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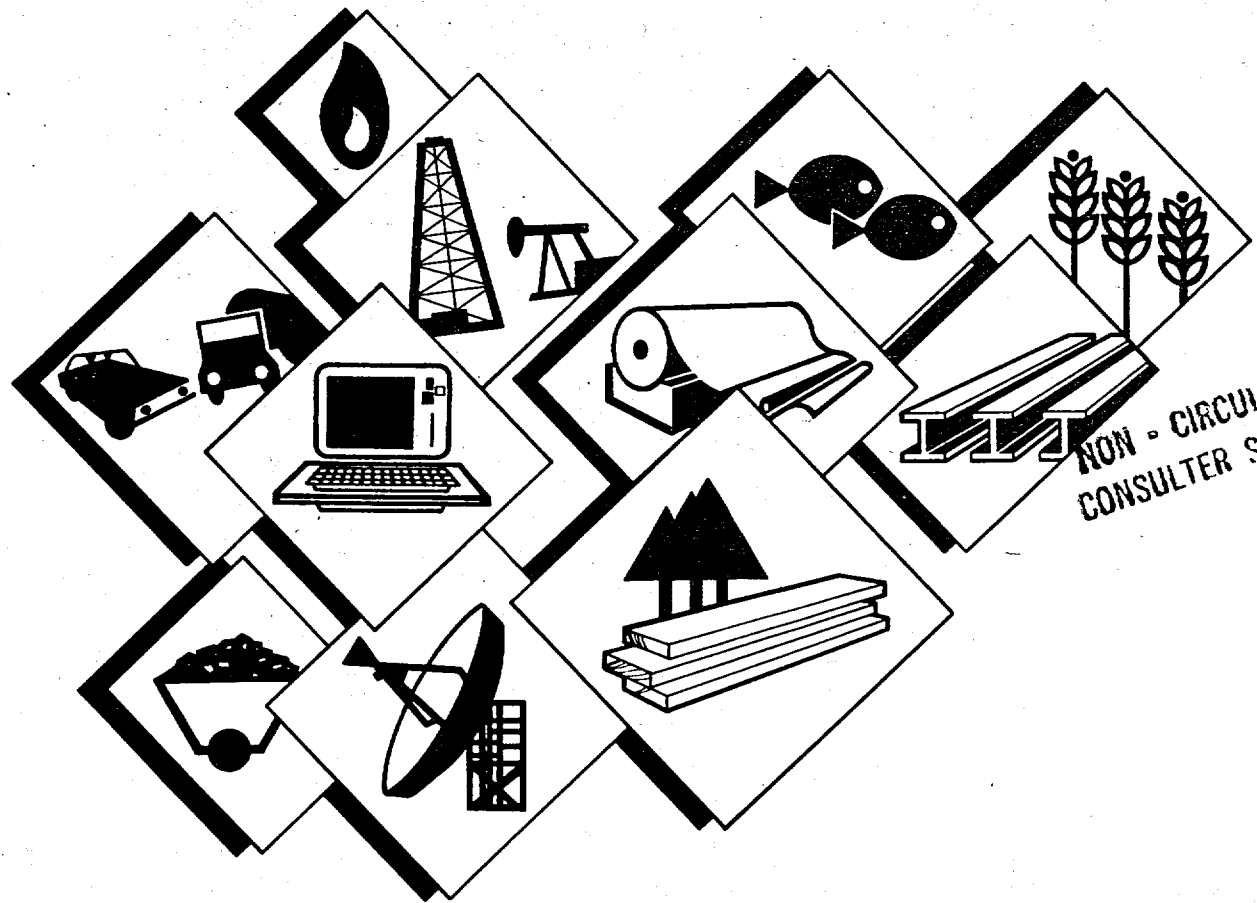
# GEOGRAPHICAL SYNOPSIS

## MIDDLE EAST

### 1989-90 EXPORT AND INVESTMENT PROMOTION OPERATIONAL PLAN

Dept. of External Affairs  
Min. des Affaires extérieures  
OTTAWA

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**GEOGRAPHIC SYNOPSIS OF  
EXPORT PROMOTION PROGRAM PLANS  
OF CANADIAN MISSIONS ABROAD  
FY 1989/90**

**FOREWORD**

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 the Middle East for fiscal year 1989/90 commencing April 1, 1989.

The format of this synopsis is designed to provide Canadians involved in the process of export and investment promotion the means to identify quickly the key components of the trade program of External Affairs missions and access conveniently those features 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:

Latin America and Caribbean  
Asia and Pacific  
Western Europe  
Eastern Europe  
Africa  
United States

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 sectorial priorities for each market, profiles of important or interesting sectors as well as approved 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 to facilitate the assembly of vast amounts of detailed information on world markets from some 100 missions abroad. It is programmed to make this information available to the private sector, the Provinces and other departments of government in a format which would enable specific data on sectors or geographic regions to be accessed conveniently.

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 expressed concern at the decline of Canada's share of world exports. 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 focussed 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 of External Affairs

The purpose of this synopsis is to provide those engaged in the process of promoting exports from Canada the means to obtain condensed market data and 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 synopses stimulate interest on the part of exporters, they are invited to seek out more detailed information and further background direct from the post, the geographic and sectoral bureaux of the Department of External Affairs or the International Trade Centres located within the provincial offices of Industry, Science and Technology Canada (formerly DRIE) throughout Canada.

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 discussions 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.

DEPARTMENT OF EXTERNAL AFFAIRS  
 Export and Investment Promotion Planning System  
 1989/90 Geographic Synopsis  
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RPTR1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: AMMAN

Country: JORDAN

CANADIAN TRADE AND INVESTMENT PRIORITIES IN JORDAN REFLECT A SECTORAL ORIENTATION PARALLELED BY OUR DEVELOPMENT ASSISTANCE PROGRAM. BUILDING ON THE INTRODUCTION OF THE AID PROGRAM IN 1986, WE NOW HAVE OUR BEST OPPORTUNITY YET TO CAPTURE A SIGNIFICANT MARKET SHARE OF JORDANIAN IMPORTS DESPITE PRESENT ECONOMIC RETRENCHMENT. SERVICES IN PARTICULAR PROVIDE A KEY TO IMPROVED MARKET PENETRATION. PROJECTS WHERE CANADIAN CONSULTING ENGINEERS HAVE PROVIDED PLANNING AND DESIGN SERVICES ARE NOW MOVING TO FRUITION, THEREBY ENHANCING POTENTIAL FOR OUR TECHNOLOGIES AND MANUFACTURED GOODS.

JORDAN REMAINS A VERY COMPETITIVE MARKET, SUBJECT TO HIGHLY VARIABLE PRICE SENSITIVITIES. PRIVATE SECTOR IMPORTERS HAVE ESTABLISHED SUPPLIER LINKAGES WHICH ARE DIFFICULT TO ALTER IN THE ABSENCE OF PRICE INCENTIVES OR CREATIVE FINANCING MECHANISMS. PUBLIC SECTOR TRANSACTIONS ARE ALMOST ALWAYS DEPENDENT ON COMPETITIVE BILATERAL FINANCING AGREEMENTS, WHICH HAVE BEEN CHARACTERIZED THROUGH THE YEARS BY HIGH CONCESSIONALITY. AT A TIME OF ECONOMIC RESTRAINT, TERMS AND CONDITIONS OF BILATERAL CREDITS WILL PLAY A SIGNIFICANTLY INCREASED ROLE IN PROCUREMENT. THE ACCRUED EXPERIENCE OF EDC AND CIDA'S INDUSTRIAL COOPERATION DIVISION (INC) IN SUPPORTING CANADIAN EXPORTERS WILL BE AN IMPORTANT ELEMENT OF FUTURE SUCCESS. DESPITE AUSTERITY WE WOULD EXPECT MERCHANDISE EXPORTS TO REACH A SUSTAINABLE LEVEL OF CDN \$ 20-25 MILLION PER YEAR BY 1990 AND, WHEN SERVICE EXPORTS ARE ADDED, REACH UP TO \$50 MILLION. THIS WOULD DRIVE A VERY REAL RETURN ON THE COMMITMENT MADE BY CANADA TO JORDANIAN ECONOMIC DEVELOPMENT, A FACTOR WHICH OUR LOCAL INTERLOCUTORS NOW RECOGNIZE WHEN CHOOSING AMONG EXPORTERS OF PRODUCTS AND SERVICES. CANADA'S SECTORAL FOCUS WILL REMAIN IN ITS FIVE TRADITIONAL SPHERES: ENERGY, TELECOMMUNICATIONS, TRANSPORTATION, AGRICULTURE AND FOOD PRODUCTS AND CONSULTING SERVICES: EFFORTS TO ENSURE LONG-TERM CANADIAN PRESENCE IN JORDAN'S OIL AND GAS SECTOR REMAIN A MAJOR PRIORITY. A CONCESSION FOR CANADIAN PETROLEUM EXPLORATION CONTRACTORS COULD WELL BE A REALITY IN 89/90: OUR PRESENCE IN TELECOMMUNICATIONS HAS A SOLID FOUNDATION IN NORTEL'S WORK, WITH GOOD IMMEDIATE PROSPECTS FOR ADDITIONAL CONTRACTS AND TECHNOLOGY TRANSFER PROJECTS. AGRICULTURAL EQUIPMENT FROM CANADA NOW BEING DEMONSTRATED IN JORDAN COULD CREATE SIZEABLE INTEREST IN OUR DRY-LAND FARMING TECHNOLOGY. WHEAT EXPORTS, CONTINGENT ON NON-SUBSIDIZED COMPETITION FROM EUROPE AND THE USA, REMAIN A GOAL, BUT IMPORTS OF CANADIAN BARLEY, OATS AND SPECIALTY SEEDS CONTINUE TO INCREASE BECAUSE WE ARE MORE COMPETITIVE. EDUCATIONAL AND MEDICAL SERVICES PROVIDE LONGER TERM GROWTH OPPORTUNITIES AND WE EXPECT THIS SECTOR, FOCUSING ON TRAINING REQUIREMENTS FOR TECHNICAL AND INDUSTRIAL PERSONNEL, TO PROVIDE SIGNIFICANT MARKET OPPORTUNITIES IN THE NEXT DECADE. SINCE 1986, CANADA HAS INCREASINGLY EMERGED AS A VIABLE TRADING PARTNER AND ECONOMIC INTERLOCUTOR, LARGELY AS A RESULT OF THE LEVEL OF INVESTMENT WE HAVE MADE IN THE KINGDOM'S ECONOMIC DEVELOPMENT. THIS CONTRIBUTION, PARTICULARLY IN THE ENERGY SECTOR, HAS SUBSTANTIALLY FACILITATED TRADE

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RPTB1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: AMMAN

Country: JORDAN

LINKAGES. 1987/88 SAW CANADA'S FIRST SIGNIFICANT COMMERCIAL CONTRACTS IN JORDAN. VALUED AT OVER \$ 20 MILLION. WE ARE DETERMINED THAT 1989/90 WILL BRING ADDITIONAL SUCCESS DESPITE PRESENT AUSTERITY.



RPTR2

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 EXPORT PROMOTION PRIORITIES

Mission: AMMAN

Country: JORDAN

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

## 1. OIL &amp; GAS EQUIPMENT, SERVICES

UTILIZATION AND DISCOVERY OF INDIGENOUS HYDROCARBONS IS PRIORITY GIVEN CURRENT ECONOMIC PRESSURES. CAN IS WELL-ESTABLISHED IN SECTOR THROUGH RESIDENT CORP PRESENCE CAPABLE OF TIMELY RESPONSES TO SPECIFIC MKT OPPORT. OUR EXPERTISE IN NATURAL GAS, TAR SANDS AND OIL SHALE DEVELOPMENT IS RESPECTED HERE.

## 2. ADVANCED TECH. PROD. &amp; SERV

MARKET PENETRATION IN 1988 BY CDN SUPPLIERS OF TELECOM PRODUCTS HOLDS EXCELLENT PROSPECT FOR ADD-ON SALES. JAN '89 SEMINAR PROGRAM WILL INTRODUCE NEW CDN TECHNOLOGIES TO JORDAN WHICH FIGURE PROMINENTLY IN LONG TERM PLANNING OF TELECOMM CORP (TCC).

## 3. AGRI &amp; FOOD PRODUCTS &amp; SERVICE

IMPORTS OF FOOD PRODUCTS WILL BE ONE OF FEW AREAS EXEMPTED FROM NEWLY INTRODUCED CONTROLS. LOCAL PRODUCTION FOCUSED ON IMPORT SUBSTITUTION COULD OFFER SCOPE FOR CDN AGRI EQUIPMENT AND TECHNOLOGY. NEWLY APPROVED SEED POTATO VARIETIES WILL BE ELIGIBLE FOR IMPORTATION IN 1989-90.

## 4. POWER &amp; ENERGY EQUIP. &amp; SERV.

REACTIVATION OF AQABA THERMAL POWER PLANT PROJECT AND POSSIBLE GAS AND SHALE BURNING FACILITIES IN EAST AND CENTRAL JORDAN ARE GOOD PROSPECTS FOR CDN EXPORTERS. ATD PROGRAM (HV LAB. STAFF EXPERTS) WILL PLAY KEY ROLE IN IDENTIFICATION OF NEW SERVICES OPPORTUNITIES.

## 5. GRAINS AND OILSEEDS

FOCUS WILL BE ON BARLEY, SPECIALTY SEEDS AND MILLED FLOUR WHICH HAVE BEEN INTRODUCED BY EXPORTERS TO THE MARKET. WHEAT SALES CONTINUE TO BE HAMPERED BY SUBSIDIZED COMPETITOR PRICING.

## 6. EDUCATION, MEDICAL, HEALTH PROD

STEADY, MODEST GROWTH AS SECTORAL EXPORTS CONTINUE. 3 PROJECTS BY ACCC WILL REPRESENT MAJOR INTRODUCTION OF TRAINING SERVICES CAPABILITIES TO JORDANIAN AGENCIES. CAPSULE MAKING PLANT IN AMMAN CONTINUES TO HAVE STRONG TECHNICAL LINKS TO CANADA.

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

1. GRAINS AND OILSEEDS
2. OIL & GAS EQUIPMENT, SERVICES
3. ADVANCED TECH. PROD. & SERV

4. CHEM PROD & PETROCHEM. EQP. SERV
5. EDUCATION, MEDICAL, HEALTH PROD
6. CONSUMER PRODUCTS & SERVICES

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM  
89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: AMMAN

Market: JORDAN

Sector : AGRI &amp; FOOD PRODUCTS &amp; SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	325.00 \$M	320.00 \$M	300.00 \$M	200.00 \$M
Canadian Exports	0.40 \$M	1.00 \$M	2.00 \$M	3.00 \$M
Canadian Share of Market	0.12 %	0.30 %	0.90 %	1.70 %

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	40.00 %
EUROPEAN COMMON MARKET C	30.00 %
UNITED STATES OF AMERICA	15.00 %
ASIA OR FAR EAST	10.00 %

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

Products/services for which there are good market prospects:

1. FLOUR, PROCESSED FOODS AND FEED
2. AGRICULTURAL CONSULTING SERVICES
3. DRY LAND FARMING EQUIPMENT
4. LIVESTOCK TECHNICAL SERVICES

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- PFMD support
- Fairs and Missions support
- Provincial export promotion
- CTDA programs
- Competitive pricing
- 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: AMMAN

Market: JORDAN

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Non-competitive pricing
- Non-competitive financing
- GOVT. MONOPOLY IN IM-
- PORT OF BASIC FOODST

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

Activity: CANADA-JORDAN LENTIL MECHANIZATION PROJECT  
Expected Results: SUCCESSFUL DEMONSTRATION OF CDN DRY-AND FARMING TECH; EQUIP-  
MENT SALES

Activity: CERTIFICATION OF ADDITIONAL CDN SEED POTATO VARIETIES  
Expected Results: 3 NEW TYPES TO BE APPROVED IN 89-90

Activity: AGRI-CHEMICALS PRODUCTION JOINT VENTURE (PRIVATE SECTOR)  
Expected Results: CONSTRUCTION OF LOCAL PLANT USING CDN TECHNOLOGY

Activity: SOUTHEAST CERFAL GRAINS PROJECT  
Expected Results: AWARD OF MANAGEMENT CONTRACT TO CDN CONSULTANT

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

Activity: TECHNICAL SEMINAR : LIVESTOCK SECTOR (DAIRY)  
Expected Results: INTRODUCTION OF CDN TECHNICAL SERVICES TO PUBLIC AND PRIVATE  
SECTOR CLIENTS

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

Activity: INTRODUCTION OF 6 NEW SEED POTATO VARIET. FOR PHASE I TRIALS  
Expected Results: CERTIFICATION FOR IMPORT IN 1991 (2 YEAR PROGRAM)

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RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: AMMAN

Market: JORDAN

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

HAMAD BASTN RURAL INT'L AND  
AGRICULTURAL DEV. PROJECT

Approximate Value: 10 MS  
Financing Source : B.C. - Buyer Credits required  
Contact : THE COMM DIV., CDN EMB., AMMAN.  
JORDAN, TLX 23080 CANADA JO

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: AMMAN

Market: JORDAN

Sector : ADVANCED TECH. PROD. &amp; SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	30.00 \$M	35.00 \$M	50.00 \$M	100.00 \$M
Canadian Exports	0.30 \$M	1.00 \$M	3.00 \$M	20.00 \$M
Canadian Share of Market	0.90 %	3.00 %	5.50 %	20.00 %

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

Major Competing Countries

Market Share

EUROPEAN COMMON MARKET C	50.00 %
JAPAN	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. SWITCHING EQUIPMENT
2. SPECIALIZED COMPUTER EQUIPMENT
3. SOFTWARE PRODUCTS (ARABIZED)
4. TRAINING SERVICES

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are moderate
- Aggressive marketing
- PFMD support
- Provincial export promotion
- CTDA programs
- Competitive pricing
- Strong sectoral capability in Canada
- Willingness of exporters to invest/joint venture in territory
- WILL BE MORE IMPORTANT IN
- FUTURE PROJECTS

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: AMMAN

Market: JORDAN

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

Activity: AWARD OF CONTRACT: TCC PROCUREMENT PROGRAM

Expected Results: CONTRACTS OF OVER \$50 M TO CDN EXPORTERS

Activity: RE-STRUCTURING OF TELECOM CORPORATION (TCC)

Expected Results: PRIVATIZATION WILL REQUIRE MANAGERIAL SERVICES

Activity: INTRODUCTION OF CDN COMPUTER CAPABILITY IN REMOTE SENSING

Expected Results: NEW MARKET FOR SOFTWARE APPLICATIONS

Activity: INTRODUCTION OF PRIVATE PAGING SYSTEM IN JORDAN

Expected Results: EQUIPMENT & SERVICES SUPPLY OPPORTUNITY

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

Activity: FOLLOW-UP TO JAN'89 TELECOM TECHNICAL SERVICES

Expected Results: IDENTIFICATION OF NEW TECHNOLOGIES FOR FUTURE IMPLEMENTATION HERE.

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 PRIVATE SECTOR EFFORT IN X25 PROTOCOL MARKETING

Expected Results: CDN INVOLVEMENT IN PACKET SWITCHING DEVELOPMENT

Activity: FOCUS ON DATA TRANSMISSION APPLICATION IN SECTOR

Expected Results: IDENTIFY NEW SALES OPPORTUNITIES FOR CDN PRODUCTS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: AMMAN

Market: JORDAN

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

ICC PACKET SWITCH NETWORK

Approximate Value: 0 M\$  
Financing Source : B.C. - Ruver Credits required  
Contact : THE COMM DIV., CDN EMB., AMMAN,  
JORDAN, TLX 23080 CANAD JO

## RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: AMMAN

Market: JORDAN

Sector : POWER &amp; ENERGY EQUIP. &amp; SRV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	100.00 \$M	90.00 \$M	70.00 \$M	100.00 \$M
Canadian Exports	0.30 \$M	0.65 \$M	0.30 \$M	5.00 \$M
Canadian Share of Market	0.30 %	0.60 %	0.40 %	0.40 %

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

Major Competing Countries	Market Share
EUROPEAN COMMON MARKET C	45.00 %
JAPAN	25.00 %
UNITED STATES OF AMERICA	15.00 %

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

Products/services for which there are good market prospects:

1. POWER GENERATION EQUIPMENT (ROTIFERS)
2. RESEARCH & TRAINING EQUIPMENT
3. ENGINEERING SERVICES
4. TRANSMISSION & MAINTENANCE EQUIPMENT

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing



RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: AMMAN

Market: JORDAN

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

Activity: FINALIZATION OF SULTANI SHALE PLANT FEASIBILITY  
Expected Results: DECISION TO BUILD 25MW DEMONSTRATION PLANT

Activity: REACTIVATION OF ADABA PHASE II PROJECT  
Expected Results: RE-TENDERING OF POWER STATION PROJECT

Activity: CDN STAFF EXPERTS PROGRAM  
Expected Results: SOLIDIFICATION OF MANAGERIAL LINKS WITH J.F.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: IMPLEMENTATION OF CTDA HIGH VOLTAGE LAB PROJECT  
Expected Results: CDN RESEARCH AND TRAINING EXPERTISE WITH J.F.A.

