: BARBADOS

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

Activity: Facilitate new export financing for Canadian
Telecommunications and informatics, equipment and services

Expected Results: Additional sales, technology transfer

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BRIDGETOWN

Market: BARBADOS

Sector : EDUCATION, MEDICAL, HEALTH PROD

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	28.40 \$M	24.80 \$M	25.50 \$M	26.00 \$M
Canadian Exports	3.55 \$M	3.73 \$M	3.82 \$M	3.95 \$M
Canadian Share of Market	15.23 %	15.05 %	15.00 %	15.10 %

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

Major Competing Countries

Market Share

UNITED KINGDOM	31.46 %
UNITED STATES OF AMERICA	27.78 %

Current Status of Canadian
exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. Educational equipment
2. Pharmaceuticals
3. Hospital and medical equipment

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Competitive pricing
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Market prospects have not been adequately explored
- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRIDGETOWN

Market: BARBADOS

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Procurement for OECS Tech/Voc/Educ Project
Expected Results: New supplies, additional sales

Activity: Canadian trading houses in Education, health and medical sector

Expected Results: Generate additional sales

Projects or portions of major projects within this sector/sub-sector s in the planning stage which provide opportunities for Canadian suppliers:

Education II

Approximate Value: 15 M\$
Financing Source : IBRD - World Bank
IADB - Inter-American Dev Bank
Contact : M. Strybos, Commercial Officer
Telex: 2247 Canada WB

OECS Tech/Voc/Educ Project

Approximate Value: 30 M\$
Financing Source : CDB - Caribbean Devlpmt Bank
Contact : M. Strybos, Commercial Officer
Telex: 2247 Canada WB

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BRIDGETOWN

Market: BARBADOS

Sector : CONSTRUCTION INDUSTRY

Sub-Sector: BUILDING PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	59.90 \$M	73.10 \$M	75.00 \$M	76.00 \$M
Canadian Exports	4.55 \$M	3.30 \$M	3.50 \$M	4.00 \$M
Canadian Share of Market	7.59 %	4.52 %	4.67 %	5.27 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	43.80 %
UNITED KINGDOM	11.90 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Building products
2. Equipment

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- CIDA programs

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRIDGETOWN

Market: BARBADOS

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

Activity: Actively pursue upcoming construction projects financed by CDB

Expected Results: At least \$20.0 million in new business

Activity: Ongoing efforts with Trading Houses specializing in building products

Expected Results: Additional sales and improved market share

Projects or portions of major projects within this sector/sub-sector s in the planning stage which provide opportunities for Canadian suppliers:

South & West Coast Sewerage	Approximate Value:	30 M\$
Project Barbados, Construction	Financing Source :	IADB - Inter-American Dev Bank
	Contact	: K. Whiting, Counsellor (Com)
		Telex: 2247 Canada WB
Leeward Highway, St. Vincent	Approximate Value:	10 M\$
	Financing Source :	CDB - Caribbean Devlpmt Bank
	Contact	: K. Whiting, Counsellor (Com)
		Telex: 2247 Canada WB
New Wharf, Montserrat	Approximate Value:	20 M\$
	Financing Source :	CIDA - Cdn Int'l Dev Agency
		CDB - Caribbean Devlpmt Bank
	Contact	: K. Whiting, Counsellor (Com)
		Telex: 2247 Canada WB
Roseau Dam, St. Lucia	Approximate Value:	50 M\$
	Financing Source :	CIDA - Cdn Int'l Dev Agency
		CDB - Caribbean Devlpmt Bank
		OPEC/FIN - OPEC Fnd Int'l Dev
	Contact	: K. Whiting, Counsellor (Com)
		Telex: 2247 Canada WB

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BRIDGETOWN

Market: BARBADOS

Sector : CONSTRUCTION INDUSTRY

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	59.90 \$M	73.10 \$M	75.00 \$M	76.00 \$M
Canadian Exports	4.55 \$M	3.30 \$M	3.50 \$M	4.00 \$M
Canadian Share of Market	7.59 %	4.52 %	4.67 %	5.27 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA
UNITED KINGDOM

43.79 %
11.94 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Building products
2. Equipment

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- CIDA programs

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing

- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRIDGETOWN

Market: BARBADOS

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

Activity: Actively pursue upcoming construction projects financed by CDB

Expected Results: At least \$12 million in new business

Activity: Ongoing efforts with Trading Houses specializing in building products

Expected Results: Additional sales and improved market share

Projects or portions of major projects within this sector/sub-sector s in the planning stage which provide opportunities for Canadian suppliers:

Roseau Dam, St. Lucia	Approximate Value: 50 M\$
	Financing Source : CIDA - Cdn Int'l Dev Agency IDA - World Bank CDB - Caribbean Devlpmt Bank
	Contact : K. Whiting, Counsellor (Com) Telex: 2247 Canada WB
South & West Coast Sewerage Project Barbados, Construction	Approximate Value: 30 M\$
	Financing Source : IADB - Inter-American Dev Bank
	Contact : K. Whiting, Counsellor (Com) Telex: 2247 Canada WB
Leeward Highway, St. Vincent	Approximate Value: 10 M\$
	Financing Source : CDB - Caribbean Devlpmt Bank
	Contact : K. Whiting, Counsellor (Com) Telex: 2247 Canada WB
Port Project, Montserrat	Approximate Value: 15 M\$
	Financing Source : CIDA - Cdn Int'l Dev Agency CDB - Caribbean Devlpmt Bank
	Contact : K. Whiting, Counsellor (Com) Telex: 2247 Canada WB

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Bridgetown

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/04/21	18th Food & Food Service Equip Trade Show, San Juan, Porto Rico, Fair - National Stand	Agri & Food Products & Services
90/10/00	Trading House Mission to Barbados and St Marten Mission Out, Industry	General
91/02/00	Hardware Buyers Mission From Caribbean to Cdn Hardware Show Mission In, To Fair	Construction Industry
91/03/00	Solo Canadian Trade Show Barbados/Jamaica Fair, Solo	Consumer Products

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: BUENOS AIRES

Country: ARGENTINA

Since President Menem assumed power in July 1989 several economic policies have been implemented which could lead to fundamental changes in the Argentine economy. At the time he faced 200% a month hyperinflation, foreign reserves at a perilously low US\$ 100 million, an external debt of US\$ 60 billion, and an unmanageable fiscal deficit dominated by state-held companies which alone hold US\$ 5.5 billion in debt. Since then economic plans have been formulated to begin to reshape inefficient state-held companies, and to revive an economy dependent on public subsidies, lacking in new technology and deeply affected by hyperinflation. This transformation, called the "Productive Revolution", is still in the process of unfolding.

Argentina faces several economic problems which will require concerted, long-term effort by both industry and government to overcome. A recessionary trend has contributed to the negative GDP growth rate in 1988 of -1.4% over the previous year, with industry's contraction estimated at -5.8% and construction at -16%. The only sector to show marginal expansion was agriculture and livestock, at 3.7%. This negative growth contributed to a drop of 5.3% in industrial wages, and has resulted in a 20% drop in domestic demand compared to 1987. At the same time figures for 1989 show a 15% decline in imports and a corresponding 14% increase in exports, with a projected trade surplus of US\$ 3.5 billion should this trend continue.

New economic measures adopted by the present Administration are designed to increase production and export capabilities, bring down inflation and control a ballooning fiscal deficit. To achieve this, a massive devaluation of the local currency was announced in July. This move replenished Central Bank foreign reserves, boosting them to US\$1.5 billion. As well, triple digit increases in public utility rates and transportation and gasoline prices, along with a pact with leading producers to stabilize consumer prices have been announced.

In a clear signal to the private sector that the economy will be opened, the new government has also introduced legislation which will redefine the role the state will play in economic development. Total or partial privatization of most state enterprises, including television and radio stations, and the state shipping, telephone, oil and airline companies has already begun. As well, an Economic Emergency Law aims to eliminate state subsidies to the private sector, providing an estimated monthly saving to state coffers of US\$ 132 million.

The Administration has also announced a 10-15% reduction in tariffs on industrial exports, with further monthly decreases until these taxes are eliminated. These moves are intended to increase exports and revitalize the economy.

Should liberalization of the Argentine economy move forward as expected, Argentina is hopeful it will receive a US\$ 500 million bridging loan, and a renewal of World Bank standby credits. The Argentine private sector is being given a clear signal that it must be self-sufficient, and it will have to export in order to survive. In the medium term Canadian companies should concentrate on possibilities open to them to participate in joint-venture opportunities, particularly as state companies are privatized. Technology transfer to Argentina will also play an important role as the

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: BUENOS AIRES

Country: ARGENTINA

private sector begins increasingly to modernize industrial equipment and to look at markets beyond its own borders.

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: BUENOS AIRES

Country: URUGUAY

The major challenge facing the Uruguayan administration over the next 12-18 months will be how to resuscitate an ailing economy. Following two years of encouraging expansion up to the end of 1987, the economy began to slow considerably. Contrary to the forecasted growth rate of 4 percent, the final figure for GNP growth in 1988 was around 0.5 percent. This recessionary trend was due mainly to decreased activity in manufacturing, which fell 4 percent, and in the fishing industry, which fell 10 percent.

Uruguay has now entered a period of high inflation, record interest rates, and a contraction of both private and public sector spending. Real salaries declined by 7 percent in 1988. In the same period the inflation rate reached 69.1 percent. This is well above the adjusted government target of 60 percent, and considerably higher than the original objective of 45 percent. This trend will likely continue through 1989.

One of the main causes of inflation in Uruguay continues to be a large fiscal deficit of around US\$ 40 million. Estimates place the central government deficit for the end of 1988 at US\$ 145, which represents an increase in nominal terms of 56 percent over the previous year. In November 1988 the Uruguayan government introduced a series of anti-inflationary measures to bring the deficit down from 4.1 to 3.3 percent of GNP in 1989. Public sector investment, which previously played an important role in Uruguayan development, has been virtually stopped, contributing to contraction in economic growth.

One encouraging economic sign is Uruguay's improved balance of trade in 1988. Their trade surplus should reach 300 million, a significant increase over the \$ 26 million surplus in 1987. Overall export earnings in 1988 increased by more than 19 percent, helped by a 32 percent increase in Uruguay's traditional wool and mutton exports. However, imports decreased by around 3 percent due mainly to a drop in oil imports.

Foreign reserves increased by US\$ 94 million, reaching US\$ 1.12 billion at the end of the first nine months of 1988. The current account deficit narrowed, primarily as a result of a marked improvement in the balance of trade and an inflow of capital from neighbouring countries.

In 1989 GNP growth is not expected to exceed 1 percent. Growth will be constrained by low private consumption due to a restrictive government policy on wages and public investment. To compound the economic scene is the political uncertainty generated by forthcoming presidential elections in November, 1989. The trade surplus is expected to fall to \$240 million in 1989 due mainly to an increase in imports. With increased interest payments on their external debt, Uruguay's current account deficit should widen to about US\$ 80 million.

Uruguay continues to search both for foreign capital and for new technologies to expand and modernize its industrial base. This will mean ongoing opportunities to Canadian exporters in specialized areas such as the agro-food industry, forestry and mining. Canadian companies should be prepared to consider licensing, joint-ventures and technical assistance in these sectors. As well Uruguay continue to plan expansion of its energy and telecommunications networks, offering good opportunities for direct sales of equipment.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: BUENOS AIRES.

Country: ARGENTINA

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

1. **ADVANCED TECH. PROD. & SERV**
Opening of the public sector through deregulation and privatization should offer new opportunities for Canadian exporters. The Uruguayan state telephone company is committed to expand its rural telecommunications system and will be in need of eqpt. and technical services to complete the expansion.
2. **MINE, METAL, MINERAL PROD & SRV**
New trends in mining industry aiming at attracting foreign risk investments and positive reaction of Canadian mining industry should lead to a greater involvement of Canada in this sector.
3. **CHEM PROD & PETROCHEM, EQP, SERV**
The liberalization of petrochemical and chemical imports should offer new opportunities for Canadian exporters.
4. **FOREST PRODUCTS, EQUIP, SERVICES**
Liberalization of pulp and paper product imports should offer new opportunities for Canadian exporters. Furthermore Government policies aiming at industrialization of forest sector should offer potential for Canada involvement.
5. **POWER & ENERGY EQUIP. & SERV.**
Canadian companies are already involved in two major projects (Yacyreta & Piedra Del Aguila) and further opportunities have already been indentified. Rehabilitation of at least one Hydro-electric station in Uruguay could open possibilities for Canadian export of goods and services.
6. **OIL & GAS EQUIPMENT, SERVICES**
Improved conditions offered to investors should lead to greater activity in this sector. Furthermore, the Guta project (gas utiliza'n technical assistance) will offer good potential for Canadian companies. La Teja refinery modernization project should offer possibilities for Canadian export of goods and services.

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

- | | |
|-------------------------------------|--------------------------------------|
| 1. POWER & ENERGY EQUIP. & SERV. | 4. FOREST PRODUCTS, EQUIP, SERVICES |
| 2. CHEM PROD & PETROCHEM, EQP, SERV | 5. TRANSPORT SYS, EQUIP, COMP, SERV. |
| 3. MINE, METAL, MINERAL PROD & SRV | 6. |

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: BUENOS AIRES

Country: URUGUAY

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

1. AGRI & FOOD PRODUCTS & SERVICE

Canadian companies have already made headway in assisting Uruguay in studying such areas as seed potato storage and irrigation, and this sector will continue to expand in the medium term.

2. INDUSTRIAL MACHIN, PLANTS, SERV.

CIDA-sponsored study to assist Canadian companies in joint-ventures or technology transfer to increase the industrial base of Uruguay will mean more activity in this area.

3. OIL & GAS EQUIPMENT, SERVICES

La Teja Refinery Modernization Project should offer possibilities for Canadian export of goods and services.

4. POWER & ENERGY EQUIP. & SERV.

Rehabilitation of at least one hydro-electric station in Uruguay could open possibilities for Canadian export of goods and services.

5. ADVANCED TECH. PROD. & SERV

The Uruguayan State Telephone Company is committed to expand its rural telecommunications system and will be in need of eqpt. and technical services to complete the expansion.

6.

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

1. AGRI & FOOD PRODUCTS & SERVICE
2. ADVANCED TECH. PROD. & SERV
3. OIL & GAS EQUIPMENT, SERVICES

4. POWER & ENERGY EQUIP. & SERV.
5. INDUSTRIAL MACHIN, PLANTS, SERV.
- 6.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ANIMAL, POULTRY BREEDING STOCK

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.40 \$M	0.30 \$M	2.50 \$M	3.00 \$M
Canadian Exports	0.60 \$M	0.50 \$M	0.40 \$M	0.50 \$M
Canadian Share of Market	15.00 %	16.60 %	16.00 %	16.60 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	50.00 %
EUROPEAN COMMON MARKET C	20.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Holstein Semen and Embryos
2. Poultry
3. Beef Cattle Semen

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Trade Fair activity
- Competitive pricing
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- _____
- _____

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

Activity: Post should participate in Holstein Fair in the Province of Buenos Aires.

Expected Results: Increase our present profile in this breed.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: SEEDS & SPECIAL CROPS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	6.50 \$M	5.00 \$M	4.00 \$M	4.00 \$M
Canadian Exports	0.20 \$M	0.20 \$M	0.20 \$M	0.20 \$M
Canadian Share of Market	3.00 %	4.00 %	5.00 %	5.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	60.00 %
EUROPEAN COMMON MARKET C	20.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Forage seeds
2. Special seeds

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Competitive pricing
- Willingness of exporters to invest/joint venture in territory

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Non-competitive financing
- Limited appreciation/understanding of distribution system

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES Market: ARGENTINA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Support Canadian company in joint ventures.
Expected Results: Direct seed exports for remultiplication.

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

Activity: Support import of Canadian seed potatoes
Expected Results: Re-export of canadian varieties to neighboring countries.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: SEMI & PROCESSED FOOD & DRINK

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	110.00 \$M	90.00 \$M	80.00 \$M	80.00 \$M
Canadian Exports	6.00 \$M	2.00 \$M	2.00 \$M	2.00 \$M
Canadian Share of Market	5.50 %	2.20 %	2.50 %	2.50 %

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

Major Competing Countries

Market Share

BRAZIL	60.00 %
CHILE	20.00 %
URUGUAY	7.00 %
MEXICO	3.00 %

Current Status of Canadian
exports in this sector/subsector: Market share declining

Products/services for which there are good market prospects:

1. High value Fish Products
2. Dairy Products

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Competitive pricing
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Argentina is self sufficient in
- this srvc & a major exporter

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

Activity: Support possible joint-ventures in this sector.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: FEED, FERTILIZER & VET PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	10.00 \$M	8.00 \$M	8.00 \$M	6.00 \$M
Canadian Exports	0.00 \$M	0.20 \$M	0.10 \$M	0.10 \$M
Canadian Share of Market	0.00 %	2.40 %	1.20 %	1.60 %

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

Major Competing Countries

Market Share

BRAZIL	40.00 %
UNITED STATES OF AMERICA	20.00 %
EUROPEAN COMMON MARKET C	10.00 %
CHILE	0.00 %

Current Status of Canadian
exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. Animal Feed Additives

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing

Factors for Canadian exports not reaching market potential:

- Limited Canadian capabilities
- _____
- _____

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

Activity: Re-evaluate potential for Canadian companies in light of changing local policy.

Expected Results: Possible joint-ventures with local firms.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : DEFENCE PROGRAMS, PRODUCTS, SERV

Sub-Sector: ELECTRICAL & ELECTRONIC

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	12.70 \$M	10.60 \$M	8.40 \$M	13.00 \$M
Canadian Exports	0.30 \$M	0.10 \$M	0.10 \$M	0.10 \$M
Canadian Share of Market	2.30 %	0.90 %	1.20 %	0.80 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	38.00 %
GERMANY WEST	21.00 %
JAPAN	13.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Radar Systems
2. Aeronaval electronic components
3. Marine systems
4. Sonobuoys

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Fairs and Missions support
- Competitive pricing
- Bilateral economic trade agreement
- Competitive Canadian financing

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- Market prospects have not been adequately explored
- Lack of interest by Canadian exporters.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

- Activity: Complete market survey of air and marine aids requirements and identify channels.
Expected Results: Obtain info on future industry needs to assist Cdn exporters
- Activity: Complete market survey of Fabricaciones Militares electronic products requirements and identify marketing channels.
Expected Results: Obtain info on future industry needs to assist Cdn exporters

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

- Activity: Compile list of prospective agents/importers of electronic eqpt & prods, & list of Cdn eqpt in which they are interested
Expected Results: Assist Cdn exporters to make contact with major importers.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Provision of electronics com- ponents 2 Seasprite helicopter	Approximate Value: 6 M\$
	Financing Source : OTHER
Contact	: D. Haro, Cdn Emb. Bs.As.
	Tlx: 021383 CANAD AR

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	320.00 \$M	300.00 \$M	250.00 \$M	320.00 \$M
Canadian Exports	0.50 \$M	1.00 \$M	1.00 \$M	2.00 \$M
Canadian Share of Market	0.15 %	0.30 %	0.40 %	0.60 %

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

Major Competing Countries	Market Share
SWEDEN	46.00 %
JAPAN	22.00 %
BRAZIL	16.00 %
UNITED STATES OF AMERICA	10.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. High and low capacity switching systems
2. Rural telephony switches and equipment
3. Domestic communications satellite
4. Digital multiplexers

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Non-competitive financing

- _____
- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Encourage Cdn manufacturers to establish joint-ventures for rural telecom equipment.

Expected Results: Increase medium term sales, of equipment.

Activity: Initiate training in Canada of Secretaria of Communications specialists in spectrum management, satellite policy

Expected Results: Provide Secretariat decision-makers overview of Cdn capab.