Activity: MONITORING OF TRANSMISSION AND MAINTENANCE EQUIPMENT TENDERS  
Expected Results: SUPPLY OPPORTUNITIES FOR CDN EXPORTERS

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: AMMAN

Market: JORDAN

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

SULTANI 25MW SHALE BURNING  
POWER STATION

Approximate Value: 60 M\$  
Financing Source : B.C. - Ruver Credits required  
Contact : COMM DIV., CDN EMB., AMMAN,  
JORDAN, TLX 23080 CANAD JO

ADARA THERMAL POWER PLANT  
PHASE II

Approximate Value: 100 M\$  
Financing Source : B.C. - Ruver Credits required  
Contact : COMM DIV., CDN EMB., AMMAN,  
JORDAN, TLX 23080 CANAD JO

TURBINE CONVERSION-HUSSEIN  
POWER STATION

Approximate Value: 10 M\$  
Financing Source : B.C. - Ruver Credits required  
Contact : COMM DIV., CDN EMB., AMMAN,  
JORDAN, TLX 23080 CANAD JO

RPTCJ

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: AMMAN

Market: JORDAN

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	250.00 \$M	270.00 \$M	200.00 \$M	200.00 \$M
Canadian Exports	0.10 \$M	0.15 \$M	1.00 \$M	3.00 \$M
Canadian Share of Market	0.03 %	0.06 %	0.40 %	1.70 %

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

## Major Competing Countries

## Market Share

EUROPEAN COMMON MARKET C	40.00 %
ASIA OR FAR EAST	30.00 %
UNITED STATES OF AMERICA	15.00 %

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

## Products/services for which there are good market prospects:

1. AEROSPACE EQUIPMENT
2. MARITIME ENGINEERING SERVICES
3. RAILWAY PLANNING SERVICES

## Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are moderate
- Aggressive marketing
- Fairs and Missions support
- Provincial export promotion
- CTDA 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:

- Non-competitive pricing
- Non-competitive financing

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: AMMAN

Market: JORDAN

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

Activity: DECISION BY RJ ON PROCUREMENT OF TURBOPROP AIRCRAFT  
 Expected Results: AWARD OF LEASE CONTRACTS TO CDN SUPPLIER

Activity: SHADIYA RAILWAY PROJECT ( TO AQABA)  
 Expected Results: OPPORTUNITY FOR CDN CONSULTING ENGINEERING FIRMS

Activity: DESIGN OF AQABA MULTI-PURPOSE JETTY  
 Expected Results: CDN VISIBILITY AS CONSULTANT IN MARINE SECTOR

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

Activity: VISIT BY INDUSTRY SECTOR EXPERT (DRIF) TO ACCESS LOCAL MKT.  
 Expected Results: IDENTIFICATION OF CDN FIRMS FOR FUTURE INTL COMPETITIVE BIDDINGS OPPORTUNITIES

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

Activity: PURSUE CIDA INC SUPP IN CARRIAGEWAYS PREVENTATIVE MAINT PROG  
 Expected Results: CDN CONSULTANTS WORKING FOR MINISTRIES OF TRANSPORTS & PUBLIC WORKS IN MASTER PLAN DEVELOPMENT

Activity: PART OF AQABA PHOSPHATE STORAGE ASSESSMENT  
 Expected Results: PROJECT FEASIBILITY REQUIRED; CDN CONSULTANT TO BE IDENTIFIED

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: AMMAN

Market: JORDAN

Sector : OIL &amp; GAS EQUIPMENT SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	30.00 \$M	45.00 \$M	40.00 \$M	50.00 \$M
Canadian Exports	0.30 \$M	3.00 \$M	5.00 \$M	5.00 \$M
Canadian Share of Market	1.00 %	6.00 %	11.00 %	20.00 %

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

Major Competing Countries Market Share

WEST EUROPE	35.00 %
UNITED STATES OF AMERICA	25.00 %
ASIA OR FAR EAST	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. DRILLING EQUIPMENT & SERVICES
2. GEOPHYSICAL SERVICES

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Provincial export promotion
- CTDA programs
- 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: AMMAN

Market: JORDAN

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

Activity: WESTBRUNE DRILLING/NRA CONTRACT  
Expected Results: NEW AGREEMENT FOR RIG LEASE - \$5M

Activity: EXTENSION OF P.C.T.A.C. PROJECT  
Expected Results: ADDITIONAL WORK UNDER \$ 13 M GRANT

Activity: MULTINATIONAL CONCESSION AGREEMENT WITH JORDAN  
Expected Results: PRESENCE OF CDN RISK CONTRACTOR IN JORDAN

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

Activity: INTERCAN'89  
Expected Results: ADDITIONAL CONTACT BY JORDANIANS WITH CDN OIL AND GAS INDUSTRY

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

Activity: GAS UTILIZATION STUDY: RISHA REGION  
Expected Results: CDN INVOLVEMENT IN JORDAN'S GAS DEVELOPMENT

Activity: TAR SANDS AND OIL SHALE DEPOSITS : DEFINITION  
Expected Results: IMPORTANT RESOURCE DEVELOPMENT PROJECTS WILL NEED CONSULTING EXPERTISE IN DEFINITION PHASE.

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: AMMAN

Market: JORDAN

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

RISHA GAS PROJECT	Approximate Value: 15 Ms
	Financing Source : B.C. - Buyer Credits required
	Contact : THE COMM DIV., CDN EMB., AMMAN, JORDAN, TLX 23080 CANAD JO
SULTANI OIL SHALE PROJECT	Approximate Value: 50 Ms
	Financing Source : B.C. - Buyer Credits required
	Contact : THE COMM DIV., CDN EMB., AMMAN, JORDAN, TLX 23080 CANAD JO
WADI TSAAL TAR SANDS PROJECT	Approximate Value: 0 Ms
	Financing Source : B.C. - Buyer Credits required
	Contact : THE COMM DIV., CDN EMB., AMMAN, JORDAN, TLX 23080 CANAD JO

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: AMMAN

Market: JORDAN

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	65.00 \$M	60.00 \$M	60.00 \$M	50.00 \$M
Canadian Exports	0.40 \$M	0.90 \$M	1.00 \$M	2.00 \$M
Canadian Share of Market	0.60 %	1.50 %	2.00 %	6.00 %

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

## Major Competing Countries

## Market Share

EUROPEAN COMMON MARKET C	65.00 %
UNITED STATES OF AMERICA	35.00 %

## Current Status of Canadian

exports in this sector/subsector: Small but expanding

## Products/services for which there are good market prospects:

1. SPECIALIZED MEDICAL EQUIPMENT
2. PHARMACEUTICALS
3. EDUCATIONAL SERVICES

## Factors contributing to current successful Canadian exports:

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

- Restrictive standards
- Lack of promotion and advertising
- Market prospects have not been adequately explored



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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: AMMAN

Market: JORDAN

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

Activity: PALFSTINE HOSPITAL NEUROLOGY CENTRE PROJECT  
Expected Results: VISIBLE CDN PRESENCE IN DEVELOPMENT OF LOCAL NEUROLOGICAL CARE.

Activity: AI-BASHIR CANCER CENTRE PROJECT  
Expected Results: CDN COBALT THERAPY UNITS NOW WORKING IN JORDAN; ADDITIONAL SERVICE REQUIREMENTS

Activity: ESTABLISHMENT OF ACCC REGIONAL OFFICE  
Expected Results: THREE (3) TRAINING PROJECTS APPROVED FOR JORDAN

Activity: FOLLOW-UP TO JUNE '88 EDUCATION AND TRAINING SERVICES MISSION  
Expected Results: IDENTIFICATION OF NEW TRAINING PROJECTS FOR PURSUIT BY 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: CDN PRIMARY HEALTHCARE PROJECT-MINISTRY OF HEALTH  
Expected Results: INTROD OF CDN EXPERT TO MTN IN ASSESSING REQUIR OF REG'1 PRIMARY HEALTHCARE CENTRES; IDENT. OF FUTURE EQUIP. & SERV. REQ.

Post : AMMAN

<u>Start Date</u>	<u>Event Name, Location &amp; Type</u>	<u>Sector/Post/Contact</u>
89/04/00	SAFEWAY IN-STORE FOOD SHOW, AMMAN FAIR, SOLO	AGRI & FOOD PRODUCTS & SERVICE
90/03/00	AGRICULTURAL EQUIPMENT MISSION TO JORDAN, KSA, & IRAQ MISSION OUT, INDUSTRY	AGRI & FOOD PRODUCTS & SERVICE

RPTR1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 TRADE AND ECONOMIC OVERVIEW

Mission: DAMASCUS

Country: SYRIA

COMMERCIAL COVERAGE OF SYRIA AND LEBANON WILL CONTINUE TO BE FOCUSED ON LONG TERM MARKET PROSPECTS FOR CANADIAN EXPORTERS, PENDING IMPROVED ECONOMIC CIRCUMSTANCES IN BOTH COUNTRIES. REGULAR LIAISON VISITS BY AMMAN-BASED OFFICERS WILL BE DIRECTED AT EXPORT OPPORTUNITIES WITH IDENTIFIED SOURCES OF OFF-SHORE FINANCING, CONCENTRATING ON PRIVATE SECTOR IMPORTERS OF RAW MATERIALS AND INDUSTRIAL MACHINERY. PROCUREMENT BY GOVERNMENT AGENCIES WILL CONTINUE TO BE CHARACTERIZED BY SHORTAGES OF FOREIGN EXCHANGE AND ERRATIC PAYMENT RECORDS. WITH THE EXCEPTION OF OIL AND GAS DEVELOPMENT, WHERE SYRIAN FINANCING EXISTS AND IS SUPPORTED BY MULTI-NATIONAL CAPITAL, LEGITIMATE EXPORT OPPORTUNITIES FOR CANADIAN EXPORTERS WILL BE FEW. WE WILL CONCENTRATE EFFORTS IN THE OIL AND GAS SECTOR WITH AL-FURAT PETROLEUM CO., THE SYRIAN-SHELL JOINT VENTURE OPERATING IN THE COUNTRY, IN THE HOPE THAT CANADIAN CONSULTANTS AND SUPPLIERS WILL BE QUALIFIED AS BIDDERS FOR FUTURE EQUIPMENT AND SERVICE REQUIREMENTS. SECTORS OF CONCENTRATION IN ADDITION TO OIL AND GAS WILL REMAIN AS IN PREVIOUS YEARS: AGRICULTURE, PULP AND PAPER, COMMUNICATIONS AND INFORMATICS, AND NON-LUXURY CONSUMER PRODUCTS. PRIVATE SECTOR IMPORTERS AND ENTREPRENEURS ACTIVE IN THESE FIELDS WILL BE OUR PRINCIPAL TARGETS. RENEWED EFFORTS WILL BE DIRECTED AT ALEPPO-BASED BUYERS WHO TRADITIONALLY SOURCE THEIR REQUIREMENTS FROM EUROPEAN SOURCES OF SUPPLY. IN THE ABSENCE OF FDC CREDIT COVERAGE, CIDA INDUSTRIAL COOPERATION SUPPORT AND VIABLE MULTI-LATERAL (EG. WORLD BANK) FINANCING, OUR ACTIVITIES WILL NEED TO BE DIRECTED AT PROJECTS AND/OR SALES PROSPECTS WHERE CLEARLY DEFINED FUNDING MECHANISMS EXIST. PROMOTIONAL PROJECTS SUCH AS MISSIONS AND INCOMING BUYER PROGRAMS WILL BE FOCUSED ON SPECIFIC SECTORS OF CONCENTRATION, WITH CAREFUL SELECTION OF CANADIAN AND LOCAL PARTICIPANTS. THE DAMASCUS INTERNATIONAL FAIR REMAINS OUR MOST IMPORTANT TRADE AND INDUSTRIAL DEVELOPMENT TOOL FOR SYRIA, AND SHOULD BE CONTINUED AS A MEANS OF EXPANDING THE BASE OF POTENTIAL CLIENTS FOR CANADIAN PRODUCTS, PARTICULARLY IN THE PRIVATE SECTOR. DESPITE ECONOMIC DIFFICULTIES, SYRIA AND LEBANON REMAIN IMPORTANT POTENTIAL MARKETS FOR CANADA. AS LATE AS 1982, OUR EXPORTS TO EACH DESTINATION EXCEEDED CAN DLRS 100 MILLION PER ANNUM. LOCAL INFRASTRUCTURE, WHILE WORKING AT SUBSTANTIAL UNDERCAPACITY, REMAINS INTACT AND STILL REQUIRE UPGRADING AND/OR MODIFICATION IN THE YEARS AHEAD. WHEAT EXPORTS, ONCE THE MAINSTAY OF CANADIAN ACTIVITY IN THE TERRITORY, REMAIN A LONGER TERM PROSPECT CONTINGENT ON THE AVAILABILITY OF SUPPLY AND BUYER CREDIT WORTHINESS. WE WILL CONTINUE TO DEMONSTRATE OUR INTEREST IN THESE MARKETS TO LOCAL INTERLOCUTORS THROUGH MODEST PROMOTIONAL EFFORTS AND EXPECT THAT IMPROVED ECONOMIC CONDITIONS WILL BRING INCREMENTAL SALES PROSPECTS FOR CANADIAN SUPPLIERS.

RPT82

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 EXPORT PROMOTION PRIORITIES

Mission: DAMASCUS

Country: SYRIA

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  
DEVELOPMENT OF SYRIAN NATURAL GAS DEPOSITS & PRESENCE OF MULTI-NAT'L CONTRACTORS IN SYRIA OFFERS SCOPE FOR EXPORTS OF PRODUCTS & SERVICES REQUIRED IN EXPLORATION & PRODUCTION SERVICES. MULTI-NATIONALS DO NOT REQUIRE PROJECT FINANCING AND PROCURE THROUGH INTERNATIONAL COMPETITIVE BIDDING.
2. AGRI & FOOD PRODUCTS & SERVICE  
AGRICULTURE IS SINGULAR PRIORITY FOR GOVT. ALTHOUGH SECTORAL DEVELOPMENT IS HAMSTRUNG BY LACK OF FINANCING. MIXED COMPANIES ARE LONG-TERM CLIENTS FOR EQUIP AND SERVICES FROM ABROAD. CDN SEED POTATOES TO BE INTRODUCED TO MARKET IN 1989-90.
3. ADVANCED TECH. PROD. & SERV  
EXPANSION BY GOVT. OF TELEPHONE AND DATA-LINK SYSTEMS REMAIN MEDIUM TERM PRIORITIES. LACK OF FINANCING HAS POSTPONED PROJECTS SINCE 1987.
4. FOREST PRODUCTS EQUIP. SERVICES  
NEWSPRINT AND FINE PAPER IMPORTS HAVE REMAINED SOLID SALES OPPORTUNITIES FOR CDN FIRMS DESPITE DIFFICULT LOCAL ECONOMIC CONDITIONS. ADDITIONAL SALES ARE POSSIBLE.
5. CONSUMER PRODUCTS & SERVICES  
MEDICAL PRODUCTS (HUMAN AND ANIMAL) HAVE BEEN ONE OF FEW CONSUMER PRODUCTS EXEMPTED FRM GOVT. IMPORT PROHIBITIONS. CDN FIRMS REMAIN REPUTABLE SUPPLIERS. FAVOURED OVER FAST BLOC COMPETITORS.

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

1. AGRI & FOOD PRODUCTS & SERVICE
2. OIL & GAS EQUIPMENT SERVICES
3. CONSUMER PRODUCTS & SERVICES

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: DAMASCUS

Market: SYRIA

Sector : AGRI &amp; FOOD PRODUCTS &amp; SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	250.00 \$M	200.00 \$M	200.00 \$M	250.00 \$M
Canadian Exports	6.50 \$M	2.00 \$M	2.00 \$M	3.00 \$M
Canadian Share of Market	3.00 %	1.00 %	1.00 %	1.60 %

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

Major Competing Countries	Market Share
EUROPEAN COMMON MARKET C	60.00 %
MIDDLE EAST OR NEAR EAST	30.00 %

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

Products/services for which there are good market prospects:

1. CEREAL GRAINS
2. FOOD PRODUCTS (FINISHED)
3. AGRIC. EQUIPMENT & SERVICES
4. SEED POTATOES

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- PFMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- Competitive pricing
- Strong sectoral capability in Canada

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: DAMASCUS

Market: SYRIA

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
- 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: PENETRATION BY CDN EXPORTERS WITH MIXED AGRICULTURAL COS  
 Expected Results: INTRODUCTION OF CDN DRY LAND FARMING TECHNIQUES TO PRIVATE SECTOR

Activity: INTRODUCTION OF CDN SEED POTATOES TO MINISTRY OF AGRICULTURE  
 Expected Results: CERTIFICATION AND ELIGIBILITY FOR IMPORT BY 1991

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

Activity: DAMASCUS INTL FAIR  
 Expected Results: PROMOTION OF CDN FOOD 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: MONITORING OF GEZA TENDERS FOR CDN PRODUCED FOOD PRODUCTS  
 Expected Results: TRIAL ORDERS FOR CDN EXPORTERS

RPTCL

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: DAMASCUS

Market: SYRIA

Sector : ADVANCED TECH. PROD. &amp; SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	5.00 \$M	10.00 \$M	10.00 \$M	15.00 \$M
Canadian Exports	0.25 \$M	0.15 \$M	0.10 \$M	0.35 \$M
Canadian Share of Market	0.50 %	1.50 %	1.00 %	2.00 %

## Major Competing Countries

## Market Share

ASIA OR FAR EAST	45.00 %
WEST EUROPE	35.00 %
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. SWITCHING PRODUCTS
2. HARDWARE ACCESSORIES-MODEMS I.A.
3. TELEPHONE EQUIPMENT

## Factors contributing to current successful Canadian exports:

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

## Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Non-competitive financing
- LOCAL ECONOMIC DIFFICULTIES HAVE
- STYMIED MARKETING EFFORTS

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: DAMASCUS

Market: SYRIA

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

Activity: DFCISION BY SYRIAN TELECOM EST.(STE)ON PARX/SWITCHING PROJ.  
Expected Results: POTENTIAL CONTRACTS FOR CDN SUPPLIER

Activity: FUTURE PROCUREMENT PRG BY SYRIAN SCIENTIFIC RESEARCH COUNC.  
Expected Results: ADDITIONAL EQUIPMENT SALES BY 3 CDN SUPPLIERS

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

Activity: DAMASCUS INTL FAIR  
Expected Results: PARTICIPATION BY MAJOR CDN TELECOM EXPORTER

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 PRIVATE SECTOR ACTIVITY IN COMPUTER FIELD  
Expected Results: RECRUITMENT PROSPECTS FOR FUTURE IN COMING MISSION



RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: DAMASCUS

Market: SYRTA

Sector : FOREST PRODUCTS,FOUTP,SERVICES

Sub-Sector: PULP AND PAPER PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	20.00 \$M	20.00 \$M	20.00 \$M	20.00 \$M
Canadian Exports	0.15 \$M	0.50 \$M	0.30 \$M	0.50 \$M
Canadian Share of Market	0.70 %	2.50 %	1.50 %	2.50 %

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

Major Competing Countries	Market Share
WEST EUROPE	65.00 %

Products/services for which there are good market prospects:

1. FINE PAPER
2. SEMI-PROCESSED WOOD PULP
3. CONSULTING ENGINEERING SERVICES

Factors contributing to current successful Canadian exports:

- PFMD support
- Fairs and Missions support
- 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
- SYRTA IS UNATTRACTIVE MKT FOR CDN
- EXPORTERS DUE TO ECONOMIC SITUATION

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: DAMASCUS

Market: SYRIA

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

Activity: VISIT TO DETR E70R PAPER MILL COMPLEX  
Expected Results: IDENTIFICATION OF MEDIUM TERM SERVICES REQUIREMENTS

Activity: RELEASE OF L/C'S BY SYRIAN GOVT. FOR '87/88 PAPER SALES  
Expected Results: NEW TENDERS/ORDERS IN 1989-90

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

Activity: PROM OF CDN ENVIRON PROTECTION EXPERTISE IN FOREST PROD SECT  
Expected Results: INCOMING MISSION TO CANADA IN FUTURE BY SYRIAN FORESTRY OFFICERS

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM  
89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: DAMASCUS

Market: SYRIA

Sector : OIL &amp; GAS EQUIPMENT SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	35.00 \$M	100.00 \$M	100.00 \$M	150.00 \$M
Canadian Exports	0.50 \$M	3.00 \$M	3.00 \$M	10.00 \$M
Canadian Share of Market	1.50 %	2.40 %	3.00 %	7.00 %

## Major Competing Countries

## Market Share

UNITED STATES OF AMERICA	45.00 %
COMECON	30.00 %
WEST EUROPE	15.00 %

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

Products/services for which there are good market prospects:

1. NATURAL GAS ENGINEERING SERVICES, EQUIP. & TRAINING
2. DRILLING EQUIPMENT & SERVICES

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Non-competitive financing
- Market prospects have not been adequately explored
- LACK OF CDN FINANCING FOR SYRIA IS
- MAJOR HURDLE IN EXPORTING EFFORTS

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: DAMASCUS

Market: SYRIA

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

Activity: EXPLOR WORK INITIATION IN MARATHON GAS CONCESSION CENTRAL SYR  
Expected Results: OPPORTUNITY FOR LEASE OF CDN DRILLING RIGS AND GAS ENGINEERING SERVICES

Activity: AL-FURAT CO. DEVELOPMENT OF OMAR ASSOCIATED GAS PROJECT  
Expected Results: BID OPPORTUNITIES FOR CDN SEISMIC CREWS IN REGION; FPC CONTRACT

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

Activity: INTERCAN'89  
Expected Results: VISIT BY DEPUTY MINISTER OF PETROLEUM 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: QUALIFY OF ADD'L CDN OILFIELD EQUIP SUPP WITH AL-FURAT CO/SPC  
Expected Results: ADDITIONAL SUCCESS BY CDN FIRMS IN SYRIAN TENDERS FOR OILFIELD EQUIPMENT

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: DAMASCUS

Market: SYRIA

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

OMAR GAS DEVELOPMENT PROJECT	Approximate Value: 250 Ms
	Financing Source : B.C. - Buyer Credits required
	Contact : THE COMM DIV., CDN EMB., AMMAN, JORDAN, TLX: 23080 JO
PALMYRA GAS DEVELOPMENT PROJ.	Approximate Value: 300 Ms
	Financing Source : B.C. - Buyer Credits required
	Contact : THE COMM DIV., CDN EMB., AMMAN, JORDAN, TLX: 23080 JO
MARATHON OIL CO EXPLORATION PROJECT	Approximate Value: 50 Ms
	Financing Source : OTHER
	Contact : THE COMM DIV., CDN EMB., AMMAN, JORDAN, TLX: 23080 JO

Post : DAMASCUS

<u>Start Date</u>	<u>Event Name, Location &amp; Type</u>	<u>Sector/Post/Contact</u>
89/08/00	36TH DAMASCUS INTL FAIR, SYRIA INFO BOOTH, ONLY	GENERAL OR UNASSIGNED ISB

RPTBI

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 TRADE AND ECONOMIC OVERVIEW

Mission: BAGHDAD

Country: IRAQ

THE PAST YEAR HAS BEEN, FOR IRAQ, ONE OF MANY MOMENTOUS CHANGES, WITH A CEASEFIRE IN ITS 8 YEAR LONG WAR WITH IRAN; A MOVE TO CHANGE THE ECONOMY FROM A FULLY SOCIALIST TO A MIXED ECONOMY, WITH THE DECISION TO PRIVATIZE MANY OF THE INDUSTRIES NOT ESSENTIAL TO THE WAR EFFORT; THE LIBERALIZATION OF THE IMPORT LICENCE SYSTEM BY THE INTRODUCTION OF "WITHOUT FOREIGN EXCHANGE" IMPORT LICENCES FOR MANY CONSUMER AND INDUSTRIAL IMPORTS. THE RESTRICTIVE OFFICIAL IMPORTS REGIME, COUPLED WITH AN ACCEPTABLE PRICE LEVEL FOR 2.3 MILLION BARRELS PER DAY (B/D) OF OIL EXPORTS, PERMITTED A FOREIGN EXCHANGE SURPLUS WHICH WAS USED BY THE CENTRAL MONETARY AUTHORITIES TO BEGIN PAYMENT OF ARREARS TO SOME COUNTRIES, INCLUDING CANADA. WITH THE CEASEFIRE, ATTENTION IS CONCENTRATED ON THE DEMANDS FOR RECONSTRUCTION OF THE ECONOMY. THIS WILL REQUIRE IRAQI POLICY ON OIL EXPORTS TO FALL MORE IN LINE WITH OPEC IN ORDER TO STABILIZE PRICES AND MAXIMIZE REVENUE TO PAY FOR THE ESTIMATED \$50 BILLION IN RECONSTRUCTION PROJECTS AND REPAYMENT TO WESTERN CREDITORS OF AN ESTIMATED \$25 BILLION IN SHORT TO MEDIUM TERM DEBT, AS WELL AS THE NEED TO ENSURE SECURITY BY BUILDING UP MILITARY CONSUMABLES STOCK IN THE SHORT TERM. IRAQI ESTIMATES FORESEE A NEED FOR DEFERRED PAYMENT TERMS FOR 2 MORE YEARS AFTER WHICH REPAYMENT OF SHORT AND MEDIUM TERM DEBT WILL COMMENCE. MAJOR AREAS OF RECONSTRUCTION ARE THE PETROCHEMICAL AND INDUSTRIAL AREAS IN THE SOUTH (BASRA) AND THE OIL PRODUCTION SECTOR. SOME CREDITS ARE REPORTEDLY AVAILABLE FOR THESE PROJECTS FROM KUWAIT AND THE GULF, AND CREDIT AVAILABILITY IS REPORTEDLY IMPROVING AS A RESULT OF THE END OF ACTIVE HOSTILITIES AND SOME IMPROVEMENTS IN PAYMENTS PERFORMANCE. AVAILABILITY OF CREDITS WILL DETERMINE THE EXTENT TO WHICH CANADIAN FIRMS WILL BE ABLE TO PARTICIPATE IN THE RECONSTRUCTION AND DEVELOPMENT EFFORTS IN IRAQ. SIGNIFICANT BENEFIT TO CANADA WILL RESULT FROM THE GENERAL MOTORS ASSEMBLY PROJECT, WHEN FINALIZED, SINCE MOST OF THE PRODUCT, BOTH FULLY ASSEMBLED AND KITS, WILL COME FROM GMMO CANADA. A POSITIVE RESULT OF THE REVIEW BY FDC OF ITS POSITION WILL OPEN THE DOOR TO EXPANSION OF TELECOMMUNICATIONS, OIL AND GAS EQUIPMENT AND SERVICES, INDUSTRIAL AND AGRICULTURAL EQUIPMENT EXPORTS AS ALTERNATIVES TO U.S. SUPPLIERS. THE INVESTMENT PROGRAM WILL CONTINUE TO BE ON A RESPONSIVE BASIS. SHOULD THE IRAQI GOVERNMENT REGULATIONS WHICH CURRENTLY PROHIBIT IRAQI CITIZENS FROM NON-ESSENTIAL TRAVEL ABROAD BE RELAXED, THERE MAY BE A REQUIREMENT TO PROVIDE EXPANDED RESPONSIVE SERVICES TO TOURISTS.

RPTB2

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 EXPORT PROMOTION PRIORITIES

Mission: BAGHDAD

Country: IRAQ

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

1. TRANSPORT SYS.EQUIP.COMP.SERV.  
CURRENT ACTIVITY OF GMMO AND SNVI WILL INCREASE DEMAND FOR RELATED PRODUCTS FROM CANADA. IFFF SYSTEM WILL LEAD PRIVATE SECTOR TO FOCUS ON LOW PRICE COMPETITION.
2. OIL & GAS EQUIPMENT.SERVICES  
REHABILITATION OF REFINING COMPLEXES AND RE-OPENING OF FIELDS IN SOUTHERN IRAQ WILL CREATE OPPORTUNITIES FOR OIL AND GAS MACHINERY AND SERVICES.
3. CHEM PROD & PETROCHEM.EQP.SERV  
REHABILITATION AND EXPANSTON OF PETROCHEMICAL COMPLEXES IN SOUTHERN IRAQ WILL PRESENT OPPORTUNITIES FOR SUPPLIERS OF MACHINERY AND SERVICES.
4. INDUSTRIAL MACHIN.PIANTS.SERV.  
RECONSTRUCTION OF INDUSTRIAL COMPLEXES IN SOUTHERN IRAQ AND PRIVATIZATION OF MANY INDUSTRIES WILL OPEN MARKET FOR INDUSTRIAL SUPPLIERS IN IRAQ.
5. CONSUMER PRODUCTS & SERVICES  
DEMAND HAS BEEN SUPPRESSED FOR PAST FEW YEARS. END OF CONFLICT (MILITARY) WILL REQUIRE SATISFACTION OF DESIRE FOR CONSUMER PRODUCTS.

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

1. GRAINS AND OILSEEDS
2. TRANSPORT SYS.EQUIP.COMP.SERV.
3. FOREST PRODUCTS.EQUIP.SERVICES
4. MINE.METAL.MINERAL PROD & SRV



RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BAGHDAD

Market: IRAQ

Sector : TRANSPORT SYS.FOUIP.COMP.SERV.

Sub-Sector: AUTOMOTIVE

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	200.00 \$M	500.00 \$M	750.00 \$M
Canadian Exports	0.07 \$M	1.30 \$M	0.20 \$M	10.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	1.30 %

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

Major Competing Countries	Market Share
JAPAN	0.00 %
EUROPEAN COMMON MARKET C	0.00 %
IRAQ	0.00 %
UNITED STATES OF AMERICA	0.00 %

Products/services for which there are good market prospects:

## 1. AUTOMOTIVE PARTS

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 FUNDING, FINANCE AND INF-
- RFTS

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BAGHDAD

Market: IRAQ

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

Activity: PROMOTION OF RIF 89 TO APMA  
Expected Results: INCREASED PARTICIPATION

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 OLD MODEL AUTOMOTIVE PARTS EXPORTERS  
Expected Results: INCREASED PURCHASING FROM CANADA

Activity: AUTO PARTS MISSION TO BAGHDAD, BASRAH, OCT 89  
Expected Results: INCREASE PURCHASING FROM CANADA

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BAGHDAD

Market: IRAQ

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	35.00 \$M	35.00 \$M	40.00 \$M	50.00 \$M
Canadian Exports	4.70 \$M	42.00 \$M	10.00 \$M	20.00 \$M
Canadian Share of Market	13.40 %	0.01 %	25.00 %	40.00 %

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

Major Competing Countries	Market Share
FINLAND	40.00 %
UNION OF SOVIET SOC REP	15.00 %
UNITED KINGDOM	10.00 %
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. NEWSPRINT
2. PULP

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

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- LACK OF CREDIT AND SHORT SUPPLY IN CANADA

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DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BAGHDAD

Market: IRAQ

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

Activity: ONGOING EFFORTS TO INTEREST SUPPLIERS  
Expected Results: MARKET CONTROL

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BAGHDAD

Market: IRAQ

Sector : MINF.METAL.MINERAL PROD &amp; SRV

Sub-Sector: MINERALS AND MINERAL PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	100.00 \$M	125.00 \$M	100.00 \$M	150.00 \$M
Canadian Exports	1.50 \$M	2.00 \$M	0.00 \$M	10.00 \$M
Canadian Share of Market	1.50 %	0.16 %	0.00 %	0.06 %

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

Major Competing Countries	Market Share
UNION OF SOVIET SOC REP	60.00 %
INDIA	25.00 %
PEOPLE'S REP OF CHINA	10.00 %

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

Products/services for which there are good market prospects:

1. ASBESTOS FIBRE

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- LACK OF CREDIT

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BAGHDAD

Market: IRAQ

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

Activity: ASBESTOS SEMINAR BY ASBESTOS INSTITUTE  
Expected Results: SAFER TECHNIQUES WILL MAINTAIN MARKET.

Activity: SUPPORT MONTREAL SUPPLIER INTRAFINA TO OBTAIN SALES  
Expected Results: INCREASED SALES

## RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BAGHDAD

Market: IRAQ

Sector : OIL &amp; GAS EQUIPMENT SERVICES

Sub-Sector: MACHINERY AND EQUIPMENT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	150.00 \$M	200.00 \$M	800.00 \$M	1000.00 \$M
Canadian Exports	0.70 \$M	0.90 \$M	3.50 \$M	25.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	2.50 %

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 %
JAPAN	0.00 %
EUROPEAN COMMON MARKET C	0.00 %

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

Products/services for which there are good market prospects:

1. EXPLORATION EQUIPMENT
2. OILWELL SERVICING EQUIPMENT
3. PIPELINE EQUIPMENT
4. PERIPHERALS

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 INTEREST OF CANADIAN COMPANIES DUE TO WAR & FINANCING TERMS

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DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BAGHDAD

Market: IRAQ

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

Activity: BUYERS TO INTERCAN 89 IN EDMONTON, JUNE 1989  
Expected Results: INCREASE PURCHASING FROM 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: OIL AND GAS MISSION PROPOSED  
Expected Results: HEIGHTEN AWARENESS OF CDN CAPABILITY

Activity: IDENTIFY REQUIREMENTS OF IMPORTERS SINCE CEASE-FIRE  
Expected Results: ENSURE MORE CDN COMPANIES ENTER MARKET



RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BAGHDAD

Market: IRAQ

Sector : CHEM PROD &amp; PETROCHEM.EQP.SFRV

Sub-Sector: EQUIPMENT &amp; MACHINERY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	200.00 \$M	250.00 \$M	500.00 \$M
Canadian Exports	0.14 \$M	0.00 \$M	0.00 \$M	3.00 \$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 %
EUROPEAN COMMON MARKET C	0.00 %

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

Products/services for which there are good market prospects:

1. PLASTICS MACHINERY
2. PROCESSING EQUIPMENT

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 CREDIT AND INTEREST BY
- SUPPLIERS DUE TO WAR

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DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BAGHDAD

Market: IRAQ

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

Activity: SURVEY OF IMPORT REQUIREMENTS  
Expected Results: IDENTIFICATION OF REQUIREMENTS

Activity: PROPOSED PETROCHEMICALS MISSION TO IRAQ, SEPT 89  
Expected Results: INCREASED AWARENESS OF CANADIAN CAPABILITIES

Activity: PIASTEX 89 - INCOMING BUYERS TORONTO JUNE 89  
Expected Results: FIRST SALES OF CANADIAN MACHINERY

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BAGHDAD

Market: IRAQ

Sector : CONSUMER PRODUCTS &amp; 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	0.00 \$M	1000.00 \$M	2000.00 \$M
Canadian Exports	0.10 \$M	0.80 \$M	0.20 \$M	1.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.05 %

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

## Major Competing Countries

## Market Share

JAPAN	0.00 %
EUROPEAN COMMON MARKET C	0.00 %
UNITED KINGDOM	0.00 %

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

## Products/services for which there are good market prospects:

1. APPAREL & TEXTILES
2. JEWELLERY & GIFTWARE
3. LEISURE PRODUCTS

## 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
- Strong sectoral capability in Canada

## Factors for Canadian exports not reaching market potential:

- LACK OF INTEREST DUE TO WAR AND
- FINANCING SITUATION

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BAGHDAD

Market: IRAQ

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

Activity: PROMOTION OF RIF 89 TO TRADING HOUSES IN CANADA  
Expected Results: SUBSTANTIAL INCREASE IN PARTICIPATION

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 IMPORTERS WITH FOREIGN FUNDS  
Expected Results: PROMOTION OF CANADA AS SOURCE

Activity: PROPOSED TRADING HOUSE MISSION  
Expected Results: ESTABLISH APPROPRIATE LINKAGES BETWEEN IRAQI BUYERS AND ACTIVE EXPORTERS

## RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BAGHDAD

Market: IRAQ

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	0.00 \$M	0.00 \$M	0.00 \$M	5000.00 \$M
Canadian Exports	0.20 \$M	0.50 \$M	0.30 \$M	5.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	1.00 %

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

## Major Competing Countries Market Share

EUROPEAN COMMON MARKET C	0.00 %
UNITED KINGDOM	0.00 %
COMECON	0.00 %

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

Products/services for which there are good market prospects:

1. ALL

Factors for Canadian exports not reaching market potential:

- LACK OF FINANCE & LACK OF INTEREST
- OF EXPORTERS DUE TO WAR

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BAGHDAD

Market: IRAQ

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

Activity: SURVEY OF INDUSTRIES RECENTLY PRIVATIZED  
Expected Results: IDENTIFICATION OF REQUIREMENTS AND HEIGHTEN AWARENESS OF CON CAPABILITIES

Post : BAGHDAD

<u>Start Date</u>	<u>Event Name, Location &amp; Type</u>	<u>Sector/Post/Contact</u>
89/09/00	PETRO-CHEMICAL MISSION TO IRAQ MISSION OUT, INDUSTRY	PETROCHEM & CHEM PROD,EQP,SERV
89/10/00	TRADING HOUSE MISSION TO IRAQ MISSION OUT, INDUSTRY	GENERAL OR UNASSIGNED ISB
89/11/00	BAGHDAD INTL FAIR, BAGHDAD, IRAQ FAIR, NATIONAL STAND	GENERAL OR UNASSIGNED ISB

## RPTR1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 TRADE AND ECONOMIC OVERVIEW

Mission: CAIRO

Country: ARAB REPUBLIC OF EGYPT

CAIRO IS COMPELLED TO LIMIT TID PROGRAM ACTIVITY IN THE SUDAN MARKET IN THE FORESEABLE FUTURE, DUE TO OFFICER RESOURCE CONSTRAINTS. 1987 CANADIAN EXPORTS OF \$15 M SHOULD MORE THAN DOUBLE IN 88-89, EXCEEDING OTHER M.F. MARKETS. RECENT CONTRACTS FOR LOCOMOTIVE ENGINES AND FOR PHASE I CONSULTANCY OF AN IRRO RAILWAY UPGRADE PROJECT ARE INDICATIVE OF SIGNIFICANT AND INCREASING BUSINESS POTENTIAL. GOVERNMENT IMPORT AND DEVELOPMENT FUNDS HAVING LARGELY BEEN RE-ALLOCATED TO THE SEPTEMBER POST-FLOOD RELIEF AND COMMUNITY REBUILDING EFFORTS, WHILE THE CIVIL WAR CONTINUES TO DRAIN REMAINING GOVERNMENT RESOURCES. HOWEVER, IRRO, AFDB, ARAB FUNDS AND BILATERAL DONORS SUCH AS CTDA, HAVE INCREASED THEIR ALREADY SUBSTANTIAL PROJECT FUNDING, TO REBUILD AND EXPAND EXTENSIVE, SOPHISTICATED INFRASTRUCTURE FACILITIES.