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

Activity: Compile list of Argentine importers and potential joint-venture prttrs to import or locally produce telecom eqpt.

Expected Results: Assist Cdn mfrs to make contact w/potential Argentine prttr

Activity: Complete market survey, including ident'ns of provinces where activity will be high, in development of rural telecoms.

Expected Results: Provide info to Cdn exprttrs & prepare for possible miss. '89

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Rural telecoms expansion

Approximate Value: 200 M\$

Financing Source : IBRD - World Bank

IADB - Inter-American Dev Bank

Contact

: D. Haro, Cdn Emb. Bs. As.

Telex: 021383 CANAD AR

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	200.00 \$M	200.00 \$M	250.00 \$M	300.00 \$M
Canadian Exports	0.50 \$M	0.20 \$M	1.50 \$M	1.50 \$M
Canadian Share of Market	0.40 %	0.10 %	0.50 %	5.00 %

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

Major Competing Countries

Market Share

GERMANY WEST	30.00 %
UNION OF SOVIET SOC REP	20.00 %
UNITED STATES OF AMERICA	20.00 %
OTHER COUNTRIES	30.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Hydro turbines
2. Hydro generators
3. Large electrical transformers
4. Materials for Transmission lines
5. Electrical capacitive coupling system

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

Factors for Canadian exports not reaching market potential:

- _____
- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Requirements for IFI financed projects.
Expected Results: Tenders for major power projects.

Activity: Report on tenders being called for material/equipment required for large power projects.

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

Activity: Visit head office of "Hidronor" in Cipolleti to improve personal contacts with senior staff
Expected Results: Be able to better assist Cdn suppliers competing in tenders.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : TRANSPORT SYS,EQUIP,COMP,SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	320.00 \$M	300.00 \$M	300.00 \$M	290.00 \$M
Canadian Exports	16.00 \$M	15.00 \$M	10.00 \$M	10.00 \$M
Canadian Share of Market	5.00 %	5.00 %	3.30 %	3.40 %

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

Major Competing Countries

Market Share

BRAZIL	30.00 %
UNITED STATES OF AMERICA	15.00 %
FRANCE	15.00 %
ITALY	10.00 %
GERMANY WEST	10.00 %
OTHER COUNTRIES	20.00 %

Products/services for which there are good market prospects:

1. Railway locomotive parts, components and licenses
2. Oem parts for locally manufactured trucks
3. Replacement aircraft turbines and parts
4. Urban traffic control services and systems
5. Transportation advisory services
6. Water bombing aircraft

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Provincial export promotion
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Competitive Canadian financing

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

Factors for Canadian exports not reaching market potential:

- _____
- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Railways reorganization being monitored and reported.
Expected Results: Ident./report on opps for cdn suppliers to prospective

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: PULP AND PAPER PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	47.00 \$M	45.00 \$M	40.00 \$M	40.00 \$M
Canadian Exports	7.00 \$M	6.00 \$M	6.00 \$M	6.00 \$M
Canadian Share of Market	15.00 %	13.00 %	15.00 %	15.00 %

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

Major Competing Countries

Market Share

SWEDEN	20.00 %
BRAZIL	15.00 %
NORWAY	15.00 %

Current Status of Canadian
exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. Special papers
2. Newsprint

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Willingness of exporters to invest/joint venture in territory

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: EQUIPMENT AND MACHINERY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	25.00 \$M	20.00 \$M	15.00 \$M	35.00 \$M
Canadian Exports	1.00 \$M	1.00 \$M	1.00 \$M	3.00 \$M
Canadian Share of Market	4.00 %	5.00 %	6.00 %	8.00 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	30.00 %
BRAZIL	25.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Pulp and paper production equipment
2. Board manufacturing equipment

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- CIDA programs
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- _____
- _____

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

Activity: Re-establish contact with new federal and provincial authorities in relation to their policies.

Expected Results: Identify current trend to policy and adapt Cdn coys invlvmnt.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : MINE, METAL, MINERAL PROD & SRV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	700.00 \$M	750.00 \$M	725.00 \$M	750.00 \$M
Canadian Exports	19.00 \$M	25.00 \$M	15.00 \$M	20.00 \$M
Canadian Share of Market	2.70 %	3.30 %	2.10 %	2.60 %

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

Major Competing Countries

Market Share

BRAZIL	40.00 %
UNITED STATES OF AMERICA	20.00 %
OTHER COUNTRIES	40.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Sulphur
2. Non-ferrous metals
3. Tin, Plate
4. Heavy Water
5. Asbestos
6. Services for Mining Industry
7. Mining/Geological Eqpt.

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

Factors for Canadian exports not reaching market potential:

- _____
- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Study of Kaolin deposits in Chubut province.
Expected Results: Open possibilities for joint ventures.

Activity: Assist. to Cdn coys interested in dvlpg gold resources in Cerro Vanguardia, Erica/Sofia & Bajo De La Alumbreira.
Expected Results: Ident. potential for invstmt & supply of srvces/eqpt.

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

Activity: Develop contacts, research and report on mining developments proposed by individual provinces.
Expected Results: Ident. rqrmnts & opps for cdn coys to part. in dev. min.ind.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1250.00 \$M	1000.00 \$M	1500.00 \$M	2000.00 \$M
Canadian Exports	1.25 \$M	1.00 \$M	1.50 \$M	2.50 \$M
Canadian Share of Market	0.10 %	0.10 %	0.10 %	0.10 %

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

Major Competing Countries Market Share

MIDDLE EAST OR NEAR EAST	30.00 %
BOLIVIA	30.00 %
UNITED STATES OF AMERICA	10.00 %

Current Status of Canadian exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Services for oil/gas exploration/production
2. Eqpt for handling/processing natural gas
3. Oilfield eqpt.

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Canada is one of few sources of supply

Factors for Canadian exports not reaching market potential:

- Market prospects have not been adequately explored
- _____
- _____

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

Activity: Maintain contact with oil cos operating in mkt and report on main developments and business opportunities.

Expected Results: Help develop business connections between cdn/local oil coys

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : CHEM PROD & PETROCHEM, EQP, SERV

Sub-Sector: PLASTICS PRODUCTS, EQUIP, SERVIC

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	237.20 \$M	211.40 \$M	150.00 \$M	180.00 \$M
Canadian Exports	15.70 \$M	3.00 \$M	4.30 \$M	6.00 \$M
Canadian Share of Market	6.60 %	1.50 %	2.90 %	3.40 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	35.00 %
ARGENTINA	25.00 %
BRAZIL	20.00 %

Current Status of Canadian

exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Polyethylene resins
2. Phenolic resins

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Lack of promotion and advertising

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

Activity: Active promotion of Cdn plastics.

Expected Results: Increase number of Cdn companies active in sector.

Activity: Support Cdn coy in joint venture and/or transfer of technology in this sector.

Expected Results: Increase number of representatives.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : CHEM PROD & PETROCHEM, EQP, SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	300.00 \$M	350.00 \$M	300.00 \$M	340.00 \$M
Canadian Exports	4.30 \$M	5.00 \$M	6.00 \$M	6.50 \$M
Canadian Share of Market	1.40 %	1.40 %	2.00 %	1.90 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	0.00 %
EUROPEAN COMMON MARKET C	0.00 %
BRAZIL	0.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Petrochemical Primary Production
2. Plastic Raw Material
3. Radioactive Materials

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Fairs and Missions support

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Lack of interest by Canadian exporters.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Sectorial study of petrochemical industry to take advantage of liberalization of sector.

Expected Results: To identify requirements and marketing channels.

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

Activity: Identify major petrochemical development projects in which Cdn service companies could participate.

Expected Results: Incr. level of Cdn presence, investmts in the growing sector

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : EDUCATION, MEDICAL, HEALTH PROD

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	170.00 \$M	163.00 \$M	135.00 \$M	160.00 \$M
Canadian Exports	0.30 \$M	0.00 \$M	0.00 \$M	1.50 \$M
Canadian Share of Market	0.20 %	0.01 %	0.01 %	0.90 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	30.00 %
ARGENTINA	30.00 %
BRAZIL	15.00 %
JAPAN	10.00 %
PAKISTAN	5.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Hospital equipment
2. Disposable medical elements
3. Biological products
4. Antibiotics
5. Teaching aids
6. Cobalt bomb

Factors contributing to current successful Canadian exports:

- Competitive pricing
- Canada is one of few sources of supply

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
 - Import duties are high
 - Non-competitive pricing
 - Non-competitive financing
 - Limited Canadian capabilities
-
-

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

Activity: When hospital project eqpt package identified coordinate action between suppliers & bilateral financing sources
Expected Results: To package supply to enable Cdn participation.

Activity: To promote import liberalization with Cdn export sector
Expected Results: Increase number of Cdn companies active in sector.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : CONSTRUCTION INDUSTRY

Sub-Sector: ARCHITECT, CONS, CONSUL, SERV

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	0.00 %
FRANCE	0.00 %
GERMANY WEST	0.00 %
JAPAN	0.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Water treatment plants
2. Sewage treatment
3. Industrial waste treatment
4. Solid wastes and sanitation

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Canada is one of few sources of supply
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
 - Non-competitive financing
-
-

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

Activity: Promotion of Cdn capabilities in sector.

Expected Results: Increase number of Cdn companies active in sector.

Activity: Identify major development projects in which Cdn service coys could participate.

Expected Results: Increase number of reps.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : INDUSTRIAL MACHIN, PLANTS, SERV.

Sub-Sector: TOOLS & HARDWARE

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	59.50 \$M	74.40 \$M	80.50 \$M	85.20 \$M
Canadian Exports	0.05 \$M	0.00 \$M	0.02 \$M	0.05 \$M
Canadian Share of Market	0.09 %	0.00 %	0.03 %	0.06 %

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

Major Competing Countries	Market Share
ITALY	10.30 %
UNITED STATES OF AMERICA	8.20 %
GERMANY WEST	8.10 %
FRANCE	5.80 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Machine tools

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Non-competitive pricing
- Lack of promotion and advertising
- Non-competitive financing

-

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

Activity: Maintain contact with major companies operating in market & report on main developments and business opportunities.

Expected Results: Help develop business connections between Cda & local coys.

Activity: Support possible joint ventures and/or transfer of technology in this sector.

Expected Results: Incr. level of Cdn presence, invstmts in this growing sector

Activity: Post should consider a participation in the EMAQH '90 Show, together with most important manufacturers of tool machines.

Expected Results: Increase Cdn low profile to generate sales.

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PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Buenos Aires

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/08/00	Seed and Special Crops Mission From Uruguay Mission In, To Industry	Agri & Food Products & Services

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: CARACAS

Country: VENEZUELA

It seems clear that the Government will stick to its guns and continue with the economic package which they introduced six months ago. This package includes a free floating exchange rate, positive interest rates, free domestic prices with only a few controlled items, a restrictive monetary policy, an open and more flexible trade policy, a reduced role for government in the economy, a restructured industrial base, and a reduction in the foreign debt burden through a negotiated reduction in the principal and interest owed to foreign banks. The combination of the impact these policies has produced a reasonable severe recession in the Venezuelan economy with most economists predicting a 5% reduction in the GNP in 1989. It is likely that these conditions will continue through the first six months of 1990. However, the policies have laid the groundwork for a much improved and competitive economy over the medium term. As we have reported in detail the government has achieved already some remarkable successes in its policies, particularly in stabilizing the exchange rate at about Bs. 38 to 1USD, keeping inflation down (after a one time surge to 45% in March and April) and in developing new innovative commercial policies (such as its GATT application) to move Venezuela away from its previous closed and protected narrowness. It is not, of course, clear that Venezuela will come out its recession in 1990. The restructuring of the economy to become competitive and more export oriented will not be easy nor will it be accomplished quickly but most of the industrial plant is new (having been purchased within the past six years with preferential dollars), its industrial workforce is well trained, and the government has created the correct commercial policy regime to encourage industries to become competitive and to export. Venezuelan businessmen will now have to demonstrate their capacity to take advantage of these benefits. The recession does of course assist the government in reducing imports as demand has fallen by 50% for some products. This will have a positive effect on the balance of payments and on the government's ability to service its foreign debt. Ironically it will also demonstrate that Venezuela does not need the 50% reduction in interest and principal of its foreign debt that it is requesting. Next year, 1990, will be difficult: there will be a continuation of austerity, a continuing recession, with much reduced imports from all countries, but with a gradually improving balance of payments. Continued perseverance and some good luck with oil prices, will allow Venezuela to come out of its current difficulties by the spring of 1991 and begin to exhibit some important increases in economic growth.

Dominican Republic: The Dominican Republic economy continues to move slowly with few bright spots. Despite an extremely tight hard currency situation purchases from Canada continue to increase across a broad range of products. The solo show of June 1989 contributed to a heightened awareness of Canada's capabilities in a number of areas associated with the building trades. A change in farmgate milk price has caused a return to importing dairy cattle with Canada enjoying the benefits of that policy change. Falcon bridge continues to do well and Ontario Hydro is persevering in the market with hopes of a major contract. The opening of the satellite office with a full time LES trade officer should contribute to a solidifying Canada's presence in the market.

Netherland Antilles: While the Embassy's resources to service these

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: CARACAS**Country:** VENEZUELA

islands is extremely limited, the participation at the VSOP show alerted us to the fact that, although the economies of Curacao and Bonaire in particular, have been hard hit lately, Curacao serves as an important trading hub for the entire region with many well connected trading houses operating therefrom. Aruba's economy is coming back thanks to tourism and most recently to reactivation of various aspects of the petroleum industry. It, while not a trading hub like Curacao, could be a good market (but small) for portion controlled food items, telecommunications equipment and other advanced technology products.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: CARACAS

Country: VENEZUELA

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

1. AGRI & FOOD PRODUCTS & SERVICE

Agric sector still high priority for government. Current year situation is down due to build up of stocks from previous year but should return by next year with levelling out of impact of new food policy decisions.

2. OIL & GAS EQUIPMENT, SERVICES

Oil and Gas equipment opportunity will remain high as petroleum industry continues to drive the economy and continues to expand and modernize.

3. ADVANCED TECH. PROD. & SERV

Advanced technology affords the Venezuelan business community to bypass problems associated with maintaining large work force. People are well primed for this type of technology acceptance.

4. MINE, METAL, MINERAL PROD & SRV

Mining sector is benefitting from major change in government policy whereby gold e.g. is purchased by the Govt. at international prices. This plus growing environmental pressures bodes well for sales of Cdn designed equipment.

5. TRANSPORT SYS, EQUIP, COMP, SERV.

The transportation industry has nosedived this year, but this will not last long as vehicles of all types wear out and import duties decline rapidly over the next three years.

6. FOREST PRODUCTS, EQUIP, SERVICES

The local forest industry continues to grow providing equipment sales opportunities but not at such a rate that it will negatively impact on newsprint sales in the medium term.

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

1. GRAINS AND OILSEEDS

2. ADVANCED TECH. PROD. & SERV

3. FOREST PRODUCTS, EQUIP, SERVICES

4. OIL & GAS EQUIPMENT, SERVICES

5. AGRI & FOOD PRODUCTS & SERVICE

6. MINE, METAL, MINERAL PROD & SRV

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ANIMAL, POULTRY BREEDING STOCK

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	20.00 \$M	12.00 \$M	83.40 \$M	47.10 \$M
Canadian Exports	5.00 \$M	2.00 \$M	28.30 \$M	11.30 \$M
Canadian Share of Market	25.00 %	16.00 %	34.00 %	24.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	31.00 %
NEW ZEALAND	17.00 %
CUBA	4.00 %
AUSTRALIA	4.00 %
COSTA RICA	3.00 %

Current Status of Canadian

exports in this sector/subsector: Market share declining

Products/services for which there are good market prospects:

1. Live cattle
2. Animal semen
3. Swine
4. Goats
5. Baby chicks
6. Animal embryos

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
 - Lack of promotion and advertising.
 -
-

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Incoming Mission to RAWF
Expected Results: Increase market share of dairy and goats.

Activity: Incoming Mission to Agribition
Expected Results: Increase market share of beef animal/semen.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: SEEDS & SPECIAL CROPS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	45.00 \$M	20.00 \$M	47.70 \$M	52.10 \$M
Canadian Exports	19.00 \$M	10.00 \$M	17.50 \$M	20.90 \$M
Canadian Share of Market	0.00 %	50.00 %	37.00 %	40.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	28.00 %
CHILE	20.00 %
OTHER COUNTRIES	15.00 %

Current Status of Canadian
exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. Seed potatoes
2. Lentils
3. Peas
4. Bird seeds
5. Mustard seed

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Competitive pricing
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
 - Lack of promotion and advertising.
-

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Incoming Mission for seed potatoes.

Expected Results: Maintain market share at 90%.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : GRAINS AND OILSEEDS

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	347.30 \$M	215.00 \$M	464.60 \$M	318.40 \$M
Canadian Exports	69.00 \$M	32.00 \$M	84.00 \$M	37.60 \$M
Canadian Share of Market	20.00 %	15.00 %	18.00 %	12.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	70.00 %
EUROPEAN COMMON MARKET C	7.00 %
ARGENTINA	3.00 %

Current Status of Canadian

exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Wheat
2. Canola
3. Sunflower
4. Mustard Seed
5. Flax Seed
6. Pearled Barley

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Trade Fair activity
- Competitive pricing
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- Market prospects have not been adequately explored
- Lack of promotion and advertising.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Outgoing Canola Mission
Expected Results: Sales of meal to animal industry.

Activity: Introduction of Canola Seed Variety Trials
Expected Results: Significant sales for cert. seed.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	140.00 \$M	120.00 \$M	198.25 \$M	58.00 \$M
Canadian Exports	2.00 \$M	1.20 \$M	7.00 \$M	0.96 \$M
Canadian Share of Market	1.43 %	1.00 %	3.50 %	1.70 %

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

Major Competing Countries	Market Share
JAPAN	27.00 %
UNITED STATES OF AMERICA	20.00 %
SWEDEN	17.00 %
GERMANY WEST	13.00 %
ITALY	5.70 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Radiotransmitters & receivers
2. Carrier apparatus for telecommunications
3. Rural and mobile telephone systems
4. Testing equipment

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Non-competitive financing
- Limited appreciation/understanding of distribution system

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Finding additional qualified agents to represent Cdn cos.
Expected Results: Increased number of Cdn cos. represented locally

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: COMEXPO 1990
Expected Results: Create greater awareness of Cdn technology and expertise.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: COMPUTERS HARD/SOFTWARE & COMP

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	100.00 \$M	80.00 \$M	119.00 \$M	253.00 \$M
Canadian Exports	0.75 \$M	0.50 \$M	1.03 \$M	0.75 \$M
Canadian Share of Market	3.80 %	0.09 %	0.06 %	0.07 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	80.00 %
FRANCE	3.30 %
BRAZIL	2.30 %
GERMANY WEST	1.50 %

Current Status of Canadian
exports in this sector/subsector: Market share declining

Products/services for which there are good market prospects:

1. Software - advanced CAM-CAD
2. Peripherals-modems
3. Analogue computer equipment

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Bilateral economic trade agreement

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Non-competitive financing
- Limited Canadian capabilities

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Contact Venezuelan informatics companies to promote possible joint ventures.

Expected Results: Offset future import restrictions of inform. in local market

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: INFORVEN '89

Expected Results: Create awareness on part of Venez. info. users in soft. eqpt

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	98.00 \$M	87.00 \$M	54.00 \$M	69.00 \$M
Canadian Exports	10.00 \$M	7.00 \$M	4.00 \$M	4.50 \$M
Canadian Share of Market	9.80 %	8.00 %	7.40 %	6.50 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	35.00 %
JAPAN	24.00 %
FRANCE	20.00 %
GERMANY WEST	18.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Gas turbines
2. Electronic control system
3. Computer and software systems
4. Turbines and generators

Factors for Canadian exports not reaching market potential:

- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : TRANSPORT SYS,EQUIP,COMP,SERV.

Sub-Sector: AUTOMOTIVE

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	625.00 \$M	970.00 \$M	1046.00 \$M	865.00 \$M
Canadian Exports	60.00 \$M	77.00 \$M	84.00 \$M	70.00 \$M
Canadian Share of Market	9.60 %	8.00 %	8.00 %	8.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	38.00 %
JAPAN	18.00 %
ITALY	16.00 %
BRAZIL	12.00 %
FRANCE	10.00 %

Current Status of Canadian
exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. After market parts
2. CKD's for trucks
3. CKD's for passengers
4. Vehicles

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Trade Fair activity

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Limited Canadian capabilities
- Lack of interest on part of Cdn
- Cos regarding joint venture.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Continued promotion of joint ventures and license agreement.
Expected Results: Increase number of joint venture between Cdn local autoparts

Activity: Continued promotion of Canadian after market parts.
Expected Results: Mftrs. guarantee of Cdn mkt share on more perm. basis.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	430.00 \$M	462.00 \$M	400.00 \$M	380.00 \$M
Canadian Exports	88.00 \$M	85.00 \$M	84.00 \$M	76.00 \$M
Canadian Share of Market	20.00 %	19.00 %	21.00 %	20.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	40.00 %
CHILE	14.00 %
FINLAND	11.00 %
BRAZIL	6.00 %
SWEDEN	4.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Newsprint
2. Pulp
3. Machinery
4. Engineering services

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- Competitive pricing
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Continue to assist ABITIBI Price on Orinoco pulp and paper project and Conare plantations.

Expected Results: Strong Canadian participation.

Activity: Continue to monitor Aprocapa forest plantation and pulp project.

Expected Results: Canadian participation expected.

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Newsprint and pulp market survey.

Expected Results: Maintain knowledge of mkt & report changes and situation.

Activity: Visit Conare plantation.

Expected Results: Obtain and update tenerd info.

Activity: Contact Canadian equipment manufacturers and advise on trade

Expected Results: New agents and sales.

Activity: Monitor Orinoco newsprint project

Expected Results: Advise Canadian Companies of trade opportunities.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Orinoco newsprint and pulp
mill

Approximate Value: 750 M\$
Financing Source : DOM - Domestically funded
EDC - Export Dev Corporation
B.C. - Buyer Credits required
Contact : Extott/LST Post

Conare forest plantation

Approximate Value: 65 M\$
Financing Source : DOM - Domestically funded
IADB - Inter-American Dev Bank
Contact : Extott/LST Post

Apropaca Pulp Project

Approximate Value: 100 M\$
Financing Source : B.C. - Buyer Credits required
Contact : Extott/LST Post

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : MINE,METAL,MINERAL PROD & SRV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	575.00 \$M	640.00 \$M	685.00 \$M	845.00 \$M
Canadian Exports	50.00 \$M	42.00 \$M	55.00 \$M	35.00 \$M
Canadian Share of Market	8.70 %	6.60 %	8.00 %	4.20 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	49.00 %
BRAZIL	13.00 %
JAPAN	6.00 %
GERMANY WEST	12.00 %
BELGIUM	3.00 %
SURINAM	3.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Wire rod
2. Scrap iron
3. Asbestos
4. Zinc
5. Iron/steel tubing
6. Drilling equipment
7. Engineering services
8. Gold mining equipment

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Competitive pricing

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

Factors for Canadian exports not reaching market potential:

- Market prospects have not been adequately explored

-

-

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Follow up to 1988 Mining Mission

Activity: Market research report on mining equipment

Activity: Follow up to incoming mission to MINTEC 89

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: To conduct an asbestos market survey

Expected Results: Report on market situation

Activity: Contact Cdn mining equipment manufacturers and advise on market opportunities.

Expected Results: New companies and new agents

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

CVG gold mining

Approximate Value: 45 M\$
Financing Source : DOM - Domestically funded
B.C. - Buyer Credits required
Contact : Post Extott/LST

Carbozulia coal project

Approximate Value: 300 M\$
Financing Source : DOM - Domestically funded
B.C. - Buyer Credits required
Contact : Post Extott/LST

Tachira coal project

Approximate Value: 55 M\$
Financing Source : DOM - Domestically funded
B.C. - Buyer Credits required
Contact : Post Extott/LST

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	770.00 \$M	860.00 \$M	667.00 \$M	520.00 \$M
Canadian Exports	23.00 \$M	21.50 \$M	14.30 \$M	7.60 \$M
Canadian Share of Market	2.90 %	2.50 %	2.10 %	1.50 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	60.00 %
GERMANY WEST	11.00 %
UNITED KINGDOM	9.00 %
NETHERLANDS	7.00 %
SWITZERLAND	7.00 %
BELGIUM	6.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Gas turbines
2. Computer/software
3. Corrosion prevention
4. Gas production machinery
5. Drilling equipment
6. Environmental services
7. Scada systems and components

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Provincial export promotion
- Strong sectoral capability in Canada

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Limited Canadian capabilities
- Market prospects have not been adequately explored
- Performance of local agent or representatives.

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: A new CDN oil and gas marketing strategy for Venezuela
Expected Results: Increase our market share.

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Oil and gas joint venture mission outgoing December '89.
Expected Results: Increased joint ventures.

Activity: Participation in Latin America Oil Show (Maracaibo, June 90)

Activity: Mission to national petroleum show in CDA, June '90.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Mission to Globe '90 (Vancouver)	Approximate Value:	0 M\$
	Financing Source :	
	Contact :	

Participation in UNITAR Show in Caracas Feb. '91	Approximate Value:	0 M\$
	Financing Source :	
	Contact :	

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : INDUSTRIAL MACHIN, PLANTS, SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1500.00 \$M	1000.00 \$M	2629.00 \$M	2050.00 \$M
Canadian Exports	7.50 \$M	4.04 \$M	6.80 \$M	6.04 \$M
Canadian Share of Market	0.50 %	0.40 %	0.25 %	0.26 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	49.00 %
GERMANY WEST	17.50 %
JAPAN	14.00 %
ITALY	8.50 %
FRANCE	7.30 %
SPAIN	2.70 %

Products/services for which there are good market prospects:

1. Bottling-packaging services
2. Mould & dies for metal & plastic industry
3. Plastic-rubber industry machinery

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Trade Fair activity
- Competitive pricing

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Market prospects have not been adequately explored
- Performance of local agent or representative
- Performance of local agent or representative.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

- Activity: Continued promotion of Canadian technologies & expertise in the machinery and tooling industry.
- Expected Results: Increase awareness in Cdn capabilities in mach. tooling ind.
- Activity: Continued market analysis and study of potential Canadian tech. in order to overcome greater future import restriction

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PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Caracas

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/05/00	Ven COMEXPO 90 Caracas Fair, National Stand	Advanced Tech., Products & Services

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: GUATEMALA

Country: GUATEMALA

Trade Overview: Multilateral financial institutions maintain minimal exposure in Guatemala, and the primary source of funds for public projects continues to be bilateral aid financing, most of which is tied to specific country supply. Canada's aid does not reach those levels, and even when Canadian engineers and consultants establish themselves through completion of feasibility studies (usually with support of CIDA/CPPF), subsequent financing for procurement and construction phases must be obtained elsewhere, and contracts vanish. When this situation is combined with the lack of bilateral financing and insurance coverage from the EDC, opportunities for increased commercial success for Canadian consultants and equipment suppliers are minimal.

We consider that the Post's only realistic approach, therefore, is to act aggressively on spot opportunities to promote capital projects or new commercial opportunities, while continuing to offer all possible assistance to maintain existing levels of trade.

Economic Overview: For the third consecutive year, the Bank of Guatemala expects real economic growth in the range of 3.5%. With exception of coffee, principle traditional exports have enjoyed solid prices. However, despite the recent growth in the volume and value of exports, the trade deficit has increased due to an off-setting surge in imports. Concessional financing as part of foreign aid packages has permitted the import of equipment, machinery and raw material, fueling limited real growth. Servicing the external debt continues to be a drag on the economy, absorbing roughly 38% of export earnings. (Some estimates go as high as 45%). Although officially inflation for first six months was held to an annualized rate of 14%, (after 12% in 1988), the 3% devaluation of the Quetzal in September (to 2.80 to the US \$) has led to increases in price of gasoline and basic staples, which when combined with anticipated substantial rise in price of electricity, make the expectation of a 20% annual increase more reasonable. Despite a history of stability, further mini-devaluations are expected before the end of 1989. Both USAID and the IMF make BOP support payments to Guatemala.

Although completely accurate measurement is impossible, unemployment has officially been reduced from 25% to 21.5%. Underemployment, at roughly 48% of economically active population, is very serious problem.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: GUATEMALA

Country: GUATEMALA

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

1. AGRI & FOOD PRODUCTS & SERVICE

As the back-bone of the Guatemalan economy, we expect that this sector will generate export opportunities in the cattle and swine areas as well as sales of small machinery and equipment and transfer of technology.

2. POWER & ENERGY EQUIP. & SERV.

The Guatemalan Government will be directing serious efforts of optimizing the existing hydro and thermal generation plants as well as executive new small head generation plants and other generation and distribution projects. The maintenance of existing thermal plants should also create opportunities for services and parts.

3. ADVANCED TECH. PROD. & SERV

Guatemalan telecommunications authorities are expanding their urban and rural networks. Previous involvement by Canadian consultants and equipment suppliers should allow for further participation in the sector.

4. CONSUMER PRODUCTS & SERVICES

The bulk of traditional trade with Guatemala continues to be in the consumer products sector and we aim to maintain the volume of existing trade as well as assisting new exporters in penetrating the Guatemalan market.

5. OIL & GAS EQUIPMENT, SERVICES

Previous Canadian involvement in the petroleum sector should prove valuable to be considered as suppliers and consultants for capital projects being planned by the Guatemalan Ministry of Energy and Mines.

6.

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

1. MULTIPLE SECTORS

2. MULTIPLE SECTORS

3. CONSUMER PRODUCTS & SERVICES

4. _____

5. AGRI & FOOD PRODUCTS & SERVICE

6. _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: GUATEMALA

Market: GUATEMALA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	180.00 \$M	212.00 \$M	250.00 \$M	260.00 \$M
Canadian Exports	90000.00 \$M	1.10 \$M	1.20 \$M	1.50 \$M
Canadian Share of Market	0.50 %	0.50 %	0.50 %	0.50 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	60.00 %
GERMANY WEST	20.00 %
JAPAN	5.00 %
CENTRAL AMERICA	5.00 %
SPAIN	5.00 %
BRAZIL	5.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Swine stock & equipment
2. Cattle stock & equipment
3. Semen
4. Small agricultural machinery
5. Fertilizers
6. Consulting services

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: GUATEMALA

Market: GUATEMALA

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- Limited Canadian capabilities
- Canadian E.D.C. Financing not available for Guatemala.

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Follow up on activities and opportunities generated by July Swine Mission to Canada.

Expected Results: Sale of stock and equipment.

Activity: Continued support to recent visit by Hays Farms to promote sale of cattle stock, semen and technology.

Expected Results: Prospects for sale of Purebred cattle, semen and embryos.

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Outgoing Swine Mission in coordination with Mexico
Expected Results: More Canadian involvement in the Swine Sector.

Activity: Continued support to Cattle Fairs by supplying Canadian Judges.

Expected Results: Increased sales

Activity: Dairy Cattle Mission from Latin America

Activity: Livestock Improvement Seminar.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: GUATEMALA

Market: GUATEMALA

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

Activity: Promotion of Flour Sales to Guatemala.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: GUATEMALA

Market: GUATEMALA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	160.00 \$M	82.00 \$M	100.00 \$M	120.00 \$M
Canadian Exports	0.16 \$M	0.05 \$M	0.10 \$M	0.12 \$M
Canadian Share of Market	0.10 %	0.10 %	0.10 %	0.10 %

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

Major Competing Countries

Market Share

JAPAN	30.00 %
UNITED STATES OF AMERICA	20.00 %
GERMANY WEST	20.00 %
ITALY	10.00 %
BRAZIL	10.00 %
VENEZUELA	10.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Cellular Telephone Systems
2. Cable
3. Rural/Urban Telephone Expansion
4. Consulting/Engineering Services
5. Telecom Equipment

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: GUATEMALA

Market: GUATEMALA

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- Limited Canadian capabilities
- Canadian EDC Financing not available for Guatemala.

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Monitor upcoming equipment tenders for IV Rural Telephone Project.
Expected Results: Participation in tenders by Canadian Suppliers

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

Activity: Continued contact with Telecom authorities and follow up on projects outlined in next sheet.
Expected Results: Motivating Cdn suppliers & Consultants to get involved

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: GUATEMALA

Market: GUATEMALA

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Cellular Telephone System	Approximate Value:	20 M\$
	Financing Source :	
	Contact	: Hugo Cerezo - Tlx 5206 CANADA GU
Public Telephone System Project	Approximate Value:	0 M\$
	Financing Source :	
	Contact	: Hugo Cerezo - Tlx 5206 CANADA GU
Urban Telephone Expansion	Approximate Value:	0 M\$
	Financing Source :	
	Contact	: Hugo Cerezo - Tlx 5206 CANADA GU
Rural Telephone IV	Approximate Value:	20 M\$
	Financing Source :	
	Contact	: Hugo Cerezo - Tlx:5206 CANADA GU

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: GUATEMALA

Market: GUATEMALA

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: OTHER TYPES OF REL EQUIP.

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	80.00 \$M	67.00 \$M	120.00 \$M	125.00 \$M
Canadian Exports	0.40 \$M	0.30 \$M	7.00 \$M	1.00 \$M
Canadian Share of Market	0.50 %	0.40 %	5.80 %	0.80 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	40.00 %
GERMANY WEST	20.00 %
SWITZERLAND	10.00 %
ITALY	10.00 %
BRAZIL	10.00 %
VENEZUELA	10.00 %

Current Status of Canadian

exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Engineering/Consulting
2. Generation Equipment
3. Distribution Equipment

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: GUATEMALA

Market: GUATEMALA

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- Limited Canadian capabilities
- Canadian E.D.C. Financing
- not available for Guatemala

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Assistance to SNC for signature of Small Hydro feasibility studies contract.

Expected Results: Signature of \$7 m. contract

Activity: To liaise with authorities for follow up on WB Power V project.

Expected Results: Part'n of Cdn companies in genera'n/dist'n eqpt tenders.

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

Activity: Identification of transmission line projects.

Expected Results: Possibility for sale of Towers and electrical cable.

Activity: Continued Liaison with Energy Authorities to identify prospects for generation and distribution equipment.

Expected Results: Prospects for sales of generation/dist'n eqpt could arise.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: GUATEMALA

Market: GUATEMALA

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Power V	Approximate Value:	80 M\$
	Financing Source :	
	Contact :	Hugo Cerezo - Tlx: 5206 CANADA GU
Small Hydro Development	Approximate Value:	100 M\$
	Financing Source :	
	Contact :	Hugo Cerezo - Tlx:5206 CANADA GU
Thermal Plant Repair	Approximate Value:	0 M\$
	Financing Source :	
	Contact :	Hugo Cerezo - Tlx: 5206 CANADA GU
Rio Bobos Equipment	Approximate Value:	0 M\$
	Financing Source :	
	Contact :	Hugo Cerezo - Tlx 5206 CANADA GU

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: GUATEMALA

Market: GUATEMALA

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: PETROLEUM AND PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	20.00 \$M	25.00 \$M	30.00 \$M	35.00 \$M
Canadian Exports	0.00 \$M	0.05 \$M	0.00 \$M	0.00 \$M
Canadian Share of Market	0.00 %	0.20 %	0.00 %	5.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	80.00 %
FRANCE	10.00 %
SPAIN	5.00 %
JAPAN	5.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Engineering Services
2. Pipeline Equipment
3. Valves
4. Pumping Units
5. Tanks/Petroleum

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: GUATEMALA

Market: GUATEMALA

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- Limited Canadian capabilities
- Canadian EDC Financing not available for Guatemala.

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Continued Assistance to D.B. Pipetech in their pursuit of the engineering contract for the Pipeline and Storage Tanks
Expected Results: Obtention of at least one engineering contract of the three.

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

Activity: Monitor Developments for Construction of Mini Refinery in Peten.

Expected Results: Opportunities for Equipment Sales

Activity: Take advantage of recent involvement of two Cdn companies in the mining sector to promote further participation.

Expected Results: Opps for Eqpt. Sales & Consulting Services.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: GUATEMALA

Market: GUATEMALA

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

El Penat Storage Tanks	Approximate Value: 20 M\$ Financing Source : TO BE DETERMINED Contact : Hugo Cerezo - Tlx 5206 CANADA GU
Sto. tomas LPG Tanks	Approximate Value: 20 M\$ Financing Source : TO BE DETERMINED Contact : Hugo Cerezo - Tlx 5206 CANADA GU
El Penate/ Guatemala Pipeline	Approximate Value: 65 M\$ Financing Source : TO BE DETERMINED Contact : Hugo Cerezo - Tlx 5206 CANADA GU
Peten Mini-Refinery	Approximate Value: 0 M\$ Financing Source : TO BE DETERMINED Contact : Hugo Cerezo - Tlx 5206 CANADA GU

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: GUATEMALA

Market: GUATEMALA

Sector : CONSUMER PRODUCTS & SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	350.00 \$M	365.00 \$M	400.00 \$M	450.00 \$M
Canadian Exports	3.00 \$M	6.00 \$M	10.00 \$M	10.00 \$M
Canadian Share of Market	1.10 %	1.60 %	2.50 %	2.20 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	40.00 %
JAPAN	20.00 %
KOREA	10.00 %
TAIWAN	10.00 %
BRAZIL	10.00 %
CENTRAL AMERICA	10.00 %

Current Status of Canadian

exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. Foodstuffs
2. Industrial Raw Materials
3. Automotive Parts
4. Newsprint & Paper
5. Hardware Goods
6. Computer & Scientific Equipment
7. Small Machinery
8. Medications
9. Raw Materials

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: GUATEMALA

Market: GUATEMALA

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- Limited Canadian capabilities
- Canadian EDC Financing not available for Guatemala

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Fishing Equipment Services from Latin America
Expected Results: Identification of Commercial Opps. in Fisheries Sector.

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: HAVANA

Country: CUBA

Cuban economic performance, while operating below the level of the early eighties, shows moderate stability. Mercantile production increased 3.6% in 1988. This performance is virtually identical to 1986 when Cuba encountered its present difficulties due to falling oil prices, though still 3.4% below the production level achieved in 1985. Future performance will be affected by the pace of any reduction in Soviet assistance.

Agriculture and communications have performed best with increases of 5.3% and 4.9% respectively in 1988 over 1987. Industrial output was up 2.8% on 1987, construction 7.1% and transport 2.5%, although all were below 1986 levels. Lack of materials and parts continue to be a serious constraint. The State continues to give priority to social spending in preference to consumer goods. Spending on housing and community services increased 15.7% in 1988, on education and health by 4.8%, and on other social, cultural, and scientific activities by 11.4%.

The foreign trade sector continues to perform reasonably well. Tighter import controls introduced in 1986 are continuing. In 1988, imports from socialist countries fell by 1.0%. Market economy imports increased by only 3.7%. In the mid-eighties, market economy imports averaged around 1.2 bln pesos a year, whereas in 1987 and 1988 they have been below 1.0 bln pesos. Cuban economists estimate that for industry to operate effectively they should be around 1.5 bln pesos. The current import constraints, while improving Cuban finances, in the longer term risk damaging the country's industrial performance.