THIS SHOULD FURTHER STIMULATE CANADIAN BUSINESS DEVELOPMENT INITIATIVES WHICH HAD DOUBLED OVER THE PAST 4 MONTHS TO PURSUE 10 PROJECTS, INITIALLY WORTH \$80 M IN EXPORTS FOR TELECOMMUNICATIONS, VOCATIONAL TRAINING, RAILROAD REHABILITATION, AIRPORTS, GRAIN STORAGE, UPGRADE OF PUBLIC SECTOR COMPANIES, WATER AND SEWERAGE, PETROLEUM PIPELINES, AND MECHANIZATION OF FARMING. THE PRIVATE SECTOR STANDS OUT AS POLITICALLY ASTUTE, PROFESSIONAL AND MOST ABLE TO DEVELOP WITH CANADIAN SUPPLIERS. THOSE SUBSTANTIAL NEW IMPORT, AGRICULTURE AND CONSTRUCTION OPPORTUNITIES TO FLOW FROM INTERNATIONAL DEVELOPMENT PROJECT FINANCING.

NEVERTHELESS, THE GROWTH IN THESE NEW OPPORTUNITIES AND IN CANADIAN BUSINESS ACTIVITY CAN NOT BE MATCHED BY INCREASING TID PROMOTIONAL SERVICES, NOW CONCENTRATED IN 2 YEARLY VISITS TO KHARTOUM. GIVEN CAIRO OFFICER TID COMMITMENTS IN EGYPT, THE TID INITIATIVES AND ECONOMIC REPORTING IN SUDAN CAN INCREASE ONLY IF THE THIRD CANADIAN TID OFFICER P/Y IS REESTABLISHED IN CAIRO AS PROPOSED. THE GOVT OF EGYPT'S (GOE) DEBATE WITH THE IMF, THE IRRO AND BILATERAL DONORS/CREDITORS OVER THE SEVERITY AND URGENCY OF THE NEEDED STRUCTURAL REFORMS HAS HIGHLIGHTED THE SEVERE DISTORTIONS AND WEAKNESSES OF THE ECONOMY. THE GOE IS APPARENTLY UNWILLING TO IMPLEMENT POLICIES RECOMMENDED BY THE IMF (EXCHANGE RATES, SUBSIDIES, INTEREST RATES, BUDGET DEFICITS...) TO PERMIT AN EARLY RESTRUCTURING OF ITS ECONOMY, FOR FEAR OF FOMENTING POLITICAL UNREST. THE GOVT HAS, HOWEVER, ADOPTED SOME REFORM POLICIES AND DECLARED ITS INTENTION TO EMBARK UPON AN IMF INSPIRED RESTRUCTURING PROGRAM ALBEIT AT A SLOWER PACE. AS A RESULT, SOME SECTORS ARE STARTING TO SHOW REAL GROWTH. BILATERAL & MULTILATERAL AGENCIES, IN LIGHT OF THE RECENT EVENTS IN ALGIERS, SEEM WILLING TO INCREASE THEIR ASSISTANCE TO EGYPT, THROUGH, FOR EX., THE PROVISION OF ROP SUPPORT, A STAND-BY AGREEMENT WITH THE IMF, WHICH IS EXPECTED IN COMING MONTHS, WOULD BY ITS IMPLEMENTATION PROVIDE A MAJOR BOOST TO THE ECONOMIC CLIMATE. IT WOULD INSTILL CONFIDENCE AND, AT THE SAME TIME, PROVIDE THE ADD'L CAPITAL FLOWS AND DEBT RELIEF NECESSARY FOR THE COMING YEARS. APPARENT STAGNATION IN THE GROWTH OF GDP, NOW AT \$24 BN, REFLECTS GOVT CUTBACKS IN PUBLIC IND. INVESTMENT & IMPORTS. NEVERTHELESS IND. EXPORT EARNINGS ROSE 37% TO \$995 M, WHILE AGRI. EXPORTS GREW 11% TO \$810. THE HIDDEN MILITARY IND'L SYSTEM HAS



RPTB1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 TRADE AND ECONOMIC OVERVIEW

Mission: CAIRO

Country: ARAB REPUBLIC OF EGYPT

BEEN INCREASINGLY DIVERSIFIED TO SUBSTITUTE FOR IMPORTS, & TO GENERATE EXPORT REVENUES WORTH HALF THE \$4BN MILITARY BUDGET. THE '88 FOREIGN EXCHANGE EARNINGS OF \$2 BN FM TOURISM SHLD GROW AT 30% OVER NEXT TERM. CANAL REVENUES JUMPED TO \$1.6 BN IN '87-88 & SHLD INCREASE BY 10% THROUGH '90 WITH EARNINGS OF \$2.5 BN IN '87. SHLD DECLINE 15% THROUGH '89 DUE TO DEPRESSED INT'L PRICES. THEREAFTER, REVENUES ARE PROJECTED TO INCREASE 12% ANNUALLY. FM HIGHER DOMESTIC GASOLINE PRICES & INCREASED OIL EXPORTS AS NATURAL GAS REPLACES OIL IN DOMESTIC ENERGY AND INDUSTRY. A SEVERE CUTBACK IN GOVT. & CONSUMER IMPORTS REFLECTS THE DELIBERATE GOVT. POLICY TO COOL THE 30% INFLATION & RESTRAIN THE SUPPLY OF NON-ESSENTIAL GOODS, WHILE STIMULATING DOMESTIC IMPORT SUBSTITUTION INVESTMENT. AT THE SAME TIME, PRIVATE IMPORTS OF COMMODITIES, AGRIC. & MFG EXPORT GREW 10% TO \$3.5 BN, FACILITATED BY EASIER ACCESS TO THE BANKS LIQUID FOREIGN EXCHANGE POOL. THE PRIVATE SECTOR IS NOW CONTRIBUTING 38% OF EGYPT'S GDP & STILL GROWING AT 10% YEARLY. IT MAY APPROACH THE TARGETED 70% SHARE OF GDP BY '92. MOST IMPORTANTLY, EGYPTIAN AND FOREIGN ENTREPRENEURS ARE LEADING ECONOMIC DEVELOPMENT WITH OVER \$2 BN ANNUAL INVESTMENT IN NEW AGRIC., PETRO., & IND'L PROD'N. DESPITE NEGATIVE REAL INTEREST RATES, 87/88 PRIVATE BANK DEPOSITS INCREASED TO \$26 BN, INCLUDING \$8 BN IN FOREIGN CURRENCY. THIS OCCURRED DESPITE THE ACTION OF SOME TOR ISLAMIC INVESTMENT COS. WHICH SYPHONED-OFF ABOUT \$4 BN, UNTIL THEY WERE FINALLY BROUGHT UNDER CONTROL BY LEGISLATION. THE QUARREL BETWEEN THE ISLAMIC FUNDS AND THE GOVT RESULTED IN A SHORT TERM DEPRESSION IN REMITTANCE REVENUE FM FEARFUL EXPATRIATE EGYPTIANS. HOWEVER, AN ANTICIPATED DEPOSIT INTEREST INCREASE (WITH BONDS OFFERING 20%) AS WELL AS THE REQUIREMENT THAT THE ISLAMIC FUNDS REPATRIATE AND DEPOSIT THEIR FUNDS IN LOCAL BANKS IS NOW BRINGING IN NEW AND NEEDED FOREIGN EXCHANGE. AS WELL, THE ARAB FUNDS AND BANKS HAVE NOW REAPPEARED WITH SUBSTANTIAL INVESTMENT FUNDS. FOR CON BUSINESSMEN, THE ABOVE DEVELOPMENTS COMBINE TO OFFER SURPRISINGLY LARGER & MORE DIVERSE OPPORTUNITIES THAN PREVIOUSLY TARGETED IN AREAS SUCH AS, COMMODITIES, TECH. & IND'L KNOW-HOW. CANA IS ALREADY RECOVERING A LARGER SHARE OF GROWING IMPORTS OF LUMBER, NEWSPRINT & ASBESTOS, WHILE PURSUING GOOD PROSPECTS IN NEW MKTS FOR CANDA, BARLEY, COAL, PULP, FERTILIZER, AND PERHAPS TOBACCO AND SEED POTATOES. PRIORITY DEVELOPMENT OF POWER GENERATION CAPABILITY HAS SECURED SOME \$1.2 BN IN NEW MULTILATERAL FINANCING & THIS HAS IMPROVED THE PROSPECTS FOR CON CONSULTANTS & EXPORT. EXCELLENT OPPORTUNITIES ARE EMERGING WITH THE FOREIGN & GOVT PETRO. CORPS COMMITTED TO BOOST OIL EXPORTS & TO DOUBLE GAS PRODUC'N FOR PROCESSING AS BOTH PETROCHEM. EXPORT & IMPORT SUBSTITUTION. THE UNAVAILABILITY OF EDC FINANCING OVER 300 DAYS, IS A REAL, BUT NOT CRITICAL, LIMIT'N ON EXPORT PROSPECTS.

## RPTB2 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 EXPORT PROMOTION PRIORITIES

Mission: CATRO

Country: ARAB REPUBLIC OF EGYPT

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

1. POWER & ENERGY EQUIP. & SERV.  
GOVT. PRIORITY TO BOOST GENERATION CAPACITY WITH OVER \$1 BN IN NEW MULTILATERAL FINANCING. CDN CAPABILITIES/REPUTATION WILL BE EVEN BETTER ESTABLISHED IN EXECUTING ELECTRICAL PROJS IN 89. MEDIUM-TERM PROSPECT FOR CANDU IS ENHANCED BY CURRENT AFCL STUDY OF OFFSET CAPABILITIES.
2. FOREST PRODUCTS, EQUIP. SERVICES  
MORE CDN EXPORTERS ARE TAKING ADVANTAGE OF COMPETITIVENESS TO SECURE EXPANDED MKT SHARE. SELLERS MKTS FOR LUMBER, NEWSPRINT AND FINE PAPER AND IMPORTERS ARE CASH (HEALTHY) PAPERS. CDN EGYPTIAN DIALOGUE TO ESTABLISH LARGER REGIONAL SALES VOLUMES THROUGH DUTY FOR WAREHOUSES.
3. GRAINS AND OILSEEDS  
CANOLA ON VERGE OF GDF APPROVAL FOR BULK OIL IMPORT & LOCAL COMMERCIAL CULTIVATION. CANOLA SHLD REPLACE (RECENTLY BANNED) SOYBEAN & SHARES OF OTHER MORE EXPENSIVE FOREIGN OIL IMPORTS WORTH \$110 MN. CANOLA MEAL IS ONLY FODDER AVAILABLE IN SUMMER WHILE BARLEY COULD REPLACE CORN IN SHORT SUPPLY.
4. AGRI & FOOD PRODUCTS & SERVICE  
CDN DAIRY BREEDING STOCK AND TOBACCO ARE PREFERRED IF PRIVATE FINANCING CAN BE SECURED. CTDA AND IBRD WILL FINANCE MAJOR GRAIN AND FERTILIZER STORAGE FACILITIES. POTASH FERTILIZER SHOULD BECOME AVAILABLE IN 89. AS ONLY TYPE IMPORTED.
5. OIL & GAS EQUIPMENT, SERVICES  
SELF-FINANCING GOVT & FOREIGN PETROLEUM COYS COMMITTED TO 1989 \$ 1 BN EXPANSION OF OIL PRODUCTION EXPORT. SIMILAR COMMITMENT TO DEVELOP GAS RESOURCES TO REPLACE DOMESTIC OIL AND FOR NEW PETROCHEM PROJECT. CDN REPUTATION FOR SPECIALIZED EXPERTISE IS WELL RESPECTED BY EGYPTIAN AND FOREIGN PETROLEUM COYS.
6. TRANSPORT SYS. EQUIP. COMP. SERV.  
DASH 8 AND CL715 IDEAL FOR SELF FINANCING EGYPTAIR AND MILITARY FLEET EXPANSION REQUIREMENTS. IBRD PROPOSING A \$150 MILLION RAILWAY EQUIPMENT AND SYSTEM UPGRADE.  
CDN AUTOPARTS PROVEN COMPETITIVE IN M.E.

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

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

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CATRO

Market: ARAB REPUBLIC OF EGYPT

Sector : AGRI &amp; FOOD PRODUCTS &amp; SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	5060.00 \$M	4860.00 \$M	4000.00 \$M	3650.00 \$M
Canadian Exports	6.00 \$M	23.00 \$M	5.00 \$M	35.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	1.00 %

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

## Major Competing Countries

## Market Share

EUROPEAN COMMON MARKET C	53.00 %
ASIA OR FAR EAST	10.00 %
UNITED STATES OF AMERICA	17.00 %

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

## Products/services for which there are good market prospects:

1. DAIRY CATTLE SEMEN & EMBRYO TRANSPLANT
2. LENTILS & LINSFED
3. DRY LAND FARMING CONSULTANCY
4. TOBACCO
5. BAKERY EQUIPMENT
6. CULTIVATION & HARVESTING EQUIP. SEEDERS. FERTILIZERS
7. POTASH FERTILIZER & SILOS
8. SEED POTATOES

## Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are moderate
- Aggressive marketing
- PFMD support
- Fairs and Missions support
- CTOA 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: CATRO

Market: ARAB REPUBLIC OF EGYPT

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Non-competitive financing
- Limited Canadian capabilities
- Market prospects have not been adequately explored
- A-LTD CDN SUPPL - R-PHYTO SANITARY
- REQUIR HAVE KEPT OUT SEED POTATOES

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

Activity: UPDATE AGRICULTURAL SECTOR REPORT  
 Expected Results: FLAG BEST PROSPECTS TO CDN SUPPLIERS, & UPGRADE PROMOTION

Activity: HELP ARRANGE LOCAL 89 FIELD TRIALS OF CDN SEED POTATOES  
 Expected Results: SATISFY GOVT 1989 TENDER PREREQUISITE OF OPEN MKT FOR POTATOES CDA

Activity: EXPLORE OPTIONS TO FINANCE TOBACCO  
 Expected Results: ESTABLISH A NEW LONG-TERM MARKET

Activity: SUPPORT INTERCAM PROPOSALS TO JOINT-VENTURE IN JUICE PROD.  
 Expected Results: \$2 M CONTRACTS & ASSIST DEVELOPMENT OF EGYPTIAN FOREIGN EXCHANGE EARNINGS.

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

Activity: SUPPORT AG-CDA PARTICIPATION IN EGYPT FFB 1989 DAILY SEMINAR  
 Expected Results: INCREASE MKT PENETRATION

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CATRO

Market: ARAB REPUBLIC OF EGYPT

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

Activity: MINT-SURVEY OF EXPANDING DAIRY INDUSTRY  
Expected Results: CONFIRM CAN COMPETITIVENESS & PROSPECTS IN ORDER TO REESTIMATE CAN MARKETING

Activity: LAUNCH PROMOTION OF SEMEN & EMBRYO TRANSPLANTS  
Expected Results: REINTRODUCE CAN EXPERTISE & GAIN ACCEPTANCE OF REPUTATION FOR BREEDING EXPERTISE

Activity: INTRODUCE PRIVATE IMPORTERS OF LENTILS & LINSFED  
Expected Results: REINTRODUCE CAN SUPPLIERS ON LONG-TERM BASIS

Activity: IDENTIFY LAND RECLAMATION PROJECTS FUNDED BY IBRD & ARABS  
Expected Results: PIUG-IN CAN FARM CONSULTING SERVICES WITH FOUTP PACKAGES TO FOLLOW

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CAIRO

Market: ARAB REPUBLIC OF EGYPT

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

N. SINAI FARM DEVELOPMENT PROJ Approximate Value: 250 M\$  
Financing Source : IBRD - World Bank  
Contact : M. GHAZAL CDN EMBASSY

FERTILIZER (+ GRAINS) STORAGE PROJECT Approximate Value: 60 M\$  
Financing Source : IBRD - World Bank  
Contact : M. GHAZAL - CDN EMBASSY

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CAIRO

Market: ARAB REPUBLIC OF EGYPT

Sector : FISHERIES, SEA PRODUCTS &amp; SERV.

Sub-Sector: FISH &amp; SHELLFISH &amp; OTHER PROD

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	71.00 \$M	75.00 \$M	75.00 \$M	80.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	1.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.00 %

## Major Competing Countries

## Market Share

EUROPEAN COMMON MARKET C	55.00 %
UNION OF SOVIET SOC REP	30.00 %
ARGENTINA	5.00 %
UNITED STATES OF AMERICA	7.00 %

## Current Status of Canadian

exports in this sector/subsector: Small but expanding

## Products/services for which there are good market prospects:

1. MACKEREL
2. HORSER MACKEREL
3. HAKE
4. RED SNAPPER
5. GREY MULLLET
6. SALMON
7. SEA BREAM
8. LOBSTER

## Factors contributing to current successful Canadian exports:

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

## Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Non-competitive pricing
- IMPORTANT ON FISH
- LACK OF INTEREST IN EGYPT MKT CON
- PROV REGULATE THE PROCESS OF HAKE

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CATRN

Market: ARAB REPUBLIC OF EGYPT

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

Activity: ASSESS PVT SECTOR IMPORT CAP. OF CDN FISH  
Expected Results: IDENTIFY POTENTIAL MKT OPPORTUNITIES & INTRODUCE CDN COYS TO PROSPECTIVE EGYPTIAN BUYERS

Activity: OBTAIN INFO ON EXPECTED DVLTs IN THE FIELD OF AQUACULTURE  
Expected Results: CONFIRM THE REQUIREMENTS, TIMING & FUNDING FOR FUTURE PROJECT  
GENERATE CDN INTEREST

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

Activity: ANALYSE DEPARTMENTAL INFO ON CDN INTEREST & PRICE COMPETITIV  
Expected Results: REEVALUATE PAST PROMOTIONAL EFFORTS

Activity: UPDATE THE EXISTING MKT REPORT  
Expected Results: GENERATE CDN INTEREST & REFINER THE EXISTING MARKETING STRATEGY

Activity: OBTAIN INFO ON LOCAL HEALTH REGS & CUSTOMS CLEARANCE PROC.  
Expected Results: ADDRESS CDN CONCERNS TO THE EFFECT THAT TIGHT PARASITE TOLERANCE UNDERMINE CDN TRADE EFFORTS



RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CAIRO

Market: ARAB REPUBLIC OF EGYPT

Sector : GRAINS AND OILSEEDS

Sub-Sector: CEREAL GRAINS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	300.00 \$M	300.00 \$M	360.00 \$M	360.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	18.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	5.00 %

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

## Major Competing Countries

## Market Share

UNITED STATES OF AMERICA	47.00 %
EUROPEAN COMMON MARKET C	31.00 %
ASIA OR FAR EAST	22.00 %

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

## Products/services for which there are good market prospects:

1. CANOLA OIL IN BULK
2. CANOLA MEAL
3. CONSULTANCY FOR CANOLA FARM MANAGEMENT

## Factors contributing to current successful Canadian exports:

- Import duties are low

## Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Restrictive standards
- Market prospects have not been adequately explored
- CANOLA IMPORTS & LOCAL CULTIVATION
- IS ONLY NOW BEING APPROVED BY GOVT.

RPT01

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CAIRO

Market: ARAB REPUBLIC OF EGYPT

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

Activity: SUPPORT GOVT EFFORTS TO CERTIFY CANOLA FOR CONSUMPTION  
 Expected Results: GET CANOLA OIL SPECIFIED IN GOVT TENDERS

Activity: IDENTIFY PROSPECTIVE EGYPTIAN CANOLA FARMERS  
 Expected Results: INTRODUCE CAN CANOLA FARMING EXPERTISE

Activity: SUPPORT GFFCO TO PRIVATELY IMPORT & BOTTLE CANOLA  
 Expected Results: ESTABLISH CANOLA IN SUPERMKTS TO INDUCE CONS TO SIGN-UP MORE AGENTS

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

Activity: ORGANIZE GOF STANDARDS COMMITTEE MAR/89 VISITS TO CDA  
 Expected Results: CONVINCCE COMMITTEE TO SPECIFY CANOLA & NOT RAPSEED FOR IMPORT

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

Activity: ENCOURAGE CANOLA COUNCIL TO INCLUDE CAIRO IN FEB/89 MISSION  
 Expected Results: FACILITATE SPECIFICATION OF CANOLA & STIMULATE FARMERS INTEREST

Activity: GET AG CDA TO INC. EGYPT IN 1989 ANIMAL FEEDS TECHNICAL SEM  
 Expected Results: ACCELERATE ACCEPTANCE OF CANOLA MEAL AS FEED & STIMULATE FARMING

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CATR0

Market: ARAB REPUBLIC OF EGYPT

Sector : GRAINS AND PILSEDS

Sub-Sector: GRAIN HANDLING EQUIPMENT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	581.00 \$M	708.00 \$M	863.00 \$M	1424.00 \$M
Canadian Exports	49.00 \$M	18.00 \$M	5.00 \$M	10.00 \$M
Canadian Share of Market	8.43 %	2.58 %	0.57 %	0.70 %

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

## Major Competing Countries

## Market Share

UNITED STATES OF AMERICA	65.00 %
EUROPEAN COMMON MARKET C	20.00 %
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. GRAIN STORAGE & HANDLING EQUIP
2. BARLEY
3. WHEAT AS FOOD AID

## Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are low
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Competitive Canadian financing

## 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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CATRO

Market: ARAB REPUBLIC OF EGYPT

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

Activity: INTRODUCE CDN STLOS SUPPLERS TO LOCAL REPS FOR CIDA TENDER  
Expected Results: ESTABLISH NEW CDN SUPPLERS IN MKT FOR FURTHER PROJECTS

Activity: SUPPORT CIDA PROPOSAL TO SUPPLY WHEAT AS 1989-90 FOOD AID  
Expected Results: KEEP CDN GRAIN MERCHANTS INVOLVED IN 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: GET AG CDA TO INC. CATRO IN 1989 ANIMAL FEEDS TECH SEM  
Expected Results: SUPPORT INTRODUCTION OF BARLEY TO REPLACE CORN AS ANIMAL FEED.