Exports to socialist countries fell 0.7% in 1988, while exports to market economies increased by an unprecedented 24.7% in 1988 contributing to an increase of 2.2% in total exports. This favorable performance continued in the first three months of 1989.

As of April 1989, Cuba's external debt amounted to over \$ USA 8.26 bln. Convertible currency reserves stand at a modest \$ USA 108 million. A failure to reach agreement with the Paris Club has led to a virtual cessation of medium and long term credits from most western countries including Canada. Export insurance is still currently available for priority imports.

Despite its financial limitations, Cuba continues to represent a continuing market for Canadian exporters. Cdn exports to Cuba amounted to \$ Cdn 224.9 million in 1988 (imports were \$ Cdn 87.2 million). Canada and Cdn suppliers are well regarded. Canada still accounts for the largest number of tourists to the Island. Cuba is familiar with Cdn technology and its agricultural and livestock industry has relied heavily on imports of Cdn cattle, poultry and other products for its development.

Cdn firms should continue to respond to enquiries and seek out marketing opportunities in Cuba. Prospects exist in the priority sectors of health, energy, transportation, education, construction, and for export oriented industries. Agriculture presents prospects for sales of livestock and

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RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: HAVANA

Country: CUBA

equipment. Tourism is a major priority sector and Cuba has ambitious plans to triple the number of hotel rooms over the next three years. Cuba has recently passed a Joint Venture Law and is seeking Canadian partners, particularly in the tourist sector. The country's hard currency shops which sells to tourists and diplomats represents an opportunity for the export of consumer goods as well as canned and processed food products.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: HAVANA

Country: CUBA

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

1. EDUCATION, MEDICAL, HEALTH PROD

Cuba has made annual hard currency purchases of \$200 million in medical and health care equipment and supplies. Currently Canada has only captured less than 2% of this market.

2. AGRI & FOOD PRODUCTS & SERVICE

Given the reduced supply of agricultural products from East Bloc countries, the high demand of the tourism industry, and the priority attached to food processing sector in the 5-year plan, Cuba is expected to make significant hard currency purchases of products and services in this sector

3. POWER & ENERGY EQUIP. & SERV.

Although major purchases in this sector are often tied to availability of financing, Cuba will continue to make cash purchases for parts and specialty equipment.

4. CONSTRUCTION INDUSTRY

Since Cuba is continuing its efforts to expand its tourism and related infrastructure, there will be many good opportunities for Canadian firms.

5. TRANSPORT SYS, EQUIP, COMP, SERV.

Although major purchases in this sector are often tied to availability of financing, Cuba will continue to make cash purchases for parts and specialty equipment. In addition, Cuba is rehabilitating its transportation equipment and services in anticipation of the 1991 Pan Am Games.

6. INDUSTRIAL MACHIN, PLANTS, SERV.

In most industrial sectors Cuba has aging and even antiquated facilities. Although East Bloc countries are major suppliers, their market share is decreasing. Canada has strong potential in this market in providing replacement parts, regular or specialty machinery, and particularly packaging and labelling machinery.

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

- | | |
|-----------------------------------|-------------------------------------|
| 1. AGRI & FOOD PRODUCTS & SERVICE | 4. FOREST PRODUCTS, EQUIP, SERVICES |
| 2. CONSTRUCTION INDUSTRY | 5. EDUCATION, MEDICAL, HEALTH PROD |
| 3. CONSUMER PRODUCTS & SERVICES | 6. FISHERIES, SEA PRODUCTS & SERV. |

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: HAVANA

Market: CUBA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: FOOD HANDLING, PROCESSING EQUIP

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	0.00 \$M	30.00 \$M	35.00 \$M
Canadian Exports	0.00 \$M	0.30 \$M	0.20 \$M	0.70 \$M
Canadian Share of Market	0.00 %	0.00 %	0.70 %	2.00 %

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

Major Competing Countries

Market Share

EUROPEAN COMMON MARKET C	55.00 %
GERMANY WEST	15.00 %
ITALY	12.30 %
ARGENTINA	11.00 %
FRANCE	6.00 %

Current Status of Canadian
exports in this sector/subsector: No export results to date

Products/services for which there are good market prospects:

1. Food processing equipment
2. Food handling equipment

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Fairs and Missions support
- Trade Fair activity
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- Market prospects have not been adequately explored

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HAVANA

Market: CUBA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Meeting with CNEE/CECE officials to assess Cdn supply of food processing/handling eqpt especially in rel. to tourism
Expected Results: Alert Cdn firms of market potential (est. \$ US 5 million)

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

Activity: Assist several Cdn firms in organizing technical seminars to CNEE/CECE officials, May/June-90

Expected Results: Expose Cdn expertise in Cuba. Potential sales of \$1-2 mln.

Activity: Follow-up meetings with CNEE/CECE officials to obtain RFQ's for distribution to up to 10-15 Cdn firms.

Expected Results: Expect replies fm 3-4 Cdn firms. Expected sales of \$1 mln.

Activity: Recruit Cdn firms for Alimexpo Trade Show, Havana, May 91

Expected Results: To have 3 Cdn exhibitors resulting in sales of \$600,000

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: HAVANA

Market: CUBA

Sector : TRANSPORT SYS,EQUIP,COMP,SERV.

Sub-Sector: RAIL

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	20.00 \$M	25.00 \$M	40.00 \$M	60.00 \$M
Canadian Exports	1.50 \$M	2.50 \$M	3.00 \$M	5.00 \$M
Canadian Share of Market	7.00 %	10.00 %	8.00 %	8.00 %

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

Major Competing Countries	Market Share
COMECON	85.00 %
ARGENTINA	2.00 %
FRANCE	1.00 %
UNITED KINGDOM	1.00 %
OTHER COUNTRIES	3.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Second hand eqpt (hopper,tank,box & gondola cars)
2. Rail maintenance and tamping equipment
3. Signalling & dispatching systems
4. Tools and equipment used in repair shop
5. Spare parts for locomotives and cars

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HAVANA

Market: CUBA

Factors for Canadian exports not reaching market potential:

- Non-competitive financing

- _____

- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Transportation Sector Profile, Nov.89, for distribution to 50-100 Cdn firms.

Expected Results: Provide updated information in this Sector to Cdn firms.

Activity: Meet with Fecuimport to prepare 1990 Transport Mission to Canada and obtain copies of specs for Cdn firms.

Expected Results: Alert 5-10 Cdn firms of potential sales of \$1-2 mln in 1990

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Urban Transportation Mission to Canada, 1st quarter 1990

Expected Results: Cash sales of \$1 million dollars expected

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

Activity: Meet with Fecuimport 3 times to follow-up on Mission results and to ensure Cdn firms are included in their buying program

Expected Results: Influence sales in amount of \$2 million dlrs.

Activity: Publicize success stories in Cdn trade publication: CanadExport

Expected Results: Increase awareness of Cdn suppliers of business chances.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: HAVANA

Market: CUBA

Sector : CONSTRUCTION INDUSTRY

Sub-Sector: BUILDING PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	150.00 \$M	200.00 \$M	230.00 \$M	300.00 \$M
Canadian Exports	5.00 \$M	6.00 \$M	8.00 \$M	10.00 \$M
Canadian Share of Market	3.30 %	3.00 %	3.40 %	3.30 %

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

Major Competing Countries Market Share

SPAIN	30.00 %
ITALY	25.00 %
MEXICO	20.00 %
AUSTRIA	10.00 %
GERMANY WEST	7.00 %
ARGENTINA	4.60 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Steel structures
2. Curtain walls
3. Roofing materials
4. Finishing materials
5. Flooring materials
6. Ceramic tiles
7. Air conditioning units

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HAVANA

Market: CUBA

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- _____
- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Determine bldg products requirements for const.projects with Intur, Cubanacan and Unezca and distribute info to 15-20 Cos.
Expected Results: Expect 5-10 serious follow-ups and \$5-7 million sales

Activity: Publicize tourism construction projects in Cdn trade publications e.g. CanadExport, CEA newsletter, etc.
Expected Results: Expect 3-4 serious follow-ups resulting in \$3-4 million sale

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Hotel/Restaurant Equipment Buyers Mission, April 90
Expected Results: Expect 4-5 buying connections resulting in sales of \$2-3 mln

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

Activity: Meet quarterly with Intur, Cubanacan and Unezca to identify building products requirements.
Expected Results: Sales of \$2-3 million expected

Activity: Provide guidance to Cdn construction firms seeking ways to finance tourism projects.
Expected Results: Expect 2-3 successful bids and sales of \$20 million or more.

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Havana

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/06/00	Chemical Buyers Mission From Cuba Mission In, To Industry	Petrochem & Chem Prod & Services
90/10/00	SALUD PARA TODOS 90, Havana Info Booth	General
90/12/00	International Fair of Havana Info Booth	General

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: KINGSTON

Country: JAMAICA

JAMAICA: During 1988 and the first half of 1989 the economy reflected a mixed picture. On the positive side, there was a fall in the average unemployment rate from 21% to 18.7%; relative exchange rate stability; an improvement in net international reserves and slight real growth (0.6%) in GDP. On the negative side there were two important events during this period. Firstly the most devastating hurricane the country has ever experienced and secondly, the pervading influence of the national elections which were finally held in February 1989.

The Planning Institute of Jamaica sets the economic loss attributable to the hurricane at between Cdn \$1.2 to \$1.8 billion. The most severe damage was in the housing, agriculture, to a lesser extent manufacturing and tourism sectors. There was also severe damage to the island's infrastructure. The country, however, recovered relatively quickly due to the generosity of multilateral financial institutions, reinsurance inflows from abroad and substantial bilateral relief assistance from Canada, the USA and the UK.

This Canadian involvement in reconstruction and increased exports of Jamaican alumina/bauxite by Alcan, resulted in Canada becoming Jamaica's second largest trading partner in 1988 with over US\$213 million in two-way sales. (This marked the first time that Canada exceeded the U.K. as number 2 behind the USA).

Canadian export opportunities will remain excellent in building materials, processed and fresh food products, telecommunications and pre-engineered structures for industrial and tourism facilities.

BAHAMAS: The major economic indicators would, at first glance, suggest a lacklustre performance of the Bahamian economy in 1988 owing largely to a small decline in tourist arrivals. Construction activity moderated from the record levels of 1987 with a continued slow decline in the manufacturing and agricultural sectors. On the financial side, the liquidity position of commercial banks tightened, generating upward movement on deposit interest rates and resulting in a few banks not meeting their Central Bank statutory reserve requirements. This slowdown in credit expansion, however, allowed for a big improvement in the current account deficit and alleviated a further weakening of the country's external reserves position.

Canadian exports to the Bahamas continued their strong performance in 1988 with a 16.8% increase over 1987 to \$35.6 million. For the next four years the prospects for the increased import of Canadian goods and services related to the hospitality industry and its infrastructure remain excellent as do competitively priced Canadian fish food products.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: KINGSTON

Country: JAMAICA

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

1. **AGRI & FOOD PRODUCTS & SERVICE**
Large and growing import market directed at high income Jamaicans and tourists. Sophisticated processing industry in Jamaica with significant potential for Canadian supply of materials.
2. **ADVANCED TECH. PROD. & SERV**
Jamaican and Bahamian telephone companies constantly upgrading their systems. Good opportunity for further Canadian procurement through EDC financing.
3. **FOREST PRODUCTS, EQUIP, SERVICES**
Canada well established in provision of paper and stationary products. New opportunities appearing in lumber processing and packaging industries where U.S. firms dominate.
4. **TRANSPORT SYS, EQUIP, COMP, SERV.**
Trans-Jamaican Airlines will expand inter-island and regional services. Excellent opportunity for lease and/or sale deHavilland DASH 8 aircraft.
- 5.
- 6.

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

- | | |
|-------------------------------------|--------------------------------------|
| 1. AGRI & FOOD PRODUCTS & SERVICE | 4. TRANSPORT SYS, EQUIP, COMP, SERV. |
| 2. ADVANCED TECH. PROD. & SERV | 5. |
| 3. FOREST PRODUCTS, EQUIP, SERVICES | 6. |

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KINGSTON

Market: BAHAMAS

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	218.50 \$M	225.00 \$M	230.00 \$M	245.00 \$M
Canadian Exports	6.00 \$M	6.50 \$M	7.50 \$M	8.00 \$M
Canadian Share of Market	2.70 %	2.90 %	3.30 %	3.20 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	80.00 %
UNITED KINGDOM	5.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Beverages
2. Processed Foods
3. Cheese
4. Fruit Juices
5. Dog Food
6. Seafood
7. Fertilizer

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Trade Fair activity
- Provincial export promotion
- Competitive pricing
- Strong sectoral capability in Canada

14/12/89

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KINGSTON

Market: BAHAMAS

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Market prospects have not been adequately explored
- _____
- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Follow up to Quebec Trade Mission of Sept. 89.
Expected Results: Increased sales from Quebec.

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

Activity: Direct presentations to processed food importers.
Expected Results: Increased procurement from Canada by leading importers.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KINGSTON

Market: BAHAMAS

Sector : CONSTRUCTION INDUSTRY

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	92.10 \$M	95.00 \$M	125.00 \$M	150.00 \$M
Canadian Exports	0.90 \$M	1.50 \$M	10.00 \$M	15.00 \$M
Canadian Share of Market	0.90 %	1.60 %	8.00 %	10.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	85.00 %
UNITED KINGDOM	5.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Structural Products
2. Decorative Building Prods.
3. Construction Services
4. Consulting Engineering

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Competitive pricing
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Market prospects have not been adequately explored

- _____
- _____

14/12/89

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KINGSTON

Market: BAHAMAS

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Inventory of Projects to be completed by August 1990.
Expected Results: Visit to Market by 5 firms.

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Local Executing Agencies to be approached by new Trade Commissioner.
Expected Results: More prequalification of Cdn firms.

Projects or portions of major projects within this sector/sub-sector s in the planning stage which provide opportunities for Canadian suppliers:

Bahamas Hospital Construction Project Approximate Value: 100 M\$
Financing Source : IADB - Inter-American Dev Bank
Contact : J.D. Bonar CHC (809)926-1500

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KINGSTON

Market: JAMAICA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	100.00 \$M	105.00 \$M	108.00 \$M	120.00 \$M
Canadian Exports	3.70 \$M	3.50 \$M	4.20 \$M	3.10 \$M
Canadian Share of Market	4.00 %	4.00 %	4.00 %	4.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	75.00 %
UNITED KINGDOM	5.00 %
NETHERLANDS	2.00 %
JAPAN	2.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Portion Control Foods
2. Apple Sauce and Drinks
3. Processed Food for Repackaging

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Trade Fair activity
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising

14/12/89

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KINGSTON

Market: JAMAICA

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Quebec Food Mission to Jamaica
Expected Results: Seven (7) New Agency Agreements.

Activity: Prepare 1990 Update of Food Products Survey
Expected Results: New awareness in Canada of Jcan market.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KINGSTON

Market: JAMAICA

Sector : GRAINS AND OILSEEDS

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	90.50 \$M	95.00 \$M	98.00 \$M	105.00 \$M
Canadian Exports	8.90 \$M	8.50 \$M	9.00 \$M	10.50 \$M
Canadian Share of Market	9.80 %	8.90 %	9.20 %	10.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	87.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Strong US competition
- arrangements.
- based on soft financing

Factors for Canadian exports not reaching market potential:

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KINGSTON

Market: JAMAICA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	35.10 \$M	41.00 \$M	48.00 \$M	55.00 \$M
Canadian Exports	3.10 \$M	8.20 \$M	9.00 \$M	10.00 \$M
Canadian Share of Market	8.80 %	20.00 %	18.70 %	22.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	62.40 %
UNITED KINGDOM	20.10 %
JAPAN	6.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Telephone Switches
2. Telephone Transmission Eqpt
3. Cellular Telephones
4. Computer Software

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Competitive Canadian financing
- EDC Financing

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- _____
- _____

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KINGSTON

Market: JAMAICA

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

Activity: Prepare market report on Jamaica Telephone Co.

Expected Results: Increased Canadian sales.

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Kingston

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/04/00	National Hardware Show Kingston, Jamaica Fair, National Stand	Consumer Products
90/06/00	Power Generating Equip Mission From Bahamas, D. Rep., Jamaica Mission In, To Industry	Power & Energy Equip & Services

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: LIMA

Country: BOLIVIA

BOLIVIA's coherent open-market economic policies have restored economic stability and growth after a period of hyper-inflation in the mid-1980's. While the May 1989 elections have resulted in a coalition government, the latter is expected to continue sound economic management. 1989 inflation is expected to reach 14% and economic growth only 2.8%. Bolivia has reached agreement with the IMF and will attract increased financing from the IFIs. A new investment law is likely to pass in early 1990, which with revisions to the mining and hydrocarbons laws should lead to increased foreign investments, especially in mining and oil and gas in the medium term. In short, Bolivia seems poised for solid growth into the 1990's.

Cdn exports to Bolivia in 1988 were only C\$ 5.6 million (wheat \$2.7M) and imports from Bolivia C\$ 22.7 million (gold, \$ 20M). Establishment of CIDA lines of credit for telecommunications and commodities, would lead to immediate trade prospects in these sectors. In addition, mining and hydrocarbon development (\$ 1.1 billion to be invested in gas pipeline and associated 500 MW power plant, then urea and polyethylene plants) offer good prospects. Bolivia's geography and small economy, however, sharply limit our opportunities in most other sectors.

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: LIMA

Country: PERU

Economic decline and inflation in Peru intensified into 1989. Inflation is expected to be 3000% for 1989. The decline in GDP (-7.5% in 1988) sharpened in early 1989 and the drop in GDP for all 1989 is forecast between 14% and 18%. Per capita domestic purchasing power has decreased 50% over the past 18 months. While the rate of economic decline has decreased in recent months, a significant turnaround in the economy is unlikely until well after the inauguration of a new government in July 1990. Partly as a result of its confrontation with international financial institutions (IFIs) - Peru's policy is not to pay more than 10% of export earnings toward its official external debt - Peru is receiving no commercial credit from private banks, IFIs (IMF, IBRD, IADB), or from official export credit agencies including EDC. All exports to Peru must therefore be made on cash basis or through countertrade, a mechanism currently in favour with the Peruvian government. Peru's imports declined from USD 3.1 billion in 1987 to USD 2.75 billion in 1988, while exports grew slightly to USD 2.7 billion.

Cdn exports declined from C\$ 120.5 million in 1987 to C\$ 64.5 M in 1988 (Peruvian exports to Canada were C\$ 86 million). Main items were milk powder (\$ 16.6M); wheat (\$ 9.0M); bovine (\$ 1.3M); newsprint and paper (\$8.3M); fertilizers (\$ 5.0M); asbestos (\$ 2.4M); tire cords (\$ 2.3M) and various mining equipment and parts. There is intense competition for whatever hard currency is made available for imports and there continue to be selected opportunities for Cdn exports. Sectors expected to readily receive import licences/foreign exchange are those industries that generate foreign exchange, notably mining, petroleum and fisheries. Security remains a major internal problem and increasing sales will be made here. Canadian export possibilities will remain good for inputs vital to the economy, such as chemicals, aluminium, steel, newsprint, and for increased sales of equipment and services for mining, telecommunications, energy and transport industries. Faced with a growing population and need for food imports, agriculture will continue to offer opportunities. CIDA lines of credit for mining equipment (\$ 14 million) and telecommunications (\$ 5 million) are sustaining exports in 2 sectors where Canada will continue to have good export prospects.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: LIMA

Country: PERU

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

1. MINE, METAL, MINERAL PROD & SRV
Canadian industry well-known in Peru; mining is major export industry in both Bolivia/Peru; active promotion; CIDA line of credit sustaining exports in Peru.
2. OIL & GAS EQUIPMENT, SERVICES
Trend toward more liberal investment climate in Bolivia (perhaps in Peru after July 1990); interest in missions.
3. DEFENCE PROGRAMS, PRODUCTS, SERV
Internal security is major problem in Peru.
4. OTHER SERVICES
Peru's debt "repayment" policy has resulted in suspension of all bilateral credit; prospects of change after July 1990.
5. AGRI & FOOD PRODUCTS & SERVICE
6. TRANSPORT SYS, EQUIP, COMP, SERV.

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

- | | |
|-------------------------------------|-----------------------------------|
| 1. MINE, METAL, MINERAL PROD & SRV | 4. GRAINS AND OILSEEDS |
| 2. FOREST PRODUCTS, EQUIP, SERVICES | 5. AGRI & FOOD PRODUCTS & SERVICE |
| 3. DEFENCE PROGRAMS, PRODUCTS, SERV | 6. |

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: LIMA

Market: PERU

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	150.00 \$M	135.00 \$M	130.00 \$M	130.00 \$M
Canadian Exports	53.00 \$M	18.00 \$M	13.00 \$M	13.00 \$M
Canadian Share of Market	28.30 %	13.00 %	10.00 %	10.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	35.00 %
ARGENTINA	30.00 %

Current Status of Canadian
exports in this sector/subsector: Market share declining

Products/services for which there are good market prospects:

1. Wheat
2. Milk powder
3. Cattle
4. Lentils
5. Split peas
6. Semen
7. Swine

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Fairs and Missions support
- Provincial export promotion
- CIDA programs
- Competitive pricing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: LIMA

Market: PERU

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Non-competitive financing

- _____
- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Obtain Min Agriculture preferential tariff for Canola
Expected Results: Increase sales

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Incoming swine buyers May 90
Expected Results: Increase sales

Activity: Incoming seed and specialty crops Aug 90
Expected Results: Increase sales

Activity: Incoming cattle buyers Nov. 90
Expected Results: Increase sales

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

Activity: Mailing campaigns
Expected Results: Strengthen Canadian image as supplier

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: LIMA

Market: PERU

Sector : FISHERIES, SEA PRODUCTS & SERV.

Sub-Sector: MARINE HARV, PROC MACH & EQUIP

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	14.00 \$M	12.00 \$M	12.00 \$M	15.00 \$M
Canadian Exports	0.05 \$M	0.07 \$M	0.06 \$M	0.50 \$M
Canadian Share of Market	0.36 %	0.58 %	0.50 %	3.33 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	30.00 %
PERU	30.00 %
NETHERLANDS	0.00 %
JAPAN	10.00 %
BRAZIL	8.00 %
NORWAY	2.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Fishing apparatus
2. Fish processing equipment
3. Refrigeration plants
4. Fish pumping equipment
5. Radars/sonars
6. Communications equipment
7. Cables/rope/cordage

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: LIMA

Market: PERU

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Limited Canadian capabilities
- Performance of local agent or representative
- Few incoming missions/visitors -
- Lack of interest fm Cdn exporters.

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Develop several active agents targeted at niches of Canadian capability.

Expected Results: Improve market share for Canadian products

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

Activity: Obtain more interest from Canadian exporters by encouraging local agents to contact them.

Expected Results: Generate effective presence of Canada in Peruvian market.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: LIMA

Market: PERU

Sector : DEFENCE PROGRAMS, PRODUCTS, SERV

Sub-Sector: SECURITY PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	200.00 \$M	200.00 \$M	140.00 \$M	150.00 \$M
Canadian Exports	0.25 \$M	1.50 \$M	5.00 \$M	15.00 \$M
Canadian Share of Market	0.01 %	0.75 %	7.00 %	10.00 %

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

Major Competing Countries	Market Share
FRANCE	25.00 %
UNITED STATES OF AMERICA	20.00 %
UNION OF SOVIET SOC REP	15.00 %
ISRAEL	15.00 %
GERMANY WEST	15.00 %
ITALY	5.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Intruder detection; perimeter systems
2. Bullet proof vests
3. Bomb deactivating suits
4. All types of alarms
5. Explosive's vapour detectors
6. Kidnapping protection equipment
7. Bullet proof glass
8. Bomb proof glass
9. Armoured vehicles
10. Drug control and counter-insurgency equipment
11. (detection, communications, and transport).

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: LIMA

Market: PERU

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Competitive pricing
- Strong sectoral capability in Canada
- CCC Involvement.

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Non-competitive financing
- Export controls.
- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

- Activity: Close liaison with agents, state agencies and mines for opportunities already uncovered.
- Expected Results: Facilitate process from opp. to completion of export order
- Activity: Follow up Nov 89 security mission to Peru
- Expected Results: Sales of up to \$50 million.

For the next fiscal year, the mission will carry out the following approved fairs and missions:

- Activity: Incoming security products mission (tentative) April 1990

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: LIMA

Market: PERU

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

Activity: Determine support for more active promotion beyond security field.

Expected Results: Reasonable sales to police and armed forces.

Projects or portions of major projects within this sector/sub-sector s in the planning stage which provide opportunities for Canadian suppliers:

Perimeter security (Peru)	Approximate Value:	0 M\$
	Financing Source :	
	Contact :	Embassy - Lima
Electric transmission lines	Approximate Value:	10 M\$
	Financing Source :	TO BE DETERMINED
	Contact :	Embassy - Lima
Electric power plants	Approximate Value:	10 M\$
	Financing Source :	TO BE DETERMINED
	Contact :	Embassy - Lima
Military installations	Approximate Value:	10 M\$
	Financing Source :	TO BE DETERMINED
	Contact :	Embassy - Lima

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: LIMA

Market: PERU

Sector : TRANSPORT SYS,EQUIP,COMP,SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	100.00 \$M	125.00 \$M	85.00 \$M	90.00 \$M
Canadian Exports	6.00 \$M	6.00 \$M	5.00 \$M	6.00 \$M
Canadian Share of Market	6.00 %	7.50 %	4.20 %	5.40 %

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

Major Competing Countries

Market Share

JAPAN	35.00 %
UNITED STATES OF AMERICA	20.00 %
BRAZIL	15.00 %
GERMANY WEST	8.00 %
FRANCE	6.00 %

Products/services for which there are good market prospects:

1. Locomotives
2. Freight cars
3. Locomotives spares
4. Auto-trucks spares
5. Auto accessories
6. Heavy trucks
7. Sanitation vehicles
8. Mass transit project
9. Ambulances
10. Airport fire trucks

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- Competitive pricing
- Strong sectoral capability in Canada
- Except in ix as Cda is
- locomotives & railcars.
- important supplier of

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: LIMA

Market: PERU

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Non-competitive pricing
- Non-competitive financing
- Lack of financing
- Above may vary with product/project
- sector.

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Urban transit Callao-Lima: promotion
Expected Results: \$100 million project

Activity: Urban transit north-south stage II
Expected Results: Consultancy \$20 million

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Incoming rail mission (tentative) (ENAFER; Min Transport)
June 1991
Expected Results: Promo. of rail communca'ns & loco. after new govt installed

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

Activity: Send promotional literature to trucks & auto accessories importers; contacts w/agents & buyers of specialty vehicles.
Expected Results: Improved market knowledge leading to sales.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: LIMA

Market: PERU

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Garbage trucks

Approximate Value: 5 M\$
Financing Source : CN'TRADE
Contact : Embassy - Lima

Overhaul locomotives

Approximate Value: 10 M\$
Financing Source : TO BE DETERMINED
Contact : Embassy - Lima

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: LIMA

Market: PERU

Sector : MINE,METAL,MINERAL PROD & SRV

Sub-Sector: EQUIPMENT AND MACHINERY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	40.00 \$M	60.00 \$M	190.00 \$M	250.00 \$M
Canadian Exports	3.70 \$M	4.00 \$M	40.00 \$M	50.00 \$M
Canadian Share of Market	9.30 %	6.60 %	21.00 %	20.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	39.00 %
BRAZIL	20.00 %
CANADA	15.00 %
BELGIUM	14.50 %
SOUTH AMERICA	14.00 %
ITALY	7.50 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. LHD and excavating equipment
2. Drilling equipment
3. Front loaders and dump cars
4. Locomotives
5. Mining equipment spare parts
6. Drills and bits
7. Services
8. Personnel transportation eqpt
9. Motors
10. Truck ore hauling
11. Conveyors
12. Hydraulic parts/eqpt.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: LIMA

Market: PERU

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Willingness of exporters to invest/joint venture in territory

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Non-competitive financing
- Unstable investment climate & lack EDC
- bank and IFI financing in Peru;

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Mintec 89 and Centromin/SIMSA Mission to Ontario
Expected Results: \$20 million in sales.

Activity: Collaboration with Peruvian mining sector and CIDA with regard to credit facility to mining sector.
Expected Results: \$ 14 million sales.

Activity: Capitalize on mining rehabilitation & investments in Bolivia
Expected Results: \$ 8 million sales.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: LIMA

Market: PERU

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Outgoing trade mission - La Paz - May 1990 (with secondary visit to Lima, Peru).
Expected Results: Attendance by 250-300 buyers.

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

Activity: Mini-seminar or small industry groups in conjunction with Canadian business travel to territory.
Expected Results: Improved product knowledge by Peruvian industry.

Activity: Collaboration with Cdn private sector on Bolivian-sponsored investment seminar for Cdn financial/media reps.
Expected Results: Increase Cdn awareness of dvlpmnts in Bolivia mining sector.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: LIMA

Market: PERU

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

CENTROMIN (Peru) - medium term rehabilitation. Approximate Value: 1172 M\$
Financing Source : TO BE DETERMINED
Contact : Embassy Lima

COMIBOL - Rehabilitation of 15 mines (Bolivia) Approximate Value: 65 M\$
Financing Source : IDA - World Bank
Contact : Embassy Line

San Vicente, S.I.M.S.A. (Peru) Approximate Value: 108 M\$
Financing Source : TO BE DETERMINED
Contact : Embassy Line

COMSUR rehabilitation (Bolivia) Approximate Value: 10 M\$
Financing Source :
Contact : Embassy Line

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: LIMA

Market: PERU

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	25.00 \$M	35.00 \$M	40.00 \$M	45.00 \$M
Canadian Exports	3.75 \$M	1.60 \$M	1.70 \$M	5.00 \$M
Canadian Share of Market	15.00 %	4.60 %	4.30 %	11.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	45.00 %
EUROPEAN COMMON MARKET C	15.00 %
BRAZIL	10.00 %
ARGENTINA	10.00 %
JAPAN	6.00 %
MEXICO	3.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Consultancy
2. Services
3. Drilling equipment
4. Equipment for refineries
5. Gas & oil pipe lines
6. Gas processing plants
7. Air & gas compressors
8. Piping & tubing
9. Gas engines & turbines
10. Instrumentation
11. Explosion-proof equipment
12. High pressure pumps

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: LIMA

Market: PERU

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Performance of local agent or representative
- Difficult economic situation and
- investment climate in Peru

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Prepare Sector Report for Bolivia.
Expected Results: Increase awareness of Cdn Ind. in Bolivian oil market.

Activity: Develop broader range of relations with reps/agents involved in Petroleum Sector (Peru and Bolivia).
Expected Results: Improve market share for Canadian goods & services.

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Peruvian & Bolivian Buyers to National Petroleum Show, Calgary, June 90.

Expected Results: Increased sales parts & equipment

Activity: Mission led by MIN EMR to Bolivia (tentative)
Expected Results: Capitalize on opportunities in oil and gas sector.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: LIMA

Market: PERU

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

Activity: Follow up on planned Alberta Oil & Gas Mission (Nov. 89)
Expected Results: Contracts

Activity: Work closely with local agents in Peru and Bolivia
Expected Results: Get better results out of public bids.

Activity: Develop new agents for this Sector in both countries.
Expected Results: Boost substantially our presence in Prvn/Blvn petro. markets

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Northern gas processing (Peru) Approximate Value: 138 M\$
Financing Source : OTHER
Contact : Embassy - Lima

Camisea gas field exploration (Peru) Approximate Value: 2230 M\$
Financing Source : TO BE DETERMINED
Contact : Embassy - Lima

Gas Processing Plant Bolivia - 60 mm ft 3/ day. Approximate Value: 0 M\$
Financing Source : IADB - Inter-American Dev Bank
Contact : Embassy - Lima

Gas pipeline - Bolivia & power plant. Approximate Value: 0 M\$
Financing Source : IADB - Inter-American Dev Bank
Contact : Embassy - Lima

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: LIMA

Country: PERU

The mission is of the opinion that Canada can reasonably expect to attract the following amount of foreign investment from its territory/country next year:

Two entrepreneurial investments (establishing new manufacturing cos.), considerable portfolio, real estate, etc....

Canada's major competitors for investment from this territory/country are:

- U.S.A.
- Chile
- Other Latin American countries

The following types of activities are currently being undertaken by Canada's major competitors to attract investment from this territory/country:

- None for political reasons.

Compared to major competitive destinations, Canada is perceived to have the following advantages:

- Gateway to USA market.
- Perception of less violence and more humanitarian social policies than USA.
- Perception of having great future because of resources and size
- Ease of assimilation of immigrants

the following constraints:

- Severe climatic conditions

The mission indicates the following potential for various types of investment from within its territory/country:

Type of Investment	Potential
Portfolio	MEDIUM
Acquisition	MEDIUM
Greenfield	MEDIUM
Joint Venture	MEDIUM
Strategic Partnering	MEDIUM

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RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: LIMA

Country: PERU

The mission believes that the following sectors are of greatest interest to investors in its territory/country an assigned ranking A = High B = Medium C = Low

Sector	Ranking
Agriculture/Food/Fish	B
Resource Processing	A
Machinery and Equipment	B
Transportation	C
Consumer Products	B
Commercial Service	B
Computer and Communications	C
Health Care Products/Medical	C
Aerospace and Defence	C
Strategic Technologies	B

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PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Lima

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/06/00	Petroleum Equip Mission From Latin America Mission In, To Fair	Oil & Gas Equip & Services

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: MEXICO

Country: MEXICO

These are extraordinary times in Mexico. The new administration of President Salinas de Gortari has, during its first year of office, introduced its own version of perestroika at a pace unanticipated, unprecedented and unparalleled in living memory, and there are indications of more to come. Few would deny that the steps taken by the Salinas administration - the fight against corruption, the enhancement of good relations with the U.S. government, the facilitation of direct foreign investment, tax reform, privatization, etc. - have been in the right direction. And the signals that sound economic policies will be followed have buoyed the confidence and expectations of the private sector.

One notable achievement was the recent agreement with the creditor banks to reschedule a portion of Mexico's external debt. This agreement is expected to provide Mexico with net financial benefits of between US\$2-3 billion a year. Although the final results of the agreement may not be known for several months, it is nevertheless most important as it reduces uncertainty and thus enables the government to pursue its policies of structural adjustment in a climate of stability.

The Pact for Economic Stability and Growth maintained a set of austerity measures aimed at reducing inflation by combining tight fiscal and monetary policies with wage, price and exchange rate controls. The Pact has succeeded in sharply reducing inflation from 160% in 1987 to 52% in 1988 to an estimated 15-18% in 1989. Most economic indicators confirm that the Mexican economy is growing at a faster rate than even the most optimistic estimates had previously envisioned. The current rate of growth is 2% and by the end of the year could reach as high as 2.8%, compared to 1.1% in 1988. There are nevertheless bottlenecks in the economy which will loom larger in the future: poor performance in the agricultural sector; poor quality of infrastructure; insufficient foreign investment and domestic savings; and of course a financial situation in which billions of dollars will continue to be drained from the system servicing foreign debt.

Canada-Mexico two-way trade will show a remarkable increase this year, perhaps as much as 25%. Opportunities abound and EDC financing is available. Although the Mission's export promotion priorities for 1990/91 are limited to only six sectors, Canadian exporters in virtually all market sectors should be looking at potential opportunities in Mexico.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: MEXICO

Country: MEXICO

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

1. GRAINS AND OILSEEDS

Mexico continues to be Canada's second largest market for canola and the potential exists to move over 100 million of seed, meal & oil annually. There is also a good market for Canadian wheat, as well as barley for the large brewing industry.

2. AGRI & FOOD PRODUCTS & SERVICE

The Government has pledged to increase milk production and is setting a new dairy policy to expand domestic production. Canadian JMP exports to Mexico will exceed \$100 million this year. Domestic beef and pork production is also targeted for increases to meet strong demand and replace imports.

3. ADVANCED TECH. PROD. & SERV

It is estimated that Mexico will invest \$15-18 billion in the telecommunications sector over the next decade. Major opportunities will exist for Canadian firms in rural telephony, switching equipment, satellite communications, microwave equipment, etc.

4. TRANSPORT SYS, EQUIP, COMP, SERV.

Airport and rail modernization programs are a priority for commerce and tourism. Improved commuter systems are urgently required in Mexico City, State of Mexico, Monterrey and Guadalajara.

5. INDUSTRIAL MACHIN, PLANTS, SERV.

Mexico's expanding industrial production capacity requires major investments in modern machinery and equipment. Mexico's low-cost labour is continuing to attract foreign investment in maquiladora operations.

6. CHEM PROD & PETROCHEM, EQP, SERV

The expanding plastics industry offers important opportunities for Canadian exporters of resins, machinery and tools and dies. Foreign investment restrictions have been eased to promote and encourage investment in secondary and tertiary petrochemical industries.

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

1. GRAINS AND OILSEEDS
2. AGRI & FOOD PRODUCTS & SERVICE
3. MINE, METAL, MINERAL PROD & SRV

4. TRANSPORT SYS, EQUIP, COMP, SERV.
5. ADVANCED TECH. PROD. & SERV
6. FOREST PRODUCTS, EQUIP, SERVICES

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1565.00 \$M	2970.00 \$M	2200.00 \$M	1800.00 \$M
Canadian Exports	23.00 \$M	58.00 \$M	45.00 \$M	48.00 \$M
Canadian Share of Market	1.00 %	1.00 %	2.00 %	2.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries	Market Share
MEXICO	40.00 %
UNITED STATES OF AMERICA	55.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Milk Powder
2. Beef Cattle
3. Dairy Cattle
4. Swine
5. Colored Beans, Canary Seed, Lentils
6. Offals
7. Seed Potatoes
8. Hides
9. Semen

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Limited Canadian capabilities
- Market prospects have not been adequately explored
- Lack of Supply: for milk powder,
- certain breeds of dairy cattle

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Technical Swine Mission to Mexico April/90
Expected Results: Improved knowledge Canadian breeding stock.

Activity: Swine Buyers Mission to Canada
Expected Results: Sales of Canadian stock to Mexico

Activity: Technical Seminar on Canadian Beef Breeds/Production Methods
Expected Results: Increased interest in purchasing Cdn pure breed beef animals

Activity: Promotion of EDC lines of credit for sales livestock in Mexico
Expected Results: Increased sales via use of existing credit facilities.

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

Activity: Canadian speakers on Sept 90, Swine Congress Program
Expected Results: Incr'd int. in Cdn breed'g stock relative to that of USA/Eur

Activity: Forage Seed Trials in Mexico
Expected Results: Regist'n of certain Cdn forage varieties for sale in Mexico

Activity: Potatoes Canada trials in Mexico
Expected Results: Increased range of Cdn potato varieties for sale in Mexico.