Activity: CONVINCe GOVT TO TENDER FOR BARLEY INSTEAD OF CORN  
Expected Results: ESTABLISH NEW COMMODITY MKT

Activity: INTRODUCE BARLEY EXPORTERS TO CASH-PAYING PVT IMPORTERS  
Expected Results: ESTABLISH NEW COMMODITY MKT

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DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CATRO

Market: ARAB REPUBLIC OF EGYPT

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

GRAIN (+ FERTILIZER) STORAGE PROJECT

Approximate Value: 60 M\$  
Financing Source : IRRD - World Bank  
Contact : M. GHAZAL - CDN EMBASSY

## RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CATRO

Market: ARAB REPUBLIC OF EGYPT

Sector : DEFENCE PROGRAMS, PRODUCTS, SRV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1800.00 \$M	2000.00 \$M	2100.00 \$M	2225.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$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: 15-30 \$M

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	70.00 %
FRANCE	10.00 %
UNITED KINGDOM	5.00 %
COMECOM	10.00 %
PEOPLE'S REP OF CHINA	3.00 %

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

Products/services for which there are good market prospects:

1. CL 215 AIRCRAFT
2. SMALL ARMS & .50 CAL. AMMUNITION
3. NBC SUITS & EQUIP
4. INTEGRATED SECURITY SYSTEMS
5. BOMB DETECTION & DISPOSAL EQUIP
6. SYNTHETIC APERTURE RADARS
7. VEHICLE LAND NAVIGATION SYSTEMS
8. SIMULATORS

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

RPTCL

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CATR0

Market: ARAB REPUBLIC OF EGYPT

## Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- Limited Canadian capabilities
- Market prospects have not been adequately explored
- PERHAPS US MIL SPEC
- INVENTORY NUMBER
- EGYPT MILITARY POLICY IS TO PURCH
- EVERYTHING POSS. ON FMS CREDITS

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

Activity: SUPPORT PROMOTION OF MILITARY DASH .8 & CL 215  
 Expected Results: \$10 M SALES EACH IN NEW MKT

Activity: SUPPORT IPI PROMOTION OF AMMUNITION & POSS INDUSTRIAL COOP  
 Expected Results: \$5 M EXPORT CONTRACT IN NEW MKT & POSSIBLE LICENSING ARRANGEMENT

Activity: COMPLETE SURVEY OF EGYPT DEFENCE PRODUCTION CAPABILITIES  
 Expected Results: IDENTIFY PRODUCTS FOR WHICH EGYPT IS SEEKING CDN LICENSING

Activity: IDENTIFY KEY MILITARY PROCUREMENT & TECHNICAL OFFICERS  
 Expected Results: FOCUS ON SELECT CDN TECHNOLOGY WITH PROMOTION WITH LOCAL CONSULTANTS

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

Activity: ARRANGE POST PARTICIPATION AT HI TECH 89  
 Expected Results: BETTER IDENTIFY CDN CAPABILITIES & STIMULATE CDN INTEREST IN EGYPT

Activity: MKT SURVEY OF PURCHASING OUTSIDE FMS CREDITS  
 Expected Results: DEVELOPMENT OF MARKETING STRATEGY

Activity: PROMOTE PRODUCTS OF CDN COYS USA SUBSIDIARIES VIA FMS CREDIT  
 Expected Results: MAXIMIZE MKT PENETRATION

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CAIRO

Market: ARAB REPUBLIC OF EGYPT

Sector : ADVANCED TECH. PRD. &amp; SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	240.00 \$M	300.00 \$M	400.00 \$M	500.00 \$M
Canadian Exports	2.00 \$M	3.00 \$M	6.00 \$M	6.00 \$M
Canadian Share of Market	0.50 %	1.00 %	1.50 %	2.00 %

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

Major Competing Countries	Market Share
JAPAN	35.00 %
UNITED STATES OF AMERICA	20.00 %
FRANCE	15.00 %
GERMANY WEST	10.00 %
NETHERLANDS	5.00 %
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. SCADA SYSTEMS
2. DATA COMMUNICATIONS & LINKAGE COMPONENTS
3. COMPUTERIZED ACCESS CONTROL & TIME KEEPING SYSTEMS
4. MICROWAVE TELEPHONE SYSTEMS
5. WIRELESS MODEMS
6. OFFICE AUTOMATION SYSTEMS

Factors contributing to current successful Canadian exports:

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



RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CAIRO

Market: ARAB REPUBLIC OF EGYPT

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: SUPPORT FARABI PARTICIPATION IN NOV 88 TELECOM SEMINAR  
 Expected Results: SALES OF FARABI X25 LINKING SYSTEM TO EGYPT TELECOM AUTH. & ENSURE AGENCY AGREEMENT.
- Activity: ENCOURAGE CDN COMPUTER COY TO ATTEND COMPUTER EXPO FEB/89  
 Expected Results: INCREASE FAMILIARITY WITH CDN COMPUTER CO & ENSURE ACCESS TO EGYPTIAN MKT
- Activity: CONT SUPPORT (IFMFC) TELECOM PROG  
 Expected Results: USE EGYPTIAN PRESENCE IN CAN. TO INTRODUCE THEM TO CDN CAP-ABILITIES & TECH.
- Activity: SUPPORT TIF TELECOM & NORTHERN TO UPGRADE EGY EPARK PRODUCT.  
 Expected Results: POSS JOINT VENTURE THAT SECURES CDN SUPPLY TO COMPONENTS

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

- Activity: PROPOSED EGYPT BE INCLUDED IN PLANNED TELECOM MISSION TO ME

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

- Activity: INTRODUCE SCADA SYSTEMS TO AGENTS & GOVT CLIENTS  
 Expected Results: OPEN UP NEW MKTS
- Activity: PROMOTE COMPUTERIZED SECURITY ACCESS & TIME KEEP SYS  
 Expected Results: OPEN UP NEW MKT ESPECIALLY IN PRIVATE SECTOR BANKS
- Activity: IDENTIFY TELECOM PJTS FINANCED BY I.F.I.  
 Expected Results: BETTER DEFINE MOST VISABLE PROSPECTS FOR TIGHTER MARKETING STRATEGY



RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CAIRO

Market: ARAB REPUBLIC OF EGYPT

Sector : POWER &amp; ENERGY EQUIP. &amp; SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	480.00 \$M	270.00 \$M	320.00 \$M	350.00 \$M
Canadian Exports	1.70 \$M	20.00 \$M	60.00 \$M	70.00 \$M
Canadian Share of Market	0.01 %	0.70 %	18.00 %	20.00 %

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 %
JAPAN	20.00 %
FRANCE	10.00 %
ITALY	8.00 %
GERMANY WEST	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. 300MW THERMAL ROTLERS
2. 220KV SUBSTATIONS & SWITCHGEAR
3. 220 + 550 KVA TRANSMISSION LINES
4. SCADA SYSTEMS
5. GAS TURBINES
6. ROTLER REHABILITATION
7. WIND ENERGY GENERATORS
8. MINI-HYDRO GENERATORS
9. CONSULTANCY FOR MAINTENANCE, THERMAL PROJECTS & TRANS

## Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are moderate
- Aggressive marketing
- CTDA programs
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CATRO

Market: ARAB REPUBLIC OF EGYPT.

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- 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: SUPPORT BARCOCK & WILCOX 300MW BOILER BID FOR ASYTUT HYDRO  
Expected Results: \$35 M CONTRACT

Activity: SUPPORT MONENCO ENGINEERING SUBCONTRACT BID FOR ESNA HYDRO  
Expected Results: \$35 M CONTRACT

Activity: SUPPORT CDA WIRE-FRAME AT EXECUTION OF SMOUBRA & DAMANMOUR PJT  
Expected Results: ENHANCE CDN PROSPECTS TO BID FOR UNITED 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: UPDATE SURVEY OF MKT PROSPECTS & AGENTS  
Expected Results: BETTER DEFINE SPECIFIC REQUIREMENTS & AGENTS ABLE TO PROMOTE CDA

Activity: ENSURE RANGE OF EQUIP SUPP PLUG INTO UPCOMING AFDREIBRO PROJ  
Expected Results: GET MORE CDN SUPPLIERS PREQUALIFIED TO BID IN 89

Activity: DETERMINE IF GOF TO SEEK FUNDS FOR 1ST NUCLEAR PLANT  
Expected Results: ENSURE ATOMIC ENERGY OF CDN IS WELL POSITIONED TO BID

Activity: DETERMINE IF GOF TO STUDY TRANSMISSION LINES WITH ZAIRE  
Expected Results: PLUG CONSULTANTS INTO PREQUALIFICATION & BIDDING

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CAIRO

Market: ARAB REPUBLIC OF EGYPT

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

W. CAIRO 300MW THERMAL STATION	Approximate Value:	425 M\$
	Financing Source :	AFDB - African Development Bank
	Contact :	G.J. SHANNON, CDN EMBASSY
4TH POWER PROJ GASFIRED 600MW	Approximate Value:	560 M\$
	Financing Source :	IBRD - World Bank
		AFDB - African Development Bank
	Contact :	G.J. SHANNON, CDN EMBASSY
5TH POWER PROJ PROBABLE GASFIR -FD NOT YET SPECIFIED	Approximate Value:	250 M\$
	Financing Source :	IBRD - World Bank
	Contact :	G.J. SHANNON, CDN EMBASSY
KHOREFMAT & STDY KETR 1200MW COAL FIRED STATIONS	Approximate Value:	0 M\$
	Financing Source :	
	Contact :	G.J. SHANNON, CDN EMBASSY

## RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CAIRO

Market: ARAB REPUBLIC OF EGYPT

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	250.00 \$M	160.00 \$M	200.00 \$M	250.00 \$M
Canadian Exports	20.00 \$M	3.00 \$M	40.00 \$M	60.00 \$M
Canadian Share of Market	8.00 %	2.00 %	20.00 %	24.00 %

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

## Major Competing Countries

## Market Share

JAPAN	20.00 %
ITALY	15.00 %
UNITED STATES OF AMERICA	10.00 %
UNITED KINGDOM	5.00 %

## Current Status of Canadian

exports in this sector/subsector: Small but expanding

## Products/services for which there are good market prospects:

1. AUTOPARTS
2. PROD. OF FIREGLASS TOPS FOR PICKUPS
3. PROD. OF CHEMICALS TO LINE TIRES AGAINST PUNCTURE
4. CONSULTANCY FOR RAILROAD REHABILITATION

## Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are low
- CIDA programs
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Competitive Canadian financing

## Factors for Canadian exports not reaching market potential:

- Market prospects have not been adequately explored

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CATR0

Market: ARAB REPUBLIC OF EGYPT

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

Activity: SUPPORT CDN PROPOSALS TO ITC. MFG TRUCK TOPS & TIRE SFAIOR  
Expected Results: \$1.5M IN NEW BUSINESS

Activity: COMPLETE MINI SURVEY OF AUTOPARTS MKT  
Expected Results: IF PROMTING. ENCOURAGE CDN SUPPLIERS TO ESTABLISH LOCAL DISTRIBUTORS

Activity: ENCOURAGE IMPORTERS TO ATTEND 1989 CDN AUTO SHOWS  
Expected Results: IMPROVE ACCESS FOR CDN BUSINESS MAN SIGNING OF AGENCY AGREEMENTS

Activity: IDENTIFY PROD & SRV REQ FOR \$180 M IRRD RAIL PROJECT  
Expected Results: PLUG IN CDN SUPPLIERS TO RAILWAY & LOCAL REPS AS NECESSARY

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

Activity: ENCOURAGE ONT GOVT TO INCLUDE EGYPT IN 1989 M.E. MISSION  
Expected Results: ESTABLISH NEW MKT FOR CANADA

29/05/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CAIRO

Market: ARAB REPUBLIC OF EGYPT

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

GNE RAILWAY EXPANSION PROJ

Approximate Value: 180 Ms

Financing Source : IBRD - World Bank

Contact : J. TADRIS-CDN EMBASSY



RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CAIRO

Market: ARAB REPUBLIC OF EGYPT

Sector : TRANSPORT SYS.EQUIP.COMP.SERV.

Sub-Sector: AEROSPACE

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	200.00 \$M	500.00 \$M	600.00 \$M
Canadian Exports	1.50 \$M	2.00 \$M	2.00 \$M	80.00 \$M
Canadian Share of Market	0.00 %	1.00 %	0.40 %	10.00 %

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

## Major Competing Countries

## Market Share

UNITED STATES OF AMERICA	40.00 %
FRANCE	30.00 %
UNITED KINGDOM	10.00 %

## Products/services for which there are good market prospects:

1. SALES OF AIRCRAFT DASH 8 & CRJ 215
2. SIMULATOR FOR BOEING 747 & AIR BUS 300
3. MOBILE CONTROL TOWER
4. AIRCRAFT PARTS & COMPONENTS
5. OVERHAUL & EGYPTAIR ENGINES

## Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- UNTIL RECENTLY ONLY PRATT
- & WHITNEY ACTIVELY PURSUE
- & SECURE PT-6 ENG ASSEMBLY

## Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Non-competitive financing
- Limited Canadian capabilities

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CATRO

Market: ARAB REPUBLIC OF EGYPT.

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

Activity: SUPPORT OFHAY & CDATR SALES OF DASH 8 & C1215 TO EGYPTAIR  
Expected Results: EGYPTAIR MAY CONSIDER PURCHASE OF AIRCRAFT USING OWN SUBSTANTIAL FINANCING

Activity: SUPPORT AVIATION TRAIN PROG AT MCGILL FOR EGY OFFICIALS  
Expected Results: IMPROVING CDN ACCESS TO AVIATION AUTHORITY & ENCOURAGE EGYPT -IAN OFFICIALS TO INSPECT CIVIL AVIATION TECH IN 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: CONFIRM PROSPECT TO SUPPLY EGYPTAIR WITH TRAIN SIMULATOR  
Expected Results: IF PROMISING, INTRODUCE & PROMOTE CAF TO EGYPTAIR

Activity: CONFIRM CVL AVIATION AUTH TO FUND MOB CNTL TWR AT TABA AIRP.  
Expected Results: IF PROMISING, INTRODUCE & PROMOTE SUPP TO CIVIL AVIATION

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CATRO

Market: ARAB REPUBLIC OF EGYPT

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

EGYPTAIR AIRCRAFT ENGINES OVER Approximate Value: 0 MS  
-HAUL Financing Source : OTHER  
Contact : J.TADROS.CDN EMBASSY

## RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CATRO

Market: ARAB REPUBLIC OF EGYPT

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	215.00 \$M	200.00 \$M	183.00 \$M	200.00 \$M
Canadian Exports	4.00 \$M	8.50 \$M	20.00 \$M	26.00 \$M
Canadian Share of Market	1.86 %	4.25 %	11.00 %	13.00 %

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

## Major Competing Countries

## Market Share

FINLAND	25.00 %
CHILE	20.00 %
ROMANIA	15.00 %
UNION OF SOVIET SOC. REP.	19.00 %
JAPAN	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. WHITEWOOD LUMBER
2. NEWSPRINT
3. FINE PAPERS

## Factors contributing to current successful Canadian exports:

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

## Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Non-competitive financing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CAIRO

Market: ARAB REPUBLIC OF EGYPT

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

Activity: ON GOING INTRO OF LUMBER, NEWSPRINT EXPORTERS TO IMPORTERS  
Expected Results: EXPAND CDN SALES TO \$40M

Activity: ENCOURAGE CDN TO EXPAND VOL LUMBER & PAPER NEWSPRINT SALES  
Expected Results: EXPAND SALES & CONSOLIDATE CDN HOLD ON LONG TERM MKT AS IMPORTERS. SHIFT TO INCREASE BUS THROUGH REEXPORTING 10% PUR

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

Activity: ENCOURAGE LUMBER PRODUCERS TO EXPAND INTO METRIC SPECS  
Expected Results: EXPAND SALES INTO METRIC HALF OF MKT NOT EXPLOITED BY CDA

Activity: REINTRODUCE CDN FINE PAPER PRODUCTS  
Expected Results: ESTABLISH A NEW COMMODITY MKT

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM  
 R9/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CAIRO

Market: ARAB REPUBLIC OF EGYPT

Sector : MINF.METAL.MINERAL PROD &amp; SRV

Sub-Sector: MINERALS AND MINERAL PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	235.00 \$M	250.00 \$M	245.00 \$M	250.00 \$M
Canadian Exports	1.50 \$M	4.50 \$M	7.00 \$M	14.00 \$M
Canadian Share of Market	0.00 %	0.01 %	2.80 %	5.00 %

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

## Major Competing Countries

## Market Share

UNION OF SOVIET SOC REP	35.00 %
AUSTRALIA	25.00 %
UNITED STATES OF AMERICA	25.00 %
IRAQ	5.00 %

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

## Products/services for which there are good market prospects:

1. COOKING COAL
2. ASBESTOS
3. PEAT MOSS
4. MINING EQUIP

## Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PFMD support
- Competitive pricing

## Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Non-competitive financing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CATRO

Market: ARAB REPUBLIC OF EGYPT

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

Activity: ENCOURAGE MTN OF INDUST PURCH OF PANDA SULFUR RECOVERY UNITS  
Expected Results: CONTRACT FOR \$2M

Activity: ASSIST NOV88 ASBESTOS INSTITUTE MISSION TO CATRO  
Expected Results: PROTECT ASBESTOS MKT BY ENSURING LOCAL SAFE USE OF ASBESTOS

Activity: SUPPORT CURRENT CDN BTDS ON YRLY ASBESTOS TENDER  
Expected Results: \$10M 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: MTNT-SURVEY OF EXPLORATION & DVLT OF MINERAL RESOURCES  
Expected Results: INTRODUCE & PROMOTE CDN MINING EQUIP

Activity: MONITOR DVLT OF URANIUM & COAL FOR PROPOSED ENERGY PJTS  
Expected Results: KEEP FMR UPDATED

Activity: PROPOSE EGYPT BE INCLUDED IN FMR PEAT MOSS MISSION TO N.AFR  
Expected Results: PROMISE BROADER USE OF PEAT MOSS BEYOND CURRENT USE OF PACK  
-ING

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CATRO

Market: ARAB REPUBLIC OF EGYPT

Sector : OIL &amp; GAS EQUIPMENT SERVICES

Sub-Sector: PETROLEUM AND PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	150.00 \$M	250.00 \$M	300.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	0.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	3.00 %

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

## Major Competing Countries

## Market Share

UNITED STATES OF AMERICA	40.00 %
ITALY	20.00 %
FRANCE	20.00 %

## Current Status of Canadian

exports in this sector/subsector: Small but expanding

## Products/services for which there are good market prospects:

1. GAS GATHERING EQUIP
2. GAS PROCESSING EQUIP
3. GAS PLANTS - LPG/LNG
4. GAS SEPARATION EQUIP
5. STORAGE TANKS
6. SCADA SYSTEMS
7. ETHANE EXTRACTION PLANTS
8. ENGINEERING SERVICES

## Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- NO SIGN. CDN PARTICIPAT.
- IN LAST 5 YEARS.

## Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- Market prospects have not been adequately explored
- INT IN EGY MKT IS ONLY VERY RECENT
- & A DIRECT CONSEQ OF SEPT/88 VISIT



RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CAIRO

Market: ARAB REPUBLIC OF EGYPT

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

Activity: CONFIRM PROJECTS REQS FOR BALANCE OF 5 YR PLAN  
Expected Results: SECURE INCLUSION OF INTERESTED COYS ON BIDDERS LISTS.

Activity: CONFIRM FUNDING FROM TBRO.EGY PUB SECTOR & FOR CORPS  
Expected Results: IN SPITE OF UNAVAILABILITY OF CDN GOVT SPONSORED CREDITS, FOCUS CDN COYS ON VIABLE MKT PROSPECTS

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

Activity: PREPARATION OF A MKT REPORT  
Expected Results: GENERATE CDN INTEREST IN EGYPT. ESTABLISH MARKETING STRATEGY

Activity: SUPPORT ECOLE DES HAUTES ETUDES COMM.RECRUITMENT EFFORTS  
Expected Results: UTILIZE EGYPT PRESENCE IN MTL TO INTRODUCE THEM TO CDN COYS & TECHNOLOGY.

Activity: ENCOURAGE CDN COYS ON ALTA M.F.MISSION TO VISIT EGYPT  
Expected Results: INTRODUCE CDN COYS TO MAJOR FOREIGN & EGYPT PLAYERS. ACCELERATE THE DEVELOP OF MKT LEADS IDENTIFIED BY THE EMBASSY.

RPTCL

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CAIRO

Market: ARAB REPUBLIC OF EGYPT

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

TTMSAH GAS PROJECT (GRASS ROOT	Approximate Value: 180 M\$
	Financing Source : DOM - Domestically funded
	Contact : PIERRE DELORME CDN EMBASSY
PORT FOUAD GAS PROJECT (GRASS ROOTS)	Approximate Value: 160 M\$
	Financing Source : DOM - Domestically funded
	Contact : PIERRE DELORME CDN EMBASSY
ARU QUIR GAS PROJECT	Approximate Value: 240 M\$
	Financing Source : IBRD - World Bank
	Contact : PIERRE DELORME CDN EMBASSY

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CATRO

Market: ARAB REPUBLIC OF EGYPT

Sector : OIL &amp; GAS EQUIPMENT SERVICES

Sub-Sector: MACHINERY AND EQUIPMENT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	150.00 \$M	175.00 \$M	200.00 \$M	225.00 \$M
Canadian Exports	1.50 \$M	0.10 \$M	0.00 \$M	1.00 \$M
Canadian Share of Market	1.00 %	0.00 %	0.00 %	0.00 %

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

## Major Competing Countries

## Market Share

UNITED STATES OF AMERICA	60.00 %
ITALY	15.00 %
FRANCE	7.00 %
UNITED KINGDOM	7.00 %

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

## Products/services for which there are good market prospects:

1. CORROSION PREVENTION EQUIP
2. WELL STIMULATOR ADDITIVES
3. SCADA SYSTEMS
4. TUBES, CASINGS
5. DRILLING TOOLS
6. MEASURING INSTRUMENTS
7. PROD. COMPONENTS
8. RIG COMPONENTS
9. RESERVOIR ENGINEERING
10. SEISMIC/GEOLOGICAL EQUIP
11. COMPLETION TOOLS

## Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- NO SIGN CDN PARTICIPATION
- IN LAST 5 YEARS

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CATRO

Market: ARAB REPUBLIC OF EGYPT

Factors for Canadian exports not reaching market potential:

- LACK OF INTEREST/PRESENCE OF INTL
- COYS HAVING A STRONG FOOTHOLD IN MK

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

- Activity: COMPLETE A DEFINITIVE ASSESSMENT OF MKT OPPORTUNITIES  
 Expected Results: MATCH CDN SUPP WITH LOCAL REPS & SECURE INCLUSION OF CDN COYS ON BIDDERS LISTS
- Activity: ENCOURAGE PICO TO DEV CONTACTS W/CDN COYS  
 Expected Results: PREQUALIFICATION OF CDN COYS AS POTENTIAL SUPP & POSSIBLE AGENCY AGREEMENTS
- Activity: GATHER INFO ON PICO BTDS BY SENTRY PIPING SYSTEMS  
 Expected Results: SUPPORT PICO/SENTRY EFFORTS IN SECURING POSSIBLE CONTRACTS TOTALING \$6M
- Activity: CONT TO FLAG UPCOMING BID ROUND FOR NEW OIL/GAS CONCESSIONS  
 Expected Results: STIMULATE CDN BIDDING EFFORTS WHICH HAVE BEEN LIMITED IN THE PAST

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

- Activity: SOLICIT HQ ASSISTANCE IN GUARANTEE EGYPT PRESENCE AT NPS90  
 Expected Results: INCREASED EGYPT EXPOSURE TO CDN PROD & EXPERTISE
- Activity: SUPPORT ECOLE DES HAUTES ETUDES COMM RECRUITMENT EFFORTS  
 Expected Results: UTILIZE EGYPT PRESENCE IN MTL TO INTRODUCE THEM TO CDN COYS & TECHNOLOGY
- Activity: COOPERATE WITH THE S. ALTA INSTITUTE FOR TRAIN RECRUITMENT  
 Expected Results: INCREASED CDN PROFILE IN EGYPT. POSSIBLE JV TRAIN PROGRAM IN EGYPT

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CAIRO

Market: ARAB REPUBLIC OF EGYPT

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

PORT SAID/DAMIETTA PIPELINE  
PROJ

Approximate Value: 25 Ms  
Financing Source : DOM - Domestically funded  
Contact : PIERRE DELORME CDN EMBASSY

SHOKFTR/MOSTOROD PIPELINE  
PROJ

Approximate Value: 32 Ms  
Financing Source : DOM - Domestically funded  
Contact : PIERRE DELORME CDN EMBASSY

## RPTCI TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CATRO

Market: ARAB REPUBLIC OF EGYPT

Sector : EDUCATION, MEDICAL, HEALTH PROD

Sub-Sector: PHARMACEUTICALS, BIOTECHNOLOGY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	100.00 \$M	150.00 \$M	170.00 \$M	200.00 \$M
Canadian Exports	2.00 \$M	2.00 \$M	2.50 \$M	5.00 \$M
Canadian Share of Market	2.00 %	1.50 %	1.50 %	2.50 %

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

## Major Competing Countries

## Market Share

UNITED STATES OF AMERICA	15.00 %
FRANCE	15.00 %
GERMANY WEST	15.00 %
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. LICENSING MFG OF VACCINE & GENERIC DRUGS BIO SUPP.
2. CONSULTING SERVICES TO DRUG INDUSTRY
3. MEDICAL DISPOSABLES

## Factors contributing to current successful Canadian exports:

- Import duties are low

## Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Restrictive standards
- Lack of promotion and advertising
- Non-competitive financing
- Market prospects have not been adequately explored
- LONG REGISTRATION PROCEDURES WITH
- LOCAL AUTHORITY, MINISTRY OF HEALTH

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CAIRO

Market: ARAB REPUBLIC OF EGYPT

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

Activity: REESTABLISH CONNAUGHT LABS DIALOGUE WITH GDF DRUG IND  
Expected Results: ESTABLISH PRECEDENT FOR CDN DRUG INDUSTRY TO TRANSFER KNOW  
HOW & SECURE CONNAUGHT Foothold.

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 GDF RFQ FRD CDN MFG ASST TO DRUG PROD  
Expected Results: LICENSING AGREEMENTS & CDN Foothold IN HIGHLY PROJECTED MKT

Activity: INTRODUCE CDN SUPP OF MEDICAL & DENTAL & DISPOSABLES TO  
Expected Results: OBTAIN A NEW MKT SHARE & POSSIBLE DOWNSTREAM COOPERATION  
IN LOCAL PRODUCTION.

## RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CATRO

Market: ARAB REPUBLIC OF EGYPT

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	100.00 \$M	150.00 \$M	200.00 \$M	300.00 \$M
Canadian Exports	3.00 \$M	0.36 \$M	0.50 \$M	3.00 \$M
Canadian Share of Market	3.00 %	0.00 %	0.00 %	1.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	35.00 %
GERMANY WEST	20.00 %
FRANCE	10.00 %
ITALY	8.00 %
COMFCON	5.00 %

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

Products/services for which there are good market prospects:

1. AG & FOOD PROCESSING EQUIP & TECHNOLOGY
2. PACKAGING MACHINERY
3. METAL & WOOD WORKING MACHINERY
4. MATERIALS HANDLING SYSTEMS
5. PROCESS INSTRUMENTATION
6. PHARMACEUTICAL TECHNOLOGY

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are low
- Aggressive marketing
- Competitive pricing



RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CATRO

Market: ARAB REPUBLIC OF EGYPT

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing .
- Lack of promotion and advertising
- Market prospects have not been adequately explored
- UNAVAILABILITY OF FDC OR SOFT FINANC-
- INABILITY TO COMPETE W/MAJOR US & EEC AID

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

Activity: SUPPORT CDN J.V. & LIC PROJ IDENTIFIED IN SECTOR REPORTS  
 Expected Results: ESTABLISH LONG-TERM PRESENCE IN REGIONAL MKTS.

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

Activity: ORGANIZE EGYPTIAN ENTREPRENEURS MISSION TO CDA IN SEPT89  
 Expected Results: PLUG EGYPTIAN INTO CDN CAPABILITIES & SPECIFIC PARTNERS FOR LICENSING OR JV

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

Activity: ENLIST EGYPT. BUSINESSMEN ASSOC'S TO PROMOTE PROJECTS  
 Expected Results: BETTER DEFINE SPECIFIC INDUSTRIAL REQUIREMENTS & AGENTS ABLE TO PROMOTE CDN TECH.

Activity: ENCOURAGE USE OF CIDA PPF & TECH TRANSFER FUNDING  
 Expected Results: DEVELOPMENT OF 2-4 VIABLE PROJECTS YEARLY.

RPT01

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 INVESTMENT PROMOTION PROFILE

Mission: CAIRO

Country: ARAB REPUBLIC OF EGYPT

The mission reports that the approximate flows to all countries of investment from its country/territory in Canadian \$ is as follows: (including portfolio flows if a primary focus)

	Total (\$ Million)	Canadian Share	Major Competitor Share
Current year	1000.00	5.00	25.00
One year ago	1000.00	2.50	30.00
Two years ago	2000.00	1.00	30.00

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:

50M: I.F. 10M IN REAL ESTATE. 10M IN PORTFOLIO. 20M IN MFG ACQUISITIONS AND/OR JT VENTURES & 10M FROM FFD. BUSINESS INVESTMENT PROGRAM LANDED IMMIGRANTS

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

- SWITZERLAND
- U.K.
- U.S.A.
- FRANCE
- AUSTRALIA

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

- EUROPEAN BANKS PROMOTING PORTFOLIO INVESTMENT THROUGH THEIR CAIRO OFFICES AND/OR REGULAR VISITS BY THEIR INVESTMENT EXPERTS & ACCT EXECS
- EGYPTIAN-US & EUROPEAN BUSINESS COUNCILS & STRONG INFORMAL TIES BETWEEN ENTREPRENEURS OF EGYPT & THESE COUNTRIES (ESP USA) ENCOURAGE EGYPTIANS TO SHIFT FUNDS ALREADY HELD ABROAD
- AUSTRALIAN GOVT BUSINESS IMMIGRATION PROGRAM

RPTD2

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: CAIRO

Country: ARAB REPUBLIC OF EGYPT

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

	Date
Type: MISSION OUT. INDUSTRY	
TO IDENTIFY DISCREETLY THE BEST PROSPECTIVE INVESTORS & INTRODUCE THEM TO BANKS	0/00
Location: CAIRO	
Invest Nature: PORTFOLIO & ACQUISITION	
Sector: MULTIPLE SECTORS	
Cooperants: CAN BANKS	
Estimated Budget: \$0.00	
Type: MISSION IN. TO INDUSTRY	
ENCOURAGE MEMBERS OF ENTREPRENEURIAL & TRADE MISSION TO CDA TO LOOK AT INVESTMENT VERY PRIVATELY	9/89
Location: MTL. TORONTO	
Invest Nature: PORTFOLIO & ACQUISITION	
Sector: MULTIPLE SECTORS	
Cooperants: EXTENT PROV. GOVT. & BANKS	
Estimated Budget: \$0.00	
Type: DIRECT MAIL CAMPAIGN	
LETTERS & INFO KITS TO 150 LEADING ENTREPRENEURS ON DOING BUSINESS WITH CDA. WILL INCLUDE INVESTMENT	0/00
Location: CAIRO	
Invest Nature: PORTFOLIO & ACQUISITION	
Sector: MULTIPLE SECTORS	
Cooperants:	
Estimated Budget: \$0.00	
Total estimated budget for all proposals:	\$0.00

Post : CAIRO

<u>Start Date</u>	<u>Event Name, Location &amp; Type</u>	<u>Sector/Post/Contact</u>
89/06/00	MULTISECTOR(PRIVATE)MISSION FROM EGYPT MISSION IN, TO INDUSTRY	GENERAL OR UNASSIGNED ISB

RPTR1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 TRADE AND ECONOMIC OVERVIEW

Mission: KUWAIT

Country: BAHRAIN

BAHRAIN'S ECONOMY IS SLOWLY STARTING TO REVIVE AFTER THE 1985/86 SLUMP CAUSED BY DECLINING OIL REVENUES. FOLLOWING DROPS OF 7.6% AND 13.9% IN 1985/86, GDP GREW AT 1.5% IN 1987 AND IT IS EXPECTED TO GROW BY 3% THROUGHOUT 1988. THE BUDGET FOR 1988/89 PLANS TO MAINTAIN SPENDING AT CURRENT LEVELS, OF ABOUT US\$1.48 BN PER YEAR. EXPORTS HAVE CONTINUED TO DROP TO US\$2.10 BN IN 1987 OR 9.6% LOWER THAN 1986. IMPORTS ALSO DROPPED, BUT ONLY BY 4% TO US\$2.3 BN. THE MAJOR IMPORTS ARE MINERAL FUELS, MACHINERY AND TRANSPORT EQUIPMENT, MANUFACTURED GOODS AND FOOD STUFFS WITH THE MAIN SUPPLIERS BEING THE U.S.A. (17.6%), U.K. (15.8%) AND JAPAN (11.3%). BAHRAIN HAS THE SMALLEST RESERVES OF OIL AND GAS IN THE GULF WHICH COULD SEE IT BECOME A NET IMPORTER OF HYDROCARBONS FOR THE NEXT 20 YEARS. TO COUNTERACT THIS DIFFICULTY, BAHRAIN LONG AGO BEGAN AN AMBITIOUS PROGRAM OF ECONOMIC DIVERSIFICATION WHICH LEAD TO THE CREATION OF A VARIETY OF INDUSTRIES, MOSTLY OWNED BY GCC MEMBER GOVERNMENTS, SUCH AS ALUMINIUM REFINING, IRON ORE PELLETIZING, ALUMINIUM FABRICATION, SHIPYARDS, PETROCHEMICALS, OIL REFINING, NATURAL GAS LIQUEFICATION AND ACETIC MANUFACTURE. IN ADDITION, THE GOVERNMENT PUT GREAT EMPHASIS ON AGRICULTURAL DEVELOPMENT, TOURISM AND OTHER IMPORT SUBSTITUTION SCHEMES. THE OPENING OF THE CAUSEWAY TO SAUDI ARABIA IN 1986, HAS HAD A DRAMATIC IMPACT ON THE LOCAL ECONOMY, ESPECIALLY FOR TOURISM AND REDUCTION OF TRANSPORTATION COSTS FOR EXPORT ORIENTED MANUFACTURING COMPANIES. ANOTHER CORNERSTONE OF THE DEVELOPMENT PROGRAM WAS TO POSITION BAHRAIN AS THE BUSINESS AND SERVICE CENTER OF THE GULF, AS A FOREIGN BANK CAPITAL (OVER 170), A REGIONAL EDUCATION CENTER, AS WELL AS THE REGIONAL HEADQUARTERS FOR MANY FOREIGN MULTI-NATIONAL CORPORATIONS (OVER 150). AS SUCH, HEAVY DEMAND IS PLACED ON MAINTAINING AND IMPROVING COMMUNICATIONS AND TRANSPORTATION INFRASTRUCTURE. TO DATE VERY FEW CANADIAN EXPORTERS HAVE PUT ANY EFFORT INTO DEVELOPING A MARKET IN BAHRAIN WHICH IS POTENTIALLY LUCRATIVE. OPPORTUNITIES EXIST FOR THE SUPPLY OF OPERATING AND MAINTENANCE EQUIPMENT TO A VARIETY OF PROJECTS, AGRICULTURE AND FOOD PRODUCTS AS WELL AS ADVANCED TELECOMMUNICATIONS, COMPUTERS AND SOFTWARE EQUIPMENT FOR THE BANKING AND SERVICE MARKETS. IT SHOULD ALSO BE MENTIONED THAT TRADE OPPORTUNITIES SHOULD NOT BE RESTRICTED TO JUST BAHRAIN, BUT ALSO TO NORTHERN IRAN AND SAUDI ARABIA AS BAHRAIN DOES ACT AS A RE-EXPORT CENTRE IN THIS PART OF THE GULF. AS ONE OF THE GULF'S MAIN INVESTMENT/BANKING CENTRES, GOOD POTENTIAL EXISTS FOR ATTRACTING INVESTMENTS TO CANADA.

RPTRI

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 TRADE AND ECONOMIC OVERVIEW

Mission: KUWAIT

Country: KUWAIT

GDP GREW 5% TO REACH CDN. \$ 23.6 BN IN 1987. WITH OIL THE DOMINANT CONTRIBUTOR TO THE ECONOMY. FORECASTS FOR 1988 VARY WIDELY DEPENDING ON THE OIL PRICES. BUT OVERALL GROWTH IS EXPECTED TO CONTINUE, ALTHOUGH AT A LOWER RATE. IN 1987 EXPORTS ROSE TO US\$8.315 BILLION WHILE IMPORTS DROPPED 7.7% TO A VALUE OF US\$5.731 BN. MAIN IMPORTS WERE MANUFACTURED GOODS (57.8%), INDUSTRIAL RAW MATERIALS (24.1%) AND FOOD AND BEVERAGES (18.1%), MAINLY SUPPLIED FROM JAPAN (24%), U.S.A. (17.8%), WEST GERMANY (9.4%), U.K. (8.6%), ITALY (6.5%) AND FRANCE (5.7%).