Activity: Mexican Fish Importers Mission to Canada
Expected Results: Increased Sales of Canadian Fish to Mexico.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : GRAINS AND OILSEEDS

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1113.00 \$M	720.00 \$M	1000.00 \$M	900.00 \$M
Canadian Exports	112.00 \$M	94.00 \$M	95.00 \$M	110.00 \$M
Canadian Share of Market	10.00 %	13.00 %	9.00 %	12.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries	Market Share
MEXICO	30.00 %
UNITED STATES OF AMERICA	59.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Canola
2. Milling Wheat
3. Malting Barley
4. Feed Grains

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Fairs and Missions support
- Provincial export promotion
- Competitive pricing
- Strong sectoral capability in Canada
- EDC Export Financing of
- factor in the 1986-88 per
- Agric Prod was a positive

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Non-competitive financing
- With EDC changes to Export Financing of Agric Prod. effect. July 1989

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: November 1989, Oilseeds Report
Expected Results: Market information for Canadian Industry

Activity: Continued Canola Promotion through a booth at 4 National Conference (in process to be completed by Feb. 1990).
Expected Results: Bldg awareness of Cdn capab. to supply Canola seed, oil & meal

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Canola Promotion Booth at 4 events in Mexico
Expected Results: Improving awareness of Canola & its prod vis a vis competit.

Activity: Two CONASUPO managers to attend CIGI International Grains and Oilseeds Program in 1990.
Expected Results: Introd'n to CONASUPO mgrs to Cdn Grain & Oilseed System.

Activity: Technical Seminar to Animal Feed Formulators on how to substitute Feed Barley for Sorghum in rations.
Expected Results: Potential sales of 1 to 2 million U.S.A.

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

Activity: Annual Agric Rep. on Mexico that outlines potential opp. for 1990 sales of grains, oilseeds, special crop, livestock, meat
Expected Results: Market information for Canadian Exporters.

Activity: Grain Marketing Bureau of Grains & oilseeds situation/outlook & local industry infrastructure survey.
Expected Results: Market Information for Canadian Exporters

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : DEFENCE PROGRAMS, PRODUCTS, SERV

Sub-Sector: SECURITY PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	0.00 \$M	0.00 \$M	0.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	90.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: \$M

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	0.00 %
GERMANY WEST	0.00 %
UNITED KINGDOM	0.00 %
JAPAN	0.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Aircraft
2. Radio Comms. Syst.
3. Repair and Overhaul
4. Personal/Household/Comm.Bldgs Security Systems

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- PEMD support
- Provincial export promotion
- Competitive pricing
- Competitive Canadian financing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Non-competitive pricing
- Lack of promotion and advertising
- Unsuitable product
- Limited appreciation/understanding of distribution system
- Limited Canadian capabilities
- Market prospects have not been adequately explored
- Nat'l Def directs
- all purch'g decision
- Re Nat'l Def Mktgn of prod is con-
- trolled by USA parent firms

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: EDC Financing for aircraft is available
Expected Results: Multimillion dollar sale

Activity: Security Products Mission to Mexico (Ven/Col) Nov/Dec 89
Expected Results: 1 to 2 Million annual sales in 2 years

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Security products mission or exhibit (1990)
Expected Results: epresentation agreements

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

Activity: Improved liaison program with defence equipment agents
Expected Results: 5 to 10 new agents to be registered.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	310.00 \$M	365.00 \$M	395.00 \$M	430.00 \$M
Canadian Exports	5.00 \$M	1.60 \$M	3.70 \$M	6.00 \$M
Canadian Share of Market	1.60 %	0.00 %	1.00 %	1.50 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: \$M

Major Competing Countries

Market Share

MEXICO	65.00 %
UNITED STATES OF AMERICA	15.00 %
SWEDEN	8.00 %
JAPAN	0.00 %
GERMANY WEST	0.00 %
OTHER COUNTRIES	0.00 %

Products/services for which there are good market prospects:

1. Microwave Systems
2. Telephony Equipment
3. Multiple Access Rural Telephone Systems
4. Satellite Grounds Segment

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Provincial export promotion
- Competitive pricing
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Restrictive standards
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored

- _____
- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Telecom mission to Mexico suggested by DOC and supported by Post

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Participation in COMEXPO 90 in March 1990.

Activity: Encourage Cdn firms to visit the market

Activity: Technical seminar at Embassy

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

Activity: Insert articles in local newspaper describing Cdn capabilities.

Activity: Publicize Canadian Radasat's Launch into space

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: COMPUTERS HARD/SOFTWARE & COMP

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	332.00 \$M	411.00 \$M	465.00 \$M	605.00 \$M
Canadian Exports	5.00 \$M	10.00 \$M	12.00 \$M	12.00 \$M
Canadian Share of Market	1.50 %	2.40 %	2.50 %	2.50 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: \$M

Major Competing Countries	Market Share
MEXICO	55.00 %
UNITED STATES OF AMERICA	29.00 %
JAPAN	4.00 %
GERMANY WEST	0.00 %
BRAZIL	0.00 %
OTHER COUNTRIES	0.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Peripheral
2. Hardware
3. Spare parts & accessories
4. Software

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Provincial export promotion
- Competitive pricing
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Restrictive quotas
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Performance of local agent or representative

- _____
- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Participation of Canadian firms in COMEXPO and MEXCON Shows.

Activity: Market report on sector

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Information Booths at main related shows in Mexico City, Monterrey, Guadalajara.

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

Activity: Develop a closer relation with local chamber of electronic industry.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	190.00 \$M	377.00 \$M	350.00 \$M	385.00 \$M
Canadian Exports	1.60 \$M	2.40 \$M	3.50 \$M	3.80 \$M
Canadian Share of Market	0.00 %	0.00 %	1.00 %	1.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: \$M

Major Competing Countries	Market Share
MEXICO	65.00 %
UNITED STATES OF AMERICA	15.00 %
JAPAN	13.00 %
OTHER COUNTRIES	5.00 %
GERMANY WEST	9.00 %
FRANCE	3.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Spare parts
2. Steam generators
3. Generating plants
4. Measuring protection & control equipment

Factors contributing to current successful Canadian exports:

- Import duties are low
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Develop a close relation
- from local firms.
- with technical people

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
 - Restrictive standards
 - Non-competitive pricing
 - Lack of promotion and advertising
 - Limited appreciation/understanding of distribution system
 - Limited Canadian capabilities
 - Performance of local agent or representative
 -
 -
-

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Aguamilpa Hydroelectric	Approximate Value:	0 M\$
	Financing Source :	
	Contact :	
Zimapan Hydroelectric	Approximate Value:	0 M\$
	Financing Source :	
	Contact :	
Mazatlan II Thermoelectric	Approximate Value:	0 M\$
	Financing Source :	
	Contact :	
Topolobampo II Thermoelectric	Approximate Value:	0 M\$
	Financing Source :	
	Contact :	

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : TRANSPORT SYS,EQUIP,COMP,SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	2000.00 \$M	2000.90 \$M	3000.50 \$M	3000.50 \$M
Canadian Exports	0.00 \$M	77.00 \$M	150.00 \$M	150.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	0.00 %
FRANCE	0.00 %
GERMANY WEST	0.00 %
BRAZIL	0.00 %
JAPAN	0.00 %

Products/services for which there are good market prospects:

1. Rail
2. Locomotives
3. All rail related eqpt.
4. Comm. systems
5. Air navigation system
6. Airport related eqpt.
7. Automotive J.V.

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing
- There is a question whe-
- currently competitive.
- ther our financing is

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
 - Non-competitive financing
 - Limited appreciation/understanding of distribution system
 - Limited Canadian capabilities
 - Market prospects have not been adequately explored
 - Purch'g procedures
 - are lengthy costly
 -
 -
-
-

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Investment opportunities in the automotive sector
Expected Results: Identify 3 to 5 Cdn firms interested to follow up opport.

Activity: Identification of airport improvement projects
Expected Results: Report to industry

Activity: Identification of urban transportation activity.
Expected Results: Report to industry

Activity: Identification of RR projects/investment/J.V. opportunities.
Expected Results: Report to industry.

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Mission to Canada of RR official/private sector re specific RR projects
Expected Results: Opp. to participate in 1 or more rail proj-sales of locom.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

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

Activity: Explore potential Mexican private sector firms which will be asked to implement programs for ferrocarriles.
Expected Results: Report to industry.

Activity: Identify potential automotive J.V. partners
Expected Results: Report and identify CIDA Ind. Coop. Users

Activity: Identify airports improvement program
Expected Results: Report

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	410.00 \$M	460.00 \$M	510.00 \$M
Canadian Exports	0.00 \$M	7.00 \$M	45.00 \$M	55.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	0.00 %
SWEDEN	0.00 %
GERMANY WEST	0.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Pulp
2. Newsprint
3. Lumber
4. Forest Harvesting Mchy.
5. Pulp Mill Mchy.

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Competitive pricing
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Previously imports were controlled
- through a parastatal company.

13/12/89

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Forest harvesting/processing equip. mission to Durango/Chihuahua.

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Incoming forest harvesting/processing equpt. mission
Expected Results: 10/25 million sales over 3 years

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

Activity: Investigate market for Cdn lumber, newsprint, pulp
Expected Results: Report.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Forestry project Durango/Chih. Approximate Value: 0 M\$
Financing Source : IBRD - World Bank
Contact : G.Richardson/D.Butler/C.Clark,
Forestry Cda 613-997-1107

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : MINE,METAL,MINERAL PROD & SRV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	1725.00 \$M	2659.00 \$M	2900.00 \$M
Canadian Exports	0.00 \$M	94.80 \$M	110.00 \$M	130.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: \$M

Major Competing Countries

Market Share

BRAZIL	0.00 %
COLOMBIA	0.00 %
UNITED STATES OF AMERICA	0.00 %
SWEDEN	0.00 %
FRANCE	0.00 %
GERMANY WEST	0.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Steel/Steel Products
2. Mining Machinery/Ore Processing Machy.
3. Coal
4. Precious Metal Catalysts
5. Sulphur
6. Polish

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Competitive pricing
- Strong sectoral capability in Canada

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Performance of local agent or representative

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Market Report on Coal Imports

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

Activity: Communications program to promote Canadian Mining Equipment.
Expected Results: Continued high level sales w/o spending new TF/TIN budgets.

Activity: Regional Promotion of Canadian Metal/Mineral Products
(Monterrey)

Activity: Monitor Asbestos Market.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Mexico's Mining Sector

Approximate Value: 0 M\$

Financing Source :

Contact : IBRD Overview Study April 89

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	630.00 \$M	660.00 \$M	700.00 \$M	750.00 \$M
Canadian Exports	2.00 \$M	2.50 \$M	3.50 \$M	10.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.00 %

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

Major Competing Countries

Market Share

VENEZUELA	0.00 %
UNITED STATES OF AMERICA	0.00 %
JAPAN	0.00 %
FRANCE	0.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Oil & Gas Equipment (Specialized)
2. Communications Equipment
3. Gas Processing Equipment

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Provincial export promotion
- Competitive pricing
- Strong sectoral capability in Canada

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Performance of local agent or representative
- Registration proce-
- dures PEMEX directed
- Most Cdn firms do not have rep'n;
- their prom'tn efforts not long term

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Work with PEMEX ADN Cdn Industry to establish J.Vs.
Expected Results: One or 2 investment opportunities.

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Petro Expo 90
Expected Results: New Rep Arrangements 5 to 10.

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

Activity: Post generated communications program & Alberta generated comm. program.
Expected Results: Increased contacts w/ reps. & better info on mkt opportunities

Activity: Visit to regional markets.
Expected Results: New regional market opportunities

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : CHEM PROD & PETROCHEM, EQP, SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1593.00 \$M	2178.40 \$M	2500.00 \$M	2700.00 \$M
Canadian Exports	0.00 \$M	14.50 \$M	16.00 \$M	25.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	0.00 %
FRANCE	0.00 %
GERMANY WEST	0.00 %
ITALY	0.00 %
JAPAN	0.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Plastic Manufacturing & Equipment
2. Resins/Materials for Plastics Industry
3. Industrial Chemicals

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Provincial export promotion
- Competitive pricing
- Willingness of exporters to invest/joint venture in territory
- Intercompany trade, pre-

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored

- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: PLAST IMAGEN 90
Expected Results: Increased sales 5/10 million annually.

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

Activity: Development of comm. program aimed at trade press and associations
Expected Results: New enquiries / new

Activity: Investigation of investment opportunities
Expected Results: 1/2 J.V. possibilities

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : CONSUMER PRODUCTS & SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	268.60 \$M	612.70 \$M	900.00 \$M	1100.00 \$M
Canadian Exports	0.00 \$M	5.50 \$M	6.00 \$M	6.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	0.00 %
JAPAN	0.00 %
FRANCE	0.00 %
GERMANY WEST	0.00 %
ITALY	0.00 %

Current Status of Canadian
exports in this sector/subsector: Market share declining

Products/services for which there are good market prospects:

1. Household Articles
2. Sporting Goods

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Competitive pricing

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
 - Lack of promotion and advertising
 - Limited appreciation/understanding of distribution system
 - Limited Canadian capabilities
 - Market prospects have not been adequately explored
 - Limited Cdn. supply capabilities.
-

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

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

Activity: If time available: Market overview paper on retail outlets/
 buyer organizations.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : EDUCATION, MEDICAL, HEALTH PROD

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	105.00 \$M	105.00 \$M	105.00 \$M	105.00 \$M
Canadian Exports	2.00 \$M	3.00 \$M	3.00 \$M	3.00 \$M
Canadian Share of Market	4.00 %	2.00 %	3.00 %	3.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	50.00 %
GERMANY WEST	30.00 %
FRANCE	15.00 %
BRAZIL	1.00 %
SWITZERLAND	1.00 %
UNITED KINGDOM	1.00 %

Current Status of Canadian
exports in this sector/subsector: Market share declining

Products/services for which there are good market prospects:

1. Laboratory equipment - teaching
2. Technical equipment - teaching

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- PEMD support
- Fairs and Missions support
- Competitive pricing

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Seems to be no/no interest in cda
- as supplier.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : INDUSTRIAL MACHIN, PLANTS, SERV.

Sub-Sector: MANUFACT & MATERIAL PLANT, EQP.

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	4680.00 \$M	5265.00 \$M	5265.00 \$M	5850.00 \$M
Canadian Exports	50.00 \$M	60.00 \$M	70.00 \$M	70.00 \$M
Canadian Share of Market	1.20 %	1.20 %	1.50 %	1.20 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	60.00 %
GERMANY WEST	30.00 %
JAPAN	3.00 %
SPAIN	2.00 %
ITALY	2.00 %
FRANCE	2.00 %

Current Status of Canadian
exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. Plastic machinery
2. Metal working machinery
3. Tools/Dies/Moulds
4. Food processing/packaging machinery
5. Environmental equip.

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Provincial export promotion
- Competitive pricing
- Competitive Canadian financing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Unsuitable product
- Limited appreciation/understanding of distribution system
- Limited Canadian capabilities
- Market prospects have not been adequately explored
-
-

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

- Activity: Investigation of regional market in Monterrey
Expected Results: Mkt overview: Ident of fairs local distr: report for distrib.
- Activity: Follow up with Ontario plastics equipment.
- Activity: Mission members.

For the next fiscal year, the mission will carry out the following approved fairs and missions:

- Activity: Solo show or participation in industrial machinery/equipment /materials show in Monterrey.
Expected Results: New regional representation.

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

- Activity: Cdn Exhibit PLast Imagen 1990 (Sep)
Expected Results: Appt of Mexico representation

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Mexico

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/07/00	PETRO EXPO 90, Mexico Fair, National Stand	Oil & Gas Equipment Services
90/08/00	Fish Buyers From Mexico Mission In, To Industry	Fisheries, Sea Products & Services
90/10/00	Canola Mission From Mexico Mission In, To Industry	Grains and Oilseeds
91/02/00	Mexico COM EXPO 90, Mexico Fair, National Stand	Advanced Tech., Prod., & Services
91/03/00	Plastics Machinery Mission To Trinidad & Tobago, Mexico, Colombia Mission Out, Industry	Petrochem & Chem Prod., Equip & Services

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: PORT-OF-SPAIN

Country: TRINIDAD AND TOBAGO

The twin-island nation of Trinidad and Tobago (TandT), the second largest among the English-speaking Caribbean nations, has a rich endowment of oil and natural gas, a well-developed physical infrastructure, a well-trained human resource base, a technically efficient industrial base and an ability to have a diverse agricultural sector. However, for seven years the economy has registered negative growth due mainly to its over dependence on the petroleum sector and the wealth it generated during the "oil boom" years. Excessive Government expenditures and the dramatic fall in oil prices and production with its deleterious effects depleted the country's foreign exchange reserves and created the current severe economic difficulties.

In an effort to arrest the decline and turn the economy back on to a growth path, the Government of Trinidad and Tobago (GORTT) is implementing structural adjustment programs, including cuts in public spending, restructuring of its external debt, privatization of Government-owned enterprises, the encouragement of export-led manufacturing and import replacement. Experts acknowledge that the economy has both the material and human base for a turnaround in the medium term, however, economic restraint will continue to prevail. As a result of economic difficulties, traditional exports from Canada will continue to suffer. An extensive "negative list" remains in place and Canadian firms must exercise extreme caution when considering export orders.

Despite these circumstances, certain GORTT policies and initiatives will create export opportunities in specific sectors. The Public Sector Investment Program (PSIP) calls for investments totalling TT\$3.8 billion over the 3-year period 1989-91. The petroleum sector has long dominated the economy of TandT, and while the long term objective is to reduce dependence on this sector, it will continue to remain the main source of export earnings and Government revenues. However, increased production cannot come from existing wells and there will be extensive new investment in exploration, production and drilling facilities. In addition, there will be major new investment, i.e. methanol, urea, etc. Agriculture is another sector which will receive substantial new investment. It is of particular interest to Canada as many of the projects are in areas where Canada is competitive and has world-class expertise, i.e. dairy and beef development, fishing, etc. GORTT's policy of import substitution and export expansion encourages joint ventures and technology transfer in several manufacturing sectors. These include plastics, energy intensive and petrochemical products, food and meat processing, packaging and consumer products (furniture, apparel). Many projects for TandT are in the "pipeline" of International Financial Institutions (IFI's) viz., health, agriculture, energy, water/sewerage and institutional strengthening.

Over the years, Canada has developed a strong trading relationship with TandT. Despite current economic difficulty, the ties will be maintained and cultivated so that Canadian exporters will be well positioned as the economy improves.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: PORT-OF-SPAIN

Country: TRINIDAD AND TOBAGO

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

1. AGRI & FOOD PRODUCTS & SERVICE

Agriculture and agro industrial sector will be the principal recipients of major multilateral and bilateral financing. The development and restructuring will require a full range of product, e.g. livestock, equipment and services.

2. OIL & GAS EQUIPMENT, SERVICES

This is Trinidad and Tobago's largest foreign exchange earner and very significant expenditures are planned in this sector to improve output and lower costs.

3. INDUSTRIAL MACHIN, PLANTS, SERV.

Significant expenditures are planned to enable expansion of export-oriented industry and to support Government import replacement policies.

4. ADVANCED TECH. PROD. & SERV

Trinidad and Tobago's telecommunication, computer, data processing requirements, are continuing to grow rapidly.

5.

6.

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

1. AGRI & FOOD PRODUCTS & SERVICE
2. FOREST PRODUCTS, EQUIP, SERVICES
3. FISHERIES, SEA PRODUCTS & SERV.

4. EDUCATION, MEDICAL, HEALTH PROD
5. -----
6. |

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PORT-OF-SPAIN

Market: TRINIDAD AND TOBAGO

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	473.00 \$M	328.00 \$M	304.00 \$M	295.00 \$M
Canadian Exports	45.00 \$M	26.00 \$M	28.00 \$M	23.00 \$M
Canadian Share of Market	9.50 %	7.90 %	8.00 %	8.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	28.00 %
EUROPEAN COMMON MARKET C	0.13 %
AUSTRALIA	0.35 %
NEW ZEALAND	0.07 %

Current Status of Canadian
exports in this sector/subsector: Market share declining

Products/services for which there are good market prospects:

1. Semi-Processed and Processed Foods.
2. Vegetables, carrots, potatoes, onions
3. Pulses (dried peas)
4. Animal breeding stock
5. Food handling and processing equipment
6. Meat and meat by-products

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Provincial export promotion
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PORT-OF-SPAIN

Market: TRINIDAD AND TOBAGO

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Acute shortage of foreign exchange
- Acute shortage of foreign currency.
- Limited capabilities in some prods.