THE NEW BUDGET FOR FISCAL YEAR 1988/89 IS VIRTUALLY UNCHANGED FROM THAT OF THE PREVIOUS YEAR WITH STATE EXPENDITURES SCHEDULED TO INCREASE BY 1.2% FOR A TOTAL BUDGET OF CDN. \$15.3 BN. SPENDING IS CONCENTRATED IN 6 MINISTRIES, FINANCE & ECONOMY, ELECTRICITY & WATER, PUBLIC WORKS, EDUCATION, DEFENCE AND HEALTH, AS THESE ACCOUNT FOR 77% OF THE TOTAL BUDGET. DEFENCE SPENDING ALSO RECEIVED A SUBSTANTIAL BOOST OUTSIDE THE BUDGET WITH THE ENACTMENT OF A SPECIAL DECREE WHICH RELEASED US\$5.6 BN FROM THE STATE GENERAL RESERVE FOR SPECIAL PURCHASES. HISTORICALLY, KUWAIT HAS ALSO BEEN AN IMPORTANT RE-EXPORT MARKET, ESPECIALLY TO IRAQ. HOWEVER, THESE EXPORTS TUMBLLED DURING THE WAR, BUT ARE EXPECTED TO INCREASE SOMEWHAT WITH THE RECONSTRUCTION THAT IS EXPECTED IN IRAQ AND TRAN. KUWAIT REMAINS AN ACCESSIBLE CASH MARKET OFFERING SIGNIFICANT POTENTIAL FOR ALL TYPES OF GOODS AND SERVICES, BECAUSE LARGE EXPENDITURES ARE PLANNED IN SECTORS PARTICULARLY WELL SUITED TO CANADA'S CAPABILITIES. AREAS OFFERING THE GREATEST POTENTIAL FOR CANADA ARE OIL AND GAS O & M EQUIPMENT, EDUCATION, MEDICAL AND HEALTHCARE, FOOD PRODUCTS, AGRICULTURE, LIVESTOCK DEVELOPMENT, TELECOMMUNICATIONS AND SPECIALIZED SECURITY EQUIPMENT. THE U.S.A. DOES WELL HERE AND, COUPLED WITH THE RISING YEN AND MARK CANADIAN SUPPLIERS SHOULD BE ABLE TO COMPETE IN THIS MARKET. SUCCESSFUL EXPORTERS, MUST VISIT THE MARKET FREQUENTLY TO ESTABLISH A PERSONAL RELATIONSHIP WITH THE CLIENT. IN GENERAL, CANADIAN EXPORTERS HAVE NOT IN THE PAST RESPONDED WELL TO ENQUIRIES AND IDENTIFIED OPPORTUNITIES IN THIS TERRITORY. IN SOME CASES THIS HAS EVEN CREATED A CERTAIN AMOUNT OF BAD WILL TOWARDS THE CANADIAN EXPORT COMMUNITY. HOWEVER, THIS IS COMPENSATED FOR IN PART BY A CORE OF COMMITTED CANADIAN EXPORTERS WHO HAVE HAD CONSIDERABLE SUCCESS HERE. THE MAJOR EMPHASIS FOR THE COMING YEAR WILL BE A COMMUNICATIONS PROGRAM TO MAKE CANADIAN EXPORTERS MORE AWARE OF THE SUBSTANTIAL OPPORTUNITIES THAT EXIST IN THE MARKET. ANOTHER SIZEABLE OPPORTUNITY EXISTS IN KUWAIT AND THAT IS THE MARKET FOR INVESTMENT FROM THREE TARGET GROUPS, (A) GOVERNMENT, PRIVATE AND SEMI PRIVATE INSTITUTIONS, (B) INDIVIDUAL KUWAITIS AND (C) EXPATRIATES. THE FIRST TWO GROUPS ARE HIGHLY KNOWLEDGEABLE ABOUT INVESTMENT OPPORTUNITIES IN CANADA. THE THIRD GROUP IS A MAJOR TARGET FOR CANADA'S ENTREPRENEURIAL INVESTMENT AND INVESTOR IMMIGRATION CATEGORIES. AS IT IS EXTREMELY RARE FOR NON-NATIONALS TO BE GRANTED LOCAL CITIZENSHIP, TOURISM PROMOTION WILL BE USED TO GENERATE A GREATER AWARENESS OF THE BENEFITS OF CONSIDERING CANADA AS AN INVESTMENT LOCATION.

RPTR1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 TRADE AND ECONOMIC OVERVIEW

Mission: KUWAIT

Country: QATAR

WITH THE 1988/89 BUDGET, TOTAL SPENDING IS PLANNED TO INCREASE BY 1.8% TO QR 17.442 BN (CDN. \$3.42 BN), WHICH WILL LEAD TO AN OVERALL BUDGET DEFICIT INCREASE OF 11.6%. OF THE TOTAL SPENDING IN THE NEW BUDGET, CAPITAL SPENDING, WHICH HAD VIRTUALLY DOUBLED IN THE PREVIOUS YEAR WAS REDUCED MODESTLY BY 5.4% TO QR 2.6 BN (CDN. \$ 900 MN). THE CAPITAL BUDGET WAS DIVIDED PRIMARILY AMONG: PUBLIC SERVICES - 57.6%, ECONOMIC SCHEMES - 24%, SOCIAL SERVICES - 9.7% AND EDUCATION AND YOUTH WELFARE - 8.7%. THE BUDGET'S MAIN FEATURES WERE RETRENCHMENT AND RATIONALISATION OF CURRENT SPENDING (WHILE TAKING CARE NOT TO EFFECT THE LEVEL OF SERVICES AND PRODUCTION) AS WELL AS ESTABLISHING A PRIORITY FOR ECONOMIC AND SOCIAL DEVELOPMENT AND REINVIGORATION OF THE PRIVATE SECTOR. ECONOMIC GROWTH IS EXPECTED TO BE SLIGHTLY LOWER THAN 1987/88, BUT A SIGNIFICANT RECOVERY FROM THE PRECIPITOUS DROP OF 21% EXPERIENCED IN 1986. QATARI EXPORTS AND IMPORTS WERE FAIRLY CONSISTENT IN THEIR VALUES UP TO 1985. THEN EXPORTS DROPPED OVER 45% BUT WITH THE STABILIZATION OF THE OIL SITUATION IN 1987 EXPORTS RECOVERED SLIGHTLY TO ITS CURRENT LEVEL OF APPROXIMATELY US\$1.8BN. HOWEVER, WITH A LOCAL POPULATION OF APPROX. 250,000 (ONLY 80,000 OF THEM QATARIS), THE STATE DOES NOT HAVE TO PRODUCE GREAT AMOUNTS OF OIL TO GUARANTEE AFFLUENCE. THE QATARI GOVERNMENT, THE MAIN FORCE IN THE ECONOMY, HAS ALWAYS KEPT TIGHT CONTROL OVER PURCHASES, WHEREAS MANY OTHER GOVERNMENTS CUT SPENDING DRASTICALLY IN THE WAKE OF THE OIL CRISIS. QATAR'S IMPORTS SUFFERED VERY LITTLE, DROPPING ONLY A TOTAL OF 10% BETWEEN 1984 AND 1986, AVERAGING APPROXIMATELY US \$1.1 BN PER ANNUM OVER THAT PERIOD. HOWEVER A SUDDEN JUMP IS ESTIMATED IN 1987 TO US \$1.6 BN. IN 1988/89 WE EXPECT IMPORTS TO MAINTAIN THIS LEVEL OR RISE EVEN FURTHER. THE PREDOMINANT IMPORT CATEGORIES ARE MACHINERY AND FOOD MOSTLY SUPPLIED FROM JAPAN (17%), U.K. (16.4%), WEST GERMANY (9.6%), U.S.A. (5.9%), AND ITALY (5.3%). OPTIMISM FOR QATAR'S ECONOMY HAS BEEN FUELED CONSIDERABLY SINCE THE LONG AWAITED TENDERS ON THE NORTH FIELD GAS PROJECT, WITH ITS RESERVES OF OVER 1.50 TRILLION CUBIC FEET, WERE ISSUED THROUGHOUT 1988. THE IMPLEMENTATION PHASE 1 OF THE PROJECT WHICH IS VALUED AT APPROX. US\$1.1 BN IS ALREADY HAVING A LOCOMOTIVE EFFECT ON CONFIDENCE IN THE PRIVATE SECTOR, ESPECIALLY IN LIGHT OF THE IRAN/IRAQ CEASEFIRE. THE NORTH FIELD PROJECT WILL OBVIOUSLY GENERATE A STREAM OF SUBCONTRACT OPPORTUNITIES OVER THE NEXT TWO YEARS, IN OFFSHORE DRILLING AND PRODUCTION, PIPELINES, PORT DEVELOPMENT, CIVIL ENGINEERING AND IN FUTURE PHASES AND I&G FACILITY. DEFENCE RELATED PROJECTS ARE ALSO CURRENTLY A MAJOR SOURCE OF WORK FOR LOCAL CONTRACTORS, MANY OF WHICH ARE SHROUDED IN SECRECY WITH COMPANIES INVOLVED UNDER INSTRUCTIONS NOT TO REVEAL DETAILS. IN ADDITION OPPORTUNITIES SHOULD EXIST FOR CANADIANS IN EDUCATION, MEDICINE AND HEALTHCARE, AGRICULTURE AND RELATED PRODUCTS AND SERVICES, CONSTRUCTION EQUIPMENT AND POSSIBLY REMOTE SENSING.

RPT81

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 TRADE AND ECONOMIC OVERVIEW

Mission: KUWAIT

Country: UNITED ARAB EMIRATES

THE LAST FEDERAL BUDGET WHICH WAS APPROVED IN DECEMBER, 1987, WITH PLANNED EXPENDITURES OF US\$3.43 BN. MAJOR EXPENDITURES WILL TAKE PLACE WITH THE MINISTRIES OF INTERIOR, JUSTICE AND DEFENCE FOLLOWED CLOSELY BY EDUCATION. HOWEVER, THE FEDERAL BUDGET HAS LOST SOME OF ITS INFLUENCE AS ABU DHABI, DUBAI AND TO A LESSER EXTENT, SHARJAH, HAVE CONTINUED TO PURSUE THEIR OWN DEVELOPMENT PROGRAMS. HENCE MARKETING TO THE U.A.E. REQUIRES BOTH A FEDERAL AND SHEIKHDOM APPROACH, SIMILAR TO THE SITUATION IN CANADA. WITH THE OIL PRICE DROPPING IN 1988 MANY FORECASTERS ARE PESSIMISTIC THAT 1987'S ECONOMIC UP-TURN IN THE U.A.E. WILL CONTINUE THROUGHOUT 1988. HOWEVER, THIS PESSIMISM MUST BE COUNTERED WITH THE NEW OPTIMISM THAT HAS BEEN GENERATED AS A RESULT OF THE CEASSTRE AND THE OPPORTUNITY TO EXPAND ITS RE-EXPORT BUSINESS, PARTICULARLY WITH IRAN. THIS IS ESPECIALLY IMPORTANT AS DUBAI SEES ITSELF AS THE "HONG KONG" OF THE MIDDLE EAST. EXPORTS FOR 1987, RECOVERED 7.6% TO US \$10.90 BN. BUT IT IS WORTHWHILE NOTING THAT RE-EXPORTS ACCOUNT FOR APPROXIMATELY 20% OF THIS FIGURE. IMPORTS, WHICH ROSE 16.6% TO US\$6.40 BN IN 1987, WERE CONCENTRATED IN CONSUMER, CAPITAL AND INTERMEDIATE GOODS, MOSTLY SUPPLIED FROM JAPAN - 19.4%, U.S.A. - 10.7%, AND THE U.K. - 10.6%. WHILE THERE IS A DEGREE OF CAUTION AS TO WHAT EFFECT FUTURE OIL PRICES WILL HAVE ON PURCHASING WITHIN THE U.A.E., OPPORTUNITIES DO EXIST IN EDUCATION, AGRICULTURE, DEFENCE AND SECURITY AND HEALTH, AS WELL AS FOR COMPETITIVE CONSULTANTS. AS A MAJOR ENTREPRENEURIAL CENTER, SUPPLY TO NOT ONLY THE U.A.E., BUT OTHER COUNTRIES IN THE GULF, ESPECIALLY IRAN, SHOULD NOT BE RULED OUT. THE RISE IN THE MARK AND YEN WILL CERTAINLY HELP CANADIAN EXPORTERS AS LOCAL SUPPLIERS ATTEMPT TO LOCATE MORE COMPETITIVE SOURCES OF SUPPLY AND THE FACT THAT U.S. COMPANIES DO WELL HERE SHOULD OFFER SOME HOPE FOR CANADIAN SUPPLIERS. TO DATE THE TRADITIONAL DRAWBACK FOR THE CANADIAN EXPORTER HAS BEEN A RELUCTANCE TO VISIT THE MARKET PLACE REGULARLY AND BUILD RELATIONSHIPS THAT ARE REQUIRED TO FOSTER BUSINESS. U.A.E.'S HIGH PER CAPITA INCOME COUPLED WITH ITS LARGE FOREIGN RESERVES, HIGHLIGHT THE POTENTIAL THAT EXISTS FOR ATTRACTING INVESTMENT FROM THE REGION. HOWEVER, CAUTION IS NECESSARY AS MANY SCAMS HAVE BEEN AIMED AT THIS MARKET IN RECENT YEARS AND THE LOCAL POPULATION, BOTH NATIONALS AND EXPATS, ARE WARY OF PROPOSALS WHICH DO NOT HAVE PROVEN TRACK RECORDS. OPPORTUNITIES AND INTEREST EXISTS, ESPECIALLY WITH THE EXPATRIATE COMMUNITY, FOR ENTREPRENEURIAL AND INVESTOR IMMIGRATION.



RPTR1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 TRADE AND ECONOMIC OVERVIEW

Mission: KUWAIT

Country: OMAN

THE COUNTRY HAS SLOWLY STARTED TO RECOVER FROM THE LEAN PERIOD IN 1985/86 WHEN BUDGETS WERE CUT TO MEET DECLINING OIL REVENUES WHICH LED TO A DROP OF GDP IN 1986 IN REAL TERMS OF 30%. BUT THE TURNAROUND IS EVIDENT WITH GNP GROWING BY SOME 3% IN 1987. IT IS FORECAST THAT GDP GROWTH WILL BE MAINTAINED AT THE 2.5% LEVEL UNTIL 1990. THE 1988 BUDGET FORESEES GOVERNMENT EXPENDITURE REMAINING APPROXIMATELY AT ITS 1987 LEVEL OF US \$4.17 BILLION. DEFENSE AND NATIONAL SECURITY ACCOUNT FOR ONE THIRD OF THE TOTAL BUDGET WITH OTHER MAJOR SECTORS BEING CAPITAL EXPENDITURES, EDUCATION, HOUSING AND THE ENERGY AND FUEL SECTORS. OMAN'S EXPORTS ARE DOMINATED BY OIL AND JUMPED 23% TO TOTAL US \$3.55 BN IN 1987. IMPORTS ON THE OTHER HAND CONTINUED TO DROP TO US \$2.14 BN. IMPORTS HAVE HISTORICALLY BEEN CONCENTRATED IN MACHINERY AND TRANSPORT EQUIPMENT, MANUFACTURED GOODS AND FOOD/ANIMAL IMPORTS WITH THE MAJOR SUPPLIERS BEING U.K. (27.1%), U.A.E. (25.1%) AND JAPAN (13.4%). MOST OF THE U.A.E. SUPPLIES WOULD BE RE-EXPORTS FROM THIRD COUNTRY SUPPLIERS. OMAN IS ALSO A PRIME CANDIDATE FOR SOFT LOANS, ESPECIALLY FOR COUNTRIES SUCH AS JAPAN, WHICH OFFERED OMAN A US \$200 MN LOAN FOR INFRASTRUCTURAL AND AGRICULTURAL DEVELOPMENT. OMAN IS STILL A YOUNG COUNTRY WITH A DEVELOPING OIL SECTOR, BUT THROUGH A SERIES OF FIVE YEAR DEVELOPMENT PLANS IT HAS ACHIEVED GOOD GROWTH AND DEVELOPMENT AND IS NOW EMERGING AS A STRONG REGIONAL ENTITY. THE PRIVATE SECTOR, WHICH IS NORMALLY STRONG AND AMBITIOUS, HAS BEEN MORE CAUTIOUS RECENTLY BUT WITH THE END OF THE GULF CONFLICT THE OUTLOOK IS MUCH MORE OPTIMISTIC, ESPECIALLY WITH INCREASED OIL PRODUCTION AND EXPORT REVENUES HIGHER THAN EXPECTED. THE COUNTRY HAS LARGE INFRASTRUCTURE REQUIREMENTS AND WANTS TO DIVERSIFY ITS ECONOMY TO DECREASE ITS DEPENDENCY ON OIL. OPPORTUNITIES FOR CANADIAN COMPANIES ARE EXTREMELY VARIED, INCLUDING DEFENSE AND SECURITY PRODUCTS, CONSULTANCY ENGINEERING, TELECOMMUNICATIONS, EDUCATION, HEALTH-CARE, ELECTRICITY, AGRICULTURE, PAPER AND FORESTRY PRODUCTS, OIL AND GAS EQUIPMENT, MINING EQUIPMENT AND SERVICES, COMPUTERS, AUTOMOTIVE AND FOOD PRODUCTS. UNFORTUNATELY, FEW CANADIAN EXPORTERS HAVE PAID ANY ATTENTION TO OMAN, BUT THOSE COMPANIES WHO HAVE SHOWN A COMMITMENT TO THE MARKET HAVE HAD GOOD RESULTS. THERE IS A GREAT DEAL OF RECOGNITION THAT CANADA HAS VERY FAVORABLE EXCHANGE RATES AND GOOD TRADITIONAL SUPPLIERS WHICH ENSURES A GREAT DEAL OF INTEREST IN CANADIAN PRODUCTS. OMAN IS A DEVELOPING MARKET WITH AN EYE TO QUALITY WHICH CANADIAN COMPANIES CAN SUPPLY AND ON WHICH THEY SHOULD CAPITALIZE.

RPT82

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 EXPORT PROMOTION PRIORITIES

Mission: KUWAIT

Country: BAHRAIN

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

1. OIL & GAS EQUIPMENT SERVICES  
ENHANCED RECOVERY AND HEAVY OIL RECOVERY ARE AREAS OF CANADIAN EXPERTISE. SOLUTIONS BEING SOUGHT TO AUGMENT DECLINING PRODUCTION.
2. ADVANCED TECH. PROD. & SERV  
CANADA PARTICIPATING IN MFCOM 89 IN BAHRAIN. BAHRAIN IS ATTEMPTING TO UPGRADE COMMUNICATIONS SYSTEMS TO ATTRACT BANKS AND FOREIGN MULTI-NATIONAL CORPORATIONS WHICH PRESENTS OPPORTUNITIES FOR TELE-COMMUNICATIONS & COMPUTER EQUIPMENT AS WELL AS SOFTWARE. AIRCRAFT SIMULATOR POTENTIAL.
3. AGRI & FOOD PRODUCTS & SERVICE  
BAHRAIN IS STRESSING NECESSITY OF AGRICULTURAL DIVERSIFICATION. CANADIAN EXPERTISE RENOWNED IN AGRICULTURAL SECTORS. US \$250 M IMPORTS PER YEAR.
4. EDUCATION, MEDICAL, HEALTH PROD  
BUILD ON SUCCESS OF MEDICARE 87 SHOW AND PLANNED FUTURE PARTICIPATION. EDUCATION/TRAINING PRIORITY OF ALL GULF STATES. CONSUL GENERAL IN MONTREAL RESPONSIBLE MAINLY FOR EDUCATION OF BAHRAINI'S IN CANADA.

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

- |                                    |                                |
|------------------------------------|--------------------------------|
| 1. MINF. METAL, MINERAL PROD & SRV | 4. ADVANCED TECH. PROD. & SERV |
| 2. CONSUMER PRODUCTS & SERVICES    |                                |
| 3. CONSTRUCTION INDUSTRY           |                                |

RPTR2

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 EXPORT PROMOTION PRIORITIES

Mission: KUWAIT

Country: KUWAIT

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  
EDUCATION, TRAINING, AND HEALTH CARE CONTINUE TO BE HIGHEST PRIORITY OF GOVERNMENT. EXISTING CAMPUSES WILL BE UPGRADED OR NEW CAMPUSES BUILT. INTEREST IN EDUCATION AND TRAINING IN CANADA IS EXPANDING, AS WELL AS IMPROVEMENT IN LOCAL CURRICULUM AND USE OF CDN EXPERTISE AT LOCAL INSTITUTIONS. HEALTHCARE SYSTEM ALSO BEING EXPANDED OR REFINED.
2. AGRI & FOOD PRODUCTS & SERVICE  
MOST FOOD IS IMPORTED AND CANADA HAS A VERY SMALL SHARE. ANNUAL IMPORTS OF FOOD ARE LARGEST SINGLE IMPORT SECTOR. GOV'T GREENIFICATION HORTICULTURAL SCHEMES ARE LOCAL PRIORITIES. KUWAIT IS ALSO PLANNING ON DEVELOPING ITS OWN AGRICULTURAL PROGRAM FOR ECONOMIC DIVERSIFICATION. EXC. RATE VTS-A-VTS EUROPE SHOULD ASSIST CDN SUPPLIERS. IMPORTS \$1B/Y.
3. ADVANCED TECH. PROD. & SERV  
OIL AND GAS IS KUWAIT'S DOMINANT INDUSTRY AND IT OPERATES AND MAINTAINS LARGEST OIL AND GAS PRODUCTIONS/REFINERIES COMPLEX IN GULF. ONGOING PURCHASES ARE LARGE.
4. OIL & GAS EQUIPMENT, SERVICES  
A VARIETY OF TELECOMMUNICATIONS OPPORTUNITIES EXIST IN SUCH AREAS AS CABLE TV, DIGITAL SWITCHING, DATA COMMUNICATIONS, RURAL/CELLAR TELECOMMUNICATIONS AND SPECTRUM MANAGEMENT. KUWAIT TELECOM AUTHORITIES EQUIPMENT IS BECOMING MORE SOPHISTICATED WHICH AUGERS WELL FOR CANADA. TECH SEMINARS TO BE PRES. IN JAN 89 - AIRCRAFT SIMULATOR POTENTIAL.
5. OFFENCE PROGRAMS, PRODUCTS, SERV  
KUWAIT IS EXTREMELY SECURITY CONSCIOUS AND MAY BE SECURITY MISSION HIGHLIGHTED TO CANADIANS INTENSE INTEREST OF KUWAIT'S IN THIS SECTOR. LARGEST PORTION OF ANNUAL BUDGET ALLOCATED TO DEFENSE MINISTRIES AND INTERIOR (SECURITY, POLICE) MINISTRY.
6. GRAINS AND OILSEEDS  
CEREALS AND CEREAL PREPARATION AND ANIMAL FEEDSTUFF ARE IMPORTED IN LARGE QUANTITIES. USA IS SUPPLYING AS WELL AS EUROPEAN COUNTRIES AND AUSTRALIA, WHICH INDICATES CANADA SHOULD BE ABLE TO COMPETE ON SOME ITEMS. CANADA ALSO HAS REPUTATION AS LEADING WORLD SUPPLIER. GRAIN HANDLING EQUIPMENT OPPORTUNITIES EXIST AS KUWAIT TRIES TO GROW WHEAT.