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Market research report.
Expected Results: Issue by June 1990

Activity: Prepare a marketing strategy.
Expected Results: Initiation of marketing strategy.

Activity: Canadian firms actively involved in 2 feed mills, 1 abattoir food processing.
Expected Results: Sale of Canadian machinery and related equipment.

Activity: Caroni (1975) Ltd. beef and dairy livestock development plan requirements.
Expected Results: Finalize contract with Caroni for 600 head dairy cattle.

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Incoming Beef Livestock Buyers - April 1990
Expected Results: Sale of Canadian beef cattle and services.

Activity: Outgoing mission Table and Seed Potatoes led by Potatoes Canada.
Expected Results: Procurement of Canadian potatoes.

Activity: Incoming Buyers to attend CIGI program for flour milling.
Expected Results: Initiate prog to sell Cdn soft wheat against EEC competition

Activity: Participation in local Agricultural Exhibition 1991 - Information booth.
Expected Results: Identify the prospects for Canadian products.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PORT-OF-SPAIN

Market: TRINIDAD AND TOBAGO

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

Activity: Computerize sector information.

Expected Results: Prompt and effective response to requests.

Activity: Organize and participate in provincial sponsored events.

Expected Results: Introduce suppliers to industry.

Activity: Maintain linkages with existing agents/distributors.

Expected Results: Increase Canada's share of the market.

Activity: Pursue projects identified for funding by multi-lateral agencies and EDC line of credit.

Expected Results: Achieve success on 2 projects.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PORT-OF-SPAIN

Market: TRINIDAD AND TOBAGO

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Integrated Livestock Project Approximate Value: 13 M\$
Financing Source : CDB - Caribbean Devlpmt Bank
Contact : D. Hobson-Garcia

Feed Mill Approximate Value: 3 M\$
Financing Source : EDC - Export Dev Corporation
Contact : J. Bruce Motta

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PORT-OF-SPAIN

Market: TRINIDAD AND TOBAGO

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: COMPUTERS HARD/SOFTWARE & COMP

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	48.90 \$M	21.70 \$M	29.80 \$M	34.50 \$M
Canadian Exports	0.70 \$M	1.70 \$M	2.10 \$M	2.50 \$M
Canadian Share of Market	1.40 %	7.80 %	7.00 %	7.20 %

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

Major Competing Countries

Market Share

UNITED KINGDOM	0.00 %
UNITED STATES OF AMERICA	0.00 %
JAPAN	0.00 %
BRAZIL	0.00 %

Current Status of Canadian
exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. Data processing & software
2. Telecommunications Equipment

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PORT-OF-SPAIN

Market: TRINIDAD AND TOBAGO

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
 - Non-competitive pricing
 - Unsuitable product
 - Non-competitive financing
 - Limited appreciation/understanding of distribution system
 - Market prospects have not been adequately explored
 - Performance of local agent or representative
 - Shortage of foreign exchange
 - Shortage of foreign exchange
-

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Visit industries re business conditions and prepare market research report

Expected Results: Issue report by June 1990

Activity: Identify opportunities for Canadian Services in this sector

Expected Results: Five visits by Canadian consultants

Activity: Support Northern Telecom re its marketing activities in Trinidad and Tobago

Expected Results: \$10 million in sales

Activity: Maintain linkages with existing agents and distributors

Expected Results: Increase Canada's share of the market

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Participate in outgoing computer products mission

Activity: Participate in technical seminars on telecommunications

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PORT-OF-SPAIN

Market: TRINIDAD AND TOBAGO

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

- Activity: Computer sector information
Expected Results: Prompt and effective response to requests
- Activity: Support Raytheon in marketing 3 marine surveillance radars
Expected Results: \$5 million in sales
- Activity: Promote Canadian software to petroleum industry
Expected Results: \$2 million in sales

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PORT-OF-SPAIN

Market: TRINIDAD AND TOBAGO

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: MACHINERY AND EQUIPMENT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	133.00 \$M	147.00 \$M	155.00 \$M	390.00 \$M
Canadian Exports	0.30 \$M	0.20 \$M	1.20 \$M	1.50 \$M
Canadian Share of Market	0.20 %	0.10 %	0.70 %	3.80 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	94.00 %
UNITED KINGDOM	1.20 %
GERMANY WEST	0.80 %
ARGENTINA	0.40 %
OTHER COUNTRIES	3.60 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Compressors
2. Pumps
3. Well head valves
4. Instrumentation

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Provincial export promotion
- Competitive pricing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PORT-OF-SPAIN

Market: TRINIDAD AND TOBAGO

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
 - Non-competitive pricing
 - Lack of promotion and advertising
 - Limited Canadian capabilities
 - Foreign exch. alloca
 - tions to local agnts
 -
 -
-
-

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Establishing contact with offshore procurement agencies.
Expected Results: Recognize and contact ten (10) Canadian suppliers.

Activity: Technical seminar/exhibition program.
Expected Results: Demonstrate Canadian quality performance and standards.

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Incoming buyers to Alberta's Oil and Gas Show 1990
Expected Results: 3 Agency agreements and pursue 2 purchase negotiations.

Activity: Outgoing gas processing equipment mission.
Expected Results: Introduction of 5 new suppliers.

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

Activity: Organize and participate in 2 province-sponsored events.
Expected Results: Introduce 8 suppliers to industry.

Activity: Encourage Canada/TandT technical exchanges
Expected Results: Signing of 1 or 2 agreements.

Activity: Computerize sector information.
Expected Results: Prompt and effective response to requests.

14/12/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PORT-OF-SPAIN

Market: TRINIDAD AND TOBAGO

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Offshore Gas Exploration	Approximate Value: 150 M\$
	Financing Source : OTHER
	Contact : Trintomar, Pointe-a-Pierre, T&T
Refinery Rehabilitation	Approximate Value: 150 M\$
	Financing Source : IBRD - World Bank
	Contact : TRINTOC, Pointe-a-Pierre, T&T

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PORT-OF-SPAIN

Market: TRINIDAD AND TOBAGO

Sector : INDUSTRIAL MACHIN, PLANTS, SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	146.00 \$M	171.00 \$M	189.00 \$M	225.00 \$M
Canadian Exports	3.10 \$M	2.90 \$M	2.60 \$M	3.50 \$M
Canadian Share of Market	2.10 %	1.70 %	1.40 %	1.60 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	75.00 %
JAPAN	10.00 %
UNITED KINGDOM	6.00 %
ITALY	5.00 %
KOREA	4.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Machinery and parts
2. Tubing and Fittings
3. Moulds and dies

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Provincial export promotion
- Competitive pricing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PORT-OF-SPAIN

Market: TRINIDAD AND TOBAGO

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Non-competitive pricing
- Lack of promotion and advertising
- Limited Canadian capabilities
- Foreign exchange al-
- location to agents.
-
-

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: In cooperation with TandT Mfrs Assn, hold 2 info meetings re manufacturing equipment from Canada and joint ventures.

Expected Results: Identify eight (8) leads

Activity: Assessment of market requirements in manufacturing sector.

Expected Results: Report to be submitted.

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Incoming buyers

Expected Results: 4 buyers visits to Canada.

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

Activity: Market analysis re plastics manufacturing.

Expected Results: Report to be submitted May 1990.

Activity: Computerize sector information.

Expected Results: Prompt and effective response to requests.

Activity: Identify specific machinery intensive capital projects.

Expected Results: 3 projects using EDC line of credit.

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Port-Of-Spain

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/04/00	Agricultural Trade Fair Info Booth, with group	Agri & Food Products Services
90/11/00	Food Processing Equipment Mission To Caribbean/Argentina Mission Out, Industry	Agri & Food Products & Services

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: SAN JOSE

Country: COSTA RICA

The Costa Rican economy grew by 3.4% in 1988 and similar growth is expected in 1989. Exports of non traditional agriculture products have been expanding rapidly and reached \$658 million in 1988. This expansion is expected to continue. Total exports of \$1.4 billion in 1988 are forecast to pass \$2 billion in 1992.

Agricultural production is expected to improve in 1989 although coffee prices may be lower. Tourism is also growing rapidly and is now the third largest foreign exchange earner.

This positive export performance has lead to a decrease in the trade deficit in 1988 but it is still relatively large and the external debt continues to accumulate. Rescheduling negotiations are proceeding and it is now possible to expect a solution in the coming months. Thus the long term economic prospects are quite good.

Present difficulties with debt and current account deficit notwithstanding, import prospects for the coming year are positive. Canadian exports at around \$30 million have vitually recouped the previous high levels obtained in the late 70s. These should continue to grow steadily over the next decade.

PROSPECTS FOR CANADIAN EXPORTERS

Costa Rica is off-cover for canada and as a result we will face very strong competition on government projects requiring financing. These include projects of considerable interest to Canadian firms in the telecommunications, transport, hydroelectric and forestry area. Canadian firms instead will have to rigorously persue alternative projects of the IDB and World Bank which in the immediate future are less numerous but still interesting. In the substantial private sector, investment is growing rapidly and prospects for Canadian exporters are very good.

Firms planning to expand into the Central American market should do so now While the market is small, Canadian firms selling industrial equipment and materials or resource products in the USA should consider adding Costa Rica to their export portfolio. As well, planned new investment in the tourist, agriculture, education, transportation and mining sectors could prove valuable for appropriate Canadian firms.

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: SAN JOSE

Country: EL SALVADOR

El Salvador's economy with substantial American assistance has done well over the last several years, registering positive, if modest, growth each year since 1983. A severe drought in the first half of 1988, and an intensive campaign by the FMLN guerrilla army to sabotage key economic infrastructure (mostly in electricity generation and transmission), have contributed to a decline in agricultural production, particularly coffee, and created difficulties in the electricity-dependent manufacturing sector. Presidential elections in 1989 and the installation of the new government, injected a degree of uncertainty into the economic scene, but the indications are now positive that the new regime intends to contain inflation and promote a positive investment climate. With some improvement in the prospects for peace there could be significant increases in economic activity.

PROSPECTS FOR CANADIAN EXPORTERS

El Salvador's economy is primarily agriculture-based (coffee, cotton and sugar) although the manufacturing sector, and especially textiles, is relatively strong by Central American standards. Canadian exports to El Salvador (\$16 million in 1987; \$23 million in 1988) have both expanded and diversified in the last few years. Major export items are industrial raw materials, including chemicals and plastics, newsprint, and parts for machinery. In addition to these products, there are good, but largely unexploited, opportunities for the export of agricultural inputs, including agrochemicals, genetic material, veterinary medicines/equipment and computer applications.

The Inter-American Bank is active in El Salvador. The pipeline of projects for 1989 and beyond, however, is relatively small. The main areas of IADE activity are electricity, water supply and health. Lines of credit to industry have recently been established and may form a more important component of future lending.

Government procurement and Government initiated capital projects are few, largely because of difficulty in obtaining financing. There are, however, indications of a possible large acquisition of new lines and switching equipment by ANTEL, the national telephone company.

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: SAN JOSE

Country: HONDURAS

Honduras is among the poorest and least developed of Central American countries. The economy is largely agricultural accounting of 25% of GDP.

The principal export crops are bananas and coffee providing 30% and 24% of foreign exchange earnings, respectively. The USA dominates Honduran trade, taking approximately 45% of Honduran exports and supplying the same proportion of imports. Canadian exports to Honduras were valued at \$14 million in 1987, and reached almost \$20 million in 1988. The leading Canadian exports are paper products (principally newsprint), food products, chemical products and plastics for industrial use.

PROSPECTS FOR CANADIAN EXPORTERS

Honduras offers limited new opportunities for Canadian exporters. It is in arrears in payments on its external debt, and in deficit on its commercial balance. Imports, accordingly, are restricted. Nevertheless, good opportunities do exist for the patient and the persistent. Possibilities exist for the supply of agricultural inputs, including agrochemicals, fertilizers, and breeding stock.

Government procurement offers limited opportunities for Canadian exporters as few capital projects are undertaken other than with concessional financing. In the current financial situation, commercial or export credit financing is largely unavailable. Honduras is off-cover for EDC.

The most active multi-lateral bank in Honduras is the Inter-American Bank. Its present sectors of concentration are rural development, education and health.

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: SAN JOSE

Country: NICARAGUA

The Economic decline in Nicaragua continues. Annual imports which have remained around \$800 million greatly exceed export earnings which have been declining steadily for 10 years and were only \$250 million in 1988. The government is well in arrears on payments of both interest and principal on the external public debt of about \$7 billion. Although a program of fiscal austerity and economic reform was undertaken in mid-1988, significant expected in the medium term. As a result, the opportunities for Canadian exporters will remain limited. Canadian exports are in the range of 20 million per year.

Because of its serious arrears on payments to creditors, including to the multi-lateral development banks, Nicaragua is unable to obtain external finance, other than that provided under bilateral development assistance programs. This situation is dependant on the international judgement rendered on the electoral process now underway.

PROSPECTS FOR CANADIAN EXPORTERS

Nicaragua offers some prospects for Canadian exporters. The government limits foreign currency expenditures to essentials. Canadian exporters have had modest success in supplying electrical equipment, (mostly low voltage) and parts for machinery. The agricultural sector offers some opportunities for supply of inputs (agrochemicals, veterinary products, machinery). Nicaragua has indicated a desire to expand its fisheries production, and some opportunities exist for the supply of related equipment. Mining equipment, general hardware and construction materials may also find modest markets.

The Nicaraguan government operates a trading house (Moderna) headquartered in Panama, with purchasing agents located in Toronto. This company buys many consumer products as well as machinery and equipment for the government and offers a unique opportunity for Canadian exporters to sell to Central America. No opportunities exist, in the near term at least, for large capital projects.

Exporters should take note of delays by the Nicaraguan Central Bank in settlement of letters of credit. Most payments are now being made 4 months or more beyond due dates. Exporters unwilling to accept the financial cost and risk of such payment delays should consult with their bankers about more secure payment arrangements, including confirmed letters of credit.

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: SAN JOSE

Country: PANAMA

In spite of American economic sanctions against Panama which began in June 1987 and continue to date (October 1989), Canadian exports remain steady at around \$30 million annually.

In 1988 the GDP dropped by 21 percent and in 1989 another decline of 5-10% is expected. Construction, commercial banking and tourism have been particularly affected. Capital flight continues albeit at a reduced pace from 1988. With revenues down drastically, Panama has fallen behind on external debt payments. International institutions and many bilateral export credit agencies including the ECD are not lending to Panama.

PROSPECTS FOR CANADIAN EXPORTERS

Panama has traditionally been a good market for Canadian products. Panama's economy has to some extent adjusted to the new circumstances, and a gradual return to more normal private sector economic activity now seems underway. In addition, importers appear willing to consider new sources of supply. Canadian products, similar to those of Panama's traditional American suppliers, are particularly welcome. Accordingly, the next year or two should offer opportunities for Canadian suppliers to establish in that market. Opportunities exist for agricultural inputs, foodstuffs, construction materials, autoparts and consumer goods. Few large capital projects will be undertaken and we do not expect much in the way of IFI loan activity.

In addition to an attractive domestic market, Panama offers the advantages of the Colon Free Zone (CFZ), the second largest free trade area in the world, which serves as depot and distribution centre for hundreds of manufacturers selling into South and Central America. Operating largely independently of the Panamanian economy as an import/re-export operation, the CFZ appears to have been only minimally affected by Panama's economic difficulties. Problems initially encountered in finding banks willing to finance working capital and issue letters of credit, appear largely resolved. CFZ trade contracted marginally in 1988 but will increase in 1989. Accordingly, the CFZ will remain an important option for Canadian exporters interested in the South and Central American markets.

Although relatively small, the Panamanian market is quite easy for Canadian exporters. Canadian firms currently selling in the USA should consider adding Panama and other Central American markets to their itinerary. Should the political situation be resolved, the country would experience a period of rapid growth recovery.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: SAN JOSE

Country: COSTA RICA

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

1. AGRI & FOOD PRODUCTS & SERVICE
Cdn agricultural inputs-agrochemicals, veterinary products, genetic material, machinery and equipment-have a firm, but underdeveloped place in the market
2. ADVANCED TECH. PROD. & SERV
Costa Rica, Panama and El Salvador have plans to increase their investments in new fisheries and related consulting services will be required. These countries also by canned sea food products.
3. FOREST PRODUCTS,EQUIP,SERVICES
Due to new environmental policies in Costa Rica, El Salvador and Panama the importation of wood products will be increased substantially, mainly lumber for the construction and furniture activities.
4. EDUCATION,MEDICAL,HEALTH PROD
The five countries of our territory are increasing the importation of pharmaceutical products and hospital and medical equipment. Some consulting services will be required for new hospitals in Panama and Costa Rica.
5. FISHERIES,SEA PRODUCTS & SERV.
Costa Rica, Panama and El Salvador have plans to increase their investments in new telephone expansions and related consulting services.
6. TRANSPORT SYS,EQUIP,COMP,SERV.
Canadian automotive spare parts have good potential market in El Salvador, Panama, Nicaragua and Costa Rica. Railway Equipment and Consulting Services will be required soon in Nicaragua, Costa Rica and Panama

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

- | | |
|-----------------------------------|----|
| 1. FOREST PRODUCTS,EQUIP,SERVICES | 4. |
| 2. CHEM PROD & PETROCHEM,EQP,SERV | 5. |
| 3. AGRI & FOOD PRODUCTS & SERVICE | 6. |

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAN JOSE

Market: COSTA RICA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: FEED, FERTILIZER & VET PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	265.00 \$M	280.00 \$M	290.00 \$M	300.00 \$M
Canadian Exports	18.00 \$M	20.00 \$M	22.00 \$M	25.00 \$M
Canadian Share of Market	6.70 %	7.10 %	7.50 %	8.30 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	40.00 %
GERMANY WEST	25.00 %
COSTA RICA	10.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Veterinary Products
2. Seeds and Special crops
3. Genetic material
4. Chemicals
5. Semi processed and processed foods
6. Consulting Services

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Provincial export promotion
- Canada is one of few sources of supply
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAN JOSE

Market: COSTA RICA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Follow-up Panamanian Mission to Ontario Pork Congress, 1989
Expected Results: Sale of boars, sows, frozen semen and equipment

Activity: Follow-up Veterinary Products Catalogue Show/Costa Rica
April, 1989.

Expected Results: Increase of local interest for Cdn products

Activity: Follow-up Veterinary Products Catalogue Show/ El Salvador
Juen 1989.

Expected Results: Increase of local interest for Canadian products

Activity: Target companies for ExpoComer

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Incoming Swine Mission from Panama (Mid 1990)

Expected Results: To import equipment and veterinary products

Activity: Veterinary products mission to CRica/ El Salvador/ Panama

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

Activity: Contact local importers and develop market profile

Expected Results: To keep local interest in Canadian suppliers

Activity: To Bring up to date our importers directory

Activity: Consider organizing Veterinary Products Catalogue Show in
Panama.

Activity: Consider possibilities of other missions in this sector.

Expected Results: NOTE: THIS INFO COVER HOND, NICA, EL SAL, PANAMA AND CRICA

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAN JOSE

Market: COSTA RICA

Sector : FISHERIES, SEA PRODUCTS & SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	45.00 \$M	50.00 \$M	55.00 \$M	60.00 \$M
Canadian Exports	5.20 \$M	2.70 \$M	3.10 \$M	3.50 \$M
Canadian Share of Market	1.15 %	0.54 %	0.56 %	0.58 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	50.00 %
SPAIN	20.00 %
JAPAN	10.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Frozen and Salted Cod
2. Processed Fish
3. Consulting Services

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Lack of Canadian exporters interest
- to local enquiries

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAN JOSE

Market: COSTA RICA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: To increase Canadian exporters interest on this territory
Expected Results: To increase present exports

Activity: Target companies for ExpoComer

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: ExpoComer 90. March 90. Panama
Expected Results: to increase Canadian exports

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

Activity: Developpe a more complete market profile

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAN JOSE

Market: COSTA RICA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	185.00 \$M	200.00 \$M	220.00 \$M	240.00 \$M
Canadian Exports	3.50 \$M	4.00 \$M	4.60 \$M	5.00 \$M
Canadian Share of Market	1.80 %	2.00 %	2.09 %	2.08 %

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

Major Competing Countries

Market Share

SWEDEN	25.00 %
FRANCE	20.00 %
UNITED STATES OF AMERICA	18.00 %
JAPAN	13.00 %
GERMANY WEST	12.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Telecommunications
2. Hardware, software and components
3. Software applications

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Fairs and Missions support
- CIDA programs
- Competitive Canadian financing

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAN JOSE

Market: COSTA RICA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: To identify new projects alerting the Canadian companies
Expected Results: To increase present exports

Activity: To keep working closely with Cdn companies local agents
Expected Results: To increase present exports

Activity: Target companies for ExpoComer

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: ExpoComer 90- March 1990, Panama

Activity: International Fair of El Salvador, Nov 1990

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

Activity: To keep coordinating of local participants at TEMIC
Expected Results: To influence key local buyers on Canadian technology

Activity: Bring up to date our importers directory
Expected Results: Computerized Exporter Dir.

Activity: Develop a more complete market profile

Activity: NOTE: THIS INFO COVER EL SALVADOR, COSTA RICA ,
PANAMA

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAN JOSE

Market: COSTA RICA

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

International Tenders for Tel. Approximate Value: 25 M\$
Equipment Panama 1991 Financing Source : TO BE DETERMINED
Contact : INTEL (Mission)

International tenders for tel. Approximate Value: 15 M\$
Equipment. Costa Rica 1990 Financing Source : OTHER
Contact : ICE(mission)

International tenders for tel. Approximate Value: 15 M\$
Equipment. El Salvador 1990 Financing Source : OTHER
Contact : ANTEL (Mission)

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAN JOSE

Market: COSTA RICA

Sector : TRANSPORT SYS, EQUIP, COMP, SERV.

Sub-Sector: AUTOMOTIVE

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	310.00 \$M	325.00 \$M	335.00 \$M	340.00 \$M
Canadian Exports	7.60 \$M	5.00 \$M	4.60 \$M	5.00 \$M
Canadian Share of Market	2.40 %	1.50 %	1.30 %	1.40 %

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

Major Competing Countries

Market Share

JAPAN	60.00 %
UNITED STATES OF AMERICA	10.00 %
KOREA	10.00 %
GERMANY WEST	10.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Automotive Spare parts (Truks)
2. Railway equipment
3. Consulting services

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- The lack of response to local enquires by local Cdn exporters

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAN JOSE

Market: COSTA RICA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: To increase Canadian exporters interest on this territory
Expected Results: To increase present exports

Activity: Target companies for ExpoComer

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: ExpoComer 90. March 90. Panama
Expected Results: To punt in contact Canadian exporters with local buyers

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

Activity: Developpe a more complete mkt profile of this sector to help prospective Cdn exporters

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAN JOSE

Market: COSTA RICA

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Railway Eqpt
In Costa Rica and Panama

Approximate Value: 20 M\$
Financing Source : TO BE DETERMINED
Contact : Mission

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAN JOSE

Market: COSTA RICA

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: WOOD AND WOOD PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	145.00 \$M	110.00 \$M	115.00 \$M	120.00 \$M
Canadian Exports	35.00 \$M	37.00 \$M	32.00 \$M	40.00 \$M
Canadian Share of Market	24.00 %	33.60 %	27.80 %	33.30 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	20.00 %
SWEDEN	15.00 %
FINLAND	10.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Wood & Wood products
2. Newsprint
3. Specialty papers

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- _____
- _____

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAN JOSE

Market: COSTA RICA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: To keep working with Canadian exporters and local agents
Expected Results: To increase present exports

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: ExpoComer 90. March 1990. Panama
Expected Results: To increase present exports

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

Activity: Develop a more complete market profile
Expected Results: To introduce Canadian exporters into the local market.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAN JOSE

Market: COSTA RICA

Sector : EDUCATION, MEDICAL, HEALTH PROD

Sub-Sector: HOSP. & MEDICAL EQUIP, INSTRUM.

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	95.00 \$M	105.00 \$M	115.00 \$M	130.00 \$M
Canadian Exports	2.20 \$M	3.10 \$M	3.50 \$M	4.00 \$M
Canadian Share of Market	2.30 %	2.90 %	3.04 %	3.07 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	40.00 %
JAPAN	20.00 %
GERMANY WEST	15.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Hospital and medical equipment
2. Pharmaceutical products

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Non-competitive financing
- Limited appreciation/understanding of distribution system

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAN JOSE

Market: COSTA RICA

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: To keep interesting Canadian exporters in local market
Expected Results: To get more responses from Canadian companies

Activity: Target companies for ExpoComer

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: EXPOFARMA 89- Nov 89. Panama
Expected Results: To increase present exports

Activity: EXPOCOMER 90. March 90. Panama
Expected Results: To increase present export

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

Activity: Develop a more complete market profile in this sector.

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PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: San Jose

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
91/03/00	EXPOCOMER 91, Panama Fair , National Stand	General

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: SANTIAGO

Country: PARAGUAY

After 35 years of Stroessner's military government, Paraguay now finds itself with an eight month old democracy that is formulating policies expected to move the country toward greater economic stability and development. It is recognized, however, that the planned reforms will take time. Fortunately Paraguay is a relatively small economy that can be turned around reasonably quickly if the necessary sacrifices and disciplines are put into place and adhered to. To date the overwhelming positive policy has been the establishment of a floating free exchange rate. This has done a great deal to encourage production and promote export sales. Inflation at 36% is a worry but the year-end figure is forecasted to be closer to 30% and the goal for 1990 is 20%.

Paraguay's economic viability continues to depend on its two large neighbours (Brazil and Argentina). Agriculture (soya and cotton) account for 70% of the national income complemented by modest development in the industrial and handicraft sectors. Total exports in 1989 reached US\$ 509 million while imports were calculated at US\$ 494 million. 1989 predictions show exports will double to US\$ 1 billion and imports should also be twice that of the preceding year. Total two way trade with Canada (1989) should be about CDN\$ 3 million.

In the last quarter of 1989 Paraguay will meet with the IMF to reschedule a portion US\$ 2.023 billion foreign debt, followed by discussion with Paris Club members and commercial banks. To help attract much needed foreign investment, the Finance Ministry has introduced new legislation (Decree 19) that is designed to present more transparent "rules to the game" and which is considered to be a vast improvement over the previously barely understandable and highly nationalistic laws.

As noted above Canada's market share in Paraguay is very small. This is primarily attributable to a lack of information, knowledge and private sector contact between the two countries. A major task in 1990 will be to study the market and identify areas where Canadian suppliers can participate. A quick initial survey indicates the following sectors hold promise for Canadian goods, services and technologies : a) Agro-industrial- canola, seed potatoes, pork breeding stock/semens, herbicides and pesticides, veterinary products; b) Telecommunications switching stations, data transmission; c) Energy -hydro-electric, oil and gas; and d) hardware products. We are designing a promotion plan to take advantage of perceived opportunities in these sectors.

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: SANTIAGO

Country: CHILE

With general elections to be held on December 14, 1989 and a new civilian government assuming power on March 11, 1990 forecasting the FY 90-91 trade and investment climate in Chile is slightly more tenuous than usual. However, according to the pronouncements of the presidential candidates, very little change in macro-economic policy is expected in 1990.

Economic performance for the first nine months of 1989 has generally exceeded the expectations of both the Government and business community. In the September meeting of the IMF in Washington, D.C., Chile was continually used as an economic example among developing countries. GDP grew by 10.4%, unemployment dropped to 6.7%, exports grew by 16.4%, foreign investment earned rose by US\$ 526 million (similar to the entire 1988 period) and foreign debt reduction is expected to surpass US\$ 2 billions by year's end. On the other hand the high rate of GDP growth pushed inflation to an annual rate of 18%, affecting negatively real income which grew by only .1%. Also, the increase in imports (38.4%) in the first eight months has worried some government officials. However, the majority of this expansion reflects high capital investment in the economy (particularly in the exporting sector) which will lead to a more stable future growth. The high price of copper and fresh foreign capital is financing imports.

In 1990 inflation is projected to be between 15-20%, unemployment will remain low, foreign investment projects under way will continue and the exporting activity should expand. The two main uncertainties will come from international copper prices and world interest rates - variables difficult to predict.

Two way trade between Canada and Chile has been growing steadily over the past four years at about CDN\$ 40 million per year. In 1988, Chile showed a slight balance of trade surplus (CDN\$ 24.7) based on Canadian exports to Chile of \$ 135.8 million and Chilean exports to Canada of \$ 160.5. 1990 is expected to be another good year for Canadian exports taking advantage of the opportunities offered by the vibrant, open Chilean marketplace. The mining sector, where Canadian private sector investment is almost one billion dollars, continues to lead commercial activity. The forestry, telecommunications and manufacturing sectors also offer excellent potential for the sale of Canadian goods and services. Two-way trade for 1990 is expected to top CDN\$ 325 million. Canadian firms are encouraged to study the Chilean market with a view to a long-term commitment in its economic development, i.e., manufacture under license, joint ventures and technology transfer.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: SANTIAGO

Country: CHILE

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

1. MINE, METAL, MINERAL PROD & SRV
Chile buys over US 800 million/year in mining equipment and services
40% of total Cdn exports to Chile are related to mining.
Most important sector for Cdn investment in Chile (89-90 US 800 million)
2. FOREST PRODUCTS, EQUIP, SERVICES
Fastest growing sector of Chilean economy in past 8 years.
Represent excellent potential market for Cdn equipment and services with projected spending, of over US\$ 3 billions in next 10 years.
3. INDUSTRIAL MACHIN, PLANTS, SERV.
Emerging sector in Chile.
Technology transfer and joint-venture potential for Cdn companies in different sectors.
4. ADVANCED TECH. PROD. & SERV
Modernization of network.
New investment in fast growing sector.
Geographical similarities creating opportunities for Cdn technologies.
- 5.
- 6.

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

- | | |
|-------------------------------------|-------------------------------------|
| 1. MINE, METAL, MINERAL PROD & SRV | 4. FOREST PRODUCTS, EQUIP, SERVICES |
| 2. MINE, METAL, MINERAL PROD & SRV | 5. |
| 3. FOREST PRODUCTS, EQUIP, SERVICES | 6. |

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SANTIAGO

Market: CHILE

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	32.00 \$M	90.00 \$M	250.00 \$M	300.00 \$M
Canadian Exports	1.00 \$M	6.00 \$M	5.00 \$M	10.00 \$M
Canadian Share of Market	3.00 %	15.00 %	2.00 %	3.00 %

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

Major Competing Countries Market Share

JAPAN	40.00 %
FRANCE	20.00 %
GERMANY WEST	15.00 %
UNITED STATES OF AMERICA	15.00 %
KOREA	5.00 %
OTHER COUNTRIES	5.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Cellular telephone
2. Other rural telephone system
3. Radio telephone equipment
4. Microwave telephone equipment

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Strong sectoral capability in Canada
- Willingness of exporters to invest/joint venture in territory

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Market prospects have not been adequately explored

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

- Activity: Modernization of CTC national network
Expected Results: Believe canadian companies take advantage of mass invstmt
- Activity: Privatization of ENTEL, should offer good opportunities for canadian rural telephone systems
Expected Results: Should bring new ivstmt thus greater mkt for eqpt
- Activity: Expansion of CNT network

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SANTIAGO

Market: CHILE

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: PULP AND PAPER PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	10.20 \$M	14.00 \$M	30.00 \$M	150.00 \$M
Canadian Exports	2.00 \$M	2.50 \$M	8.00 \$M	45.00 \$M
Canadian Share of Market	20.00 %	18.00 %	26.00 %	30.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries Market Share

UNITED STATES OF AMERICA	30.00 %
CANADA	30.00 %
GERMANY WEST	15.00 %
FINLAND	10.00 %
BRAZIL	10.00 %
EUROPEAN COMMON MARKET C	5.00 %

Products/services for which there are good market prospects:

1. Instrumentation Panels
2. Boilers
3. Ducting Joint
4. Insulation System
5. All other related equipment

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- CIDA programs
- Canada is one of few sources of supply

Factors for Canadian exports not reaching market potential:

- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SANTIAGO

Market: CHILE

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: CONSULTING & OTHER SERVICES

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	25.00 \$M	35.00 \$M	60.00 \$M	80.00 \$M
Canadian Exports	2.00 \$M	5.00 \$M	8.00 \$M	12.00 \$M
Canadian Share of Market	8.00 %	14.00 %	13.00 %	15.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	40.00 %
SWEDEN	15.00 %
CANADA	15.00 %
GERMANY WEST	10.00 %
CHILE	10.00 %
EUROPEAN COMMON MARKET C	10.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Logging equipment
2. Skidders
3. Sawmill equipment
4. Off road vehicles
5. Portable sawmills
6. Fire fighting equipment
7. Spare parts

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Market prospects have not been adequately explored
- Lack of understanding of growth of
- the ind. in Chile & of value of Cda

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Exporcorma '89

Expected Results: Introduce Cdn cos to market and increase current exports

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Forestry Mission to Canada

Expected Results: Insure that Chilean decision makers are well aware of Cdn

Activity: Expocorma '91

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SANTIAGO

Market: CHILE

Sector : MINE,METAL,MINERAL PROD & SRV

Sub-Sector: MINERALS AND MINERAL PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	180.00 \$M	210.00 \$M	225.00 \$M	240.00 \$M
Canadian Exports	40.00 \$M	45.00 \$M	50.00 \$M	50.00 \$M
Canadian Share of Market	22.20 %	21.40 %	22.20 %	20.80 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries	Market Share
CHILE	50.00 %
SOUTH AFRICA	10.00 %
BRAZIL	10.00 %
UNITED STATES OF AMERICA	8.00 %
OTHER COUNTRIES	22.00 %

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Competitive Canadian financing

Factors for Canadian exports not reaching market potential:

- Cda is one of few sources of supply
- but local produc'n will begin soon.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Need to perform an indepth market study
Expected Results: Identify the market potential for Canadian exporters.

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

Activity: Other sessions.
Expected Results: To reinsure awarness of supply capability.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SANTIAGO

Market: CHILE

Sector : MINE,METAL,MINERAL PROD & SRV

Sub-Sector: METALS, PRIMARY & FABRICATED

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	170.00 \$M	200.00 \$M	220.00 \$M	240.00 \$M
Canadian Exports	3.50 \$M	4.00 \$M	5.00 \$M	5.50 \$M
Canadian Share of Market	0.02 %	0.02 %	0.02 %	0.02 %

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

Major Competing Countries

Market Share

BRAZIL	35.00 %
ARGENTINA	15.00 %
UNITED STATES OF AMERICA	9.00 %
GERMANY WEST	8.00 %
JAPAN	7.00 %
OTHER COUNTRIES	26.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Tubes and pipes
2. Steel plates & alloys
3. Bars & rods
4. Special steels

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Strong sectoral capability in Canada
- Competitive Canadian financing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Cdn mfrs are difficult to contact
- & very slow to react.

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Need market study.
Expected Results: Determine competitiveness of canadian suppliers.

Activity: Trade mission to show potential market
Expected Results: To interest canadian suppliers in the market.

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

Activity: PEMD program to send people to Canada briefing sessions.
Expected Results: Bring buyers/sellers together face to face; educate buyers

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Vanadium plant

Approximate Value: 74 M\$

Financing Source :

Contact : CAP Ph.395666 Roberto de
Andraca fax:(562)337082

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SANTIAGO

Market: CHILE

Sector : MINE, METAL, MINERAL PROD & SRV

Sub-Sector: EQUIPMENT AND MACHINERY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	400.00 \$M	600.00 \$M	625.00 \$M	1000.00 \$M
Canadian Exports	2.50 \$M	40.00 \$M	45.00 \$M	60.00 \$M
Canadian Share of Market	0.06 %	10.06 %	0.07 %	0.06 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	40.00 %
JAPAN	9.20 %
BRAZIL	9.20 %
GERMANY WEST	8.40 %
SWEDEN	5.20 %
OTHER COUNTRIES	2.80 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Mineral preparation processing equipment
2. Exploration, mineral analysis and instruments
3. Mining, excavating, earth moving
4. Air compressors, pumps extraction
5. Drilling, feeders, crushers

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory
- US has traditionally supplied the market, Canada
- is becoming known.

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Chilean buyers are faithful to their traditional suppliers.

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Mine visits by commercial Division personnel
Expected Results: Incr. Cda's image as source of supply/establish pers. cont.

Activity: Promotion of Canadian technology in Chilean mining journals
Expected Results: Present Canada as a leader in technological development.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Expo-Mineria 90
Expected Results: Increase sales of equipment

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

Activity: Briefing sessions
Expected Results: Enhance Cda's image as a mining eqpt/tech source of supply.

Activity: PEMD program to send people to Canada

Activity: Vertical provincial missions.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Natural gas pipeline

Approximate Value: 300 M\$

Financing Source :

Contact : Rodoslov Biskupovic Tlx.240447
Ph. 381845 Fax:(562) 391093

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SANTIAGO

Market: CHILE

Sector : MINE, METAL, MINERAL PROD & SRV

Sub-Sector: CONSULTING & OTHER SERVICES

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	20.00 \$M	25.00 \$M	25.00 \$M	25.00 \$M
Canadian Exports	7.00 \$M	10.00 \$M	25.00 \$M	15.00 \$M
Canadian Share of Market	35.00 %	40.00 %	40.00 %	60.00 %

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

Major Competing Countries	Market Share
CANADA	40.00 %
UNITED STATES OF AMERICA	30.00 %
SOUTH AFRICA	20.00 %
CHILE	10.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Exploration services
2. Drilling services
3. Mine development planning

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

Factors for Canadian exports not reaching market potential:

- _____
- _____

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SANTIAGO

Market: CHILE

Sector : INDUSTRIAL MACHIN, PLANTS, SERV.

Sub-Sector: MANUFACT & MATERIAL PLANT, EQP.

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	181.00 \$M	230.00 \$M	250.00 \$M	270.00 \$M
Canadian Exports	3.60 \$M	2.80 \$M	2.80 \$M	4.50 \$M
Canadian Share of Market	2.00 %	1.00 %	1.00 %	2.00 %

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

Major Competing Countries

Market Share

EUROPEAN COMMON MARKET C	33.00 %
BRAZIL	20.00 %
ARGENTINA	18.00 %
PEOPLE'S REP OF CHINA	16.00 %
UNITED STATES OF AMERICA	11.00 %

Current Status of Canadian

exports in this sector/subsector: No export results to date

Products/services for which there are good market prospects:

1. Food processing machinery
2. Fish processing machinery
3. Textile machinery

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Market prospects have not been adequately explored
- Big potential mkt Chile for ind'l
- mach. specially j.v. agrmnt t.trans

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

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

Activity: Industrial Chilean mission/delegation to Canada
Expected Results: Should increase Canadian exports in this sector.

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PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Santiago

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/05/00	EXPOMINERIA 90 (Mining Equip Show) Santiago, Chile Fair National Stand	Advanced Tech., Prod., & Services
90/08/00	SOFTTEL/Chile COMEXPO 90 Santiago, Chile Info Booth	General