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

- |                                      |                                   |
|--------------------------------------|-----------------------------------|
| 1. MULTIPLE SECTORS                  | 4. CONSTRUCTION INDUSTRY          |
| 2. TRANSPORT SYS. EQUIP. COMP. SERV. | 5. AGRI & FOOD PRODUCTS & SERVICE |
| 3. FOREST PRODUCTS, EQUIP. SERVICES  |                                   |

RPTR2

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 EXPORT PROMOTION PRIORITIES

Mission: KUWAIT

Country: QATAR

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  
CANADA HAS GOOD REPUTATION IN COUNTRY THROUGH PREVIOUS CONTACTS. POTENTIAL IN QATAR TO COPY UAF MODEL FOR COMMUNITY COLLEGES. HIGH GOVERNMENT PRIORITY IN HEALTHCARE SECTOR AS GOVERNMENT WANTS TO UPGRADE ITS SERVICES TO MINIMIZE OVERSEAS TRAVEL.
2. OIL & GAS EQUIPMENT, SERVICES  
NORTH FIELD PROJECT WILL HAVE REQUIREMENT FOR OFFSHORE DRILLING AND PRODUCTION FACILITIES, PIPELINES, PORT DEVELOPMENT, CIVIL ENGINEERING, ETC. POTENTIAL EXISTS: CANADIAN BIDDERS ARE REQUIRED.
3. CONSTRUCTION INDUSTRY  
LARGE CAPITAL EXPENDITURES EXPECTED FOR HOUSING, OFFICES, PUBLIC HEALTH FACILITIES ETC.
4. AGRI & FOOD PRODUCTS & SERVICE  
HIGH GOVERNMENT PRIORITY AS DESIRE IS TO REDUCE DEPENDENCE ON FOREIGN IMPORTS. ALREADY EXPORTING SOME PROCESSED FOOD.
5. MINING, METAL, MINERAL PROD & SRV  
RECENT REMOTE SENSING REQUEST WILL DEVELOP CANADIAN RECOGNITION. FMR MISSION IN NOVEMBER 1988 SHOULD INSTILL INTEREST.

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

- |                                 |                                     |
|---------------------------------|-------------------------------------|
| 1. MULTIPLE SECTORS             | 4. TRANSPORT SYS, EQUIP, COMP, SRV. |
| 2. CONSUMER PRODUCTS & SERVICES |                                     |
| 3. CONSTRUCTION INDUSTRY        |                                     |

RPTR2

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 EXPORT PROMOTION PRIORITIES

Mission: KUWATT

Country: UNITED ARAB EMIRATES

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  
LIKE OTHER GULF STATES EDUCATION/TRAINING AND HEALTH IS A HIGH PRIORITY. EDUCANSULT HAS LARGE CONTRACT WHICH WILL HAVE SPILL OVER EFFECT IN UAE AND REGION AS A WHOLE - CANADIAN REPUTATION WILL BE ENHANCED.
2. AGRI & FOOD PRODUCTS & SERVICE  
UAE IS TOTALLY DEPENDENT ON IMPORTS FOR FOOD AND PLACE A HIGH PRIORITY ON AGRICULTURAL AND LIVESTOCK. INDIAN COMMUNITY IS LARGE AND POTENTIAL FOR PULSE SALES EXIST.
3. OIL & GAS EQUIPMENT, SERVICES  
ECONOMY OF ABU DHABI BASED ON OIL AND GAS. MODIFYING EQUIPMENT AND FACILITIES IS A REQUIREMENT AS WELL AS MAINTAINING ON-GOING OPERATIONS
4. ADVANCED TECH. PROD. & SERV  
REQUIREMENTS EXIST THROUGHOUT REGION AND CANADIAN DOLLAR VIS-A-VIS EUROPEAN AND JAPANESE CURRENCIES OFFERS CANADIAN SUPPLIERS ADDED ADVANTAGE. TECHNICAL SEMINARS TO BE PRESENTED IN JAN 89, ESPECIALLY FOR SPECTRUM MANAGEMENT.
5. DEFENCE PROGRAMS, PRODUCTS, SERV  
SECURITY IS PRIMARY CONCERN OF MANY GULF STATES AND UAE IS NO EXCEPTION. RECENT SECURITY MISSION UNCOVERED MANY POTENTIAL OPPORTUNITIES.
6. GRAINS AND OILSEEDS  
LOCAL INTEREST IN CANADIAN SUPPLY HAS BEEN TRIGGERED THROUGH ATTENDANCE AT CANADIAN WHEAT BOARD COURSES AT CIET. CANADA SOLD OVER \$700,000 VEGETABLE FEED IN 1987.

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

- |                                      |                        |
|--------------------------------------|------------------------|
| 1. MULTIPLE SECTORS                  | 4. GRAINS AND OILSEEDS |
| 2. TRANSPORT SYS. EQUIP. COMP. SERV. |                        |
| 3. ADVANCED TECH. PROD. & SERV       |                        |

RPTR2

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 EXPORT PROMOTION PRIORITIES

Mission: KUWAIT

Country: OMAN

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

1. AGRI & FOOD PRODUCTS & SERVICE  
OMAF INVITATION TO WALI OF DHOFAR TO VISIT ONTARIO. SEVERAL MISSIONS PLANNED: INCREASED PROMOTION ON SECTOR. PARTICIPATING IN AGRICULTURAL SHOW IN OMAN. HIGH PRIORITY OF GOVERNMENT TO DEVELOP OWN CAPABILITIES AS BEST AGRICULTURAL AREA IN GULF.
2. EDUCATION, MEDICAL, HEALTH PROD  
MILITARY STARTING TO TRAIN IN CANADA. OMANI PRIORITY AND MOU IN PLACE WITH ONTARIO GOVERNMENT.
3. ADVANCED TECH. PROD. & SERV  
COUNTRY BECOMING INCREASINGLY SOPHISTICATED REQUIRING MORE TELE-COMMUNICATIONS EQUIPMENT. CANADA HAS GOOD REPUTATION FOR TELE-COMMUNICATIONS.
4. OIL & GAS EQUIPMENT, SERVICES  
INCREASED EXPLORATION & DEVELOPMENT TAKING PLACE IN SECTOR. SEVERAL PIPELINES PLANNED OR UNDER CONSTRUCTION. A RELATIVELY NEW INDUSTRY.

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

- |                                      |                                |
|--------------------------------------|--------------------------------|
| 1. MULTIPLE SECTORS                  | 4. ADVANCED TECH. PROD. & SERV |
| 2. TRANSPORT SYS. EQUIP. COMP. SERV. |                                |
| 3. CONSTRUCTION INDUSTRY             |                                |

## RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KUWAIT

Market: KUWAIT

Sector : AGRI &amp; FOOD PRODUCTS &amp; SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	2700.00 \$M	2800.00 \$M	2800.00 \$M	2800.00 \$M
Canadian Exports	1.70 \$M	2.00 \$M	2.20 \$M	2.50 \$M
Canadian Share of Market	0.06 %	0.07 %	0.08 %	0.09 %

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

## Major Competing Countries

## Market Share

AUSTRALIA	10.00 %
EUROPEAN COMMON MARKET C	10.00 %
TURKEY	10.00 %
UNITED STATES OF AMERICA	5.00 %
INDIA	5.00 %
BULGARIA	5.00 %

## Current Status of Canadian

exports in this sector/subsector: Small but expanding

## Products/services for which there are good market prospects:

1. CANNED & FROZEN FOODS
2. LIVE ANIMALS
3. ANIMAL FEEDS
4. SPECIALTY CROPS (PULSES)
5. SEEDS
6. POULTRY BREEDING STOCK
7. PROCESSED & SEMI PROCESSED FOODS
8. VETERINARY EQUIPMENT
9. FOOD PROCESSING & HANDLING EQUIPMENT
10. IRRIGATION EQUIPMENT
11. AGRICULTURAL EQUIPMENT, SPRAYERS, DISCS, TRACTORS

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUWAIT

Market: KUWAIT

**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

**Factors for Canadian exports not reaching market potential:**

- Non-competitive pricing
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Performance of local agent or representative
- LACK OF INTEREST IN MKT BY CDN EXP
- TRANSPORTATION COSTS.

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

Activity: CONTINUE TO BUILD UP-TO-DATE EXPORTER AND IMPORTER LISTS  
Expected Results: LISTS PREPARED FOR USE ON WTN SYSTEM.

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

Activity: PROCESSED FOOD OPPORTUNITIES REPORT - GULF  
Expected Results: INCREASED MARKET AWARENESS.



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DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUWAIT

Market: KUWAIT

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

WHEAT PRODUCTION BY KUWAIT -	Approximate Value:	0 M3
EQUIPMENT REQUIREMENTS	Financing Source :	DOM - Domestically funded
	Contact :	CDN EMB. PO BOX 25281 13113 SAFAT.KUWAIT TLX:23549 MCAN KT

RPTCI

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KUWAIT

Market: KUWAIT

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	700.00 \$M	730.00 \$M	750.00 \$M	770.00 \$M
Canadian Exports	0.00 \$M	0.70 \$M	0.00 \$M	1.00 \$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

AUSTRALIA	40.00 %
INDIA	10.00 %
UNITED STATES OF AMERICA	5.00 %
PAKISTAN	20.00 %
THAILAND	5.00 %

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

## Products/services for which there are good market prospects:

1. WHEAT
2. CANOLA
3. VEGETABLE OILS
4. GRAIN HANDLING EQUIPMENT
5. TRAINING IN CANADA
6. BARLEY

## 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:

- Non-competitive pricing
- Lack of promotion and advertising
- NOT MUCH APPARENT CDN EFFORT
- TRANSPORTATION COSTS

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DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUWAIT

Market: KUWAIT

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 REPORT ON GRAINS, OILSEEDS & SPECIALTY CROPS MKT POTF  
Expected Results: TO DETERMINE WHETHER SECTOR IS WORTH PURSUING.

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

WHEAT - UAE

Approximate Value: 0 M\$

Financing Source :

Contact : R. MASON, CDN EMB, PO BOX 25281,  
13113 SAFAT, KUWAIT TLX: 23549

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KUWAIT

Market: KUWAIT

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	4800.00 \$M	5000.00 \$M	5000.00 \$M	4800.00 \$M
Canadian Exports	5.30 \$M	6.20 \$M	7.00 \$M	7.00 \$M
Canadian Share of Market	0.11 %	0.12 %	0.14 %	0.14 %

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

## Major Competing Countries

## Market Share

UNITED STATES OF AMERICA	30.00 %
FRANCE	15.00 %
UNITED KINGDOM	15.00 %
GERMANY WEST	5.00 %
UNION OF SOVIET SOC REP	5.00 %
BRAZIL	10.00 %

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

## Products/services for which there are good market prospects:

1. INDUSTRIAL SECURITY SYSTEMS & SERVICES
2. PERSONAL SECURITY
3. AIRCRAFT SPARES
4. RMMB DISPOSAL EQUIPMENT
5. TRAINING IN CANADA
6. COMMUNICATIONS
7. EMERGENCY RESPONSE EQUIPMENT
8. SEARCH AND RESCUE TRAINING
9. RADAR EQUIPMENT
10. F-18 EQUIPMENT (KUWAIT)
11. F-5 OPPORTUNITIES (BAHRAIN)

## 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

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUWAIT

Market: KUWAIT

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
- INTENSE COMPET FROM ENTRENCHED SUPP
- DIRECT SALES ARE NORM. FREQUENT

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

Activity: HITEC FOLLOW UP CONTINUES  
Expected Results: INCREASED SALES BY ENCOURAGING GREATER FOLLOW-UP OF OPPORTUNITIES.

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

Activity: ATTEND HITEC 89 - SCHEDULED FOR MAY 89  
Expected Results: MORE COMPANIES PURSUING PROSPECTS IN GULF

Activity: UPDATE DEFENCE/SECURITY REPORT  
Expected Results: BETTER INSIGHT INTO MARKET.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUWAIT

Market: KUWAIT

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

F-18 EQUIPMENT & SERVICES

Approximate Value: 0 MS

Financing Source : OTHER

Contact : EMBASSY (TLX: 23549 MCAN KT)  
OR FXTOTT TDA

F-5 R & O

Approximate Value: 0 MS

Financing Source : OTHER

Contact : EMBASSY (TLX: 23549 MCAN KT)  
OR FXTOTT TDA

## RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KUWAIT

Market: KUWAIT

Sector : ADVANCED TECH. PRD. &amp; SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	600.00 \$M	500.00 \$M	550.00 \$M	550.00 \$M
Canadian Exports	6.75 \$M	4.30 \$M	5.00 \$M	8.00 \$M
Canadian Share of Market	1.10 %	0.90 %	0.90 %	1.50 %

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	15.00 %
UNITED STATES OF AMERICA	15.00 %
SWEDEN	15.00 %
FRANCE	5.00 %
UNITED KINGDOM	5.00 %

## Current Status of Canadian

exports in this sector/subsector: Small but expanding

## Products/services for which there are good market prospects:

1. PBX EXCHANGES
2. SWITCHING
3. SPECTRUM MANAGEMENT
4. RURAL / CELLULAR TELECOMMUNICATIONS
5. DATA COMMUNICATIONS
6. REMOTE SENSING
7. TELEPHONE O & M
8. TRAINING
9. COMPUTER & SOFTWARE
10. INSTRUMENTATION
11. PERIPHERALS

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUWAIT

Market: KUWAIT

## Factors contributing to current successful Canadian exports:

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

## 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
- Performance of local agent or representative
- LACK OF INTEREST.

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

Activity: REMOTE SENSING REPORT  
Expected Results: INCREASED MARKET AWARENESS.

Activity: INSTRUMENTATION REPORT  
Expected Results: INCREASED MARKET AWARENESS.

Activity: FOLLOW UP TO TELECOM SEMINARS JAN 89 AND MFCOM JAN 89  
Expected Results: INCREASED SALES.



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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUWAIT

Market: KUWAIT

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

GCC CABLE TV PROJECT

Approximate Value: 0 MS

Financing Source :

Contact

: W.POUND, CDN EMB, PO BOX 25281  
13113 SAFAT, KUWAIT TLX:73549

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KUWAIT

Market: KUWAIT

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	430.00 \$M	430.00 \$M	430.00 \$M	430.00 \$M
Canadian Exports	12.00 \$M	15.50 \$M	16.00 \$M	18.00 \$M
Canadian Share of Market	2.80 %	3.60 %	3.70 %	4.10 %

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

## Major Competing Countries

## Market Share

JAPAN	35.00 %
UNITED STATES OF AMERICA	30.00 %
GERMANY WEST	15.00 %
ITALY	7.00 %
FRANCE	7.00 %

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

Products/services for which there are good market prospects:

1. AUTOMOBILES
2. AUTO PARTS
3. WET CELL BATTERIES
4. SPARK PLUGS

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
- 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
- Market prospects have not been adequately explored
- LACK OF INTEREST BY CDN SUPPLIERS.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUWAIT

Market: KUWAIT

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 AUTO PARTS OPPORTUNITIES REPORT - GULF  
Expected Results: INCREASED MARKET AWARENESS.

Activity: DETERMINE ACTUAL SIZE OF CDN AUTO TRADE TO REGION  
Expected Results: BETTER AWARENESS ON ACTUAL CANADIAN PERFORMANCE IN MARKET.

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

ONGOING PURCHASES

Approximate Value: - .15 Ms

Financing Source :

Contact : CDN EMB. PO BOX 25281.13113  
SAFAT.KUWAIT TLX:23549 MCAN KT

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KUWAIT

Market: KUWAIT

Sector : OIL &amp; GAS EQUIPMENT SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	400.00 \$M	400.00 \$M	400.00 \$M	400.00 \$M
Canadian Exports	1.00 \$M	1.00 \$M	1.00 \$M	1.00 \$M
Canadian Share of Market	0.25 %	0.25 %	0.25 %	0.25 %

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 %
JAPAN	20.00 %
FRANCE	15.00 %
UNITED KINGDOM	10.00 %
GERMANY WEST	5.00 %
OTHER COUNTRIES	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. OIL AND GAS PIPELINE
2. DRILLING EQUIPMENT
3. CONSTRUCTION OF GATHERING CENTRES
4. CONSULTANCY WORK
5. MAINTENANCE
6. COMPUTERIZED MANAGEMENT SYSTEMS
7. TRAINING
8. VALVES/CABLES
9. COMPRESSORS

Factors contributing to current successful Canadian exports:

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

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUWAIT

Market: KUWAIT

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
- LOW OIL PRICES HAVE TENDED TO REDUCE-
- CE EXPENDITURE BY LOCAL OIL COS.

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

Activity: OIL AND GAS EQUIPMENT & SERVICES REPORT  
Expected Results: IDENTIFY POTENTIAL OPPORTUNITIES

Activity: FOLLOW UP MIDDLE EAST OIL & GAS SHOW - MARCH 89  
Expected Results: TO IDENTIFY GOOD SALES LEADS.

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUWAIT

Market: KUWAIT

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

CONSTRUCTION OF GAS PIPELINE  
RAWDETAIN - BURGAN

Approximate Value: 50 M\$  
Financing Source : OTHER  
Contact : CDN EMB PO BOX 75281. 13113  
SAFAT TLX: 23549 MCAN KT

CONSTRUCTION NEW GATHERING  
CENTERS

Approximate Value: 120 M\$  
Financing Source : OTHER  
Contact : CDN EMB PO BOX 75281. 13113  
SAFAT TLX: 23549 MCAN KT

## RPTCL TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KUWAIT

Market: KUWAIT

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	2100.00 \$M	2000.00 \$M	2000.00 \$M	2700.00 \$M
Canadian Exports	2.00 \$M	2.00 \$M	10.00 \$M	20.00 \$M
Canadian Share of Market	0.09 %	0.10 %	0.50 %	0.90 %

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

Major Competing Countries	Market Share
UNITED KINGDOM	40.00 %
UNITED STATES OF AMERICA	20.00 %
FRANCE	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. EDUCATION & TRAINING CONSULTING/STAFFING
2. TRAINING (MEDICAL)
3. EDUCATION IN CANADA
4. PHARMACEUTICALS
5. DISPOSABLES
6. HOSPITAL MANAGEMENT
7. RE-USEABLE LINENS

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- Fairs and Missions support
- Competitive pricing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUWAIT

Market: KUWAIT

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
- INFREQUENT VISITS FAILURE TO
- PURSUE OPPORTUNITIES

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

Activity: TRAINING/EDUCATION EQUIPMENT & SERVICES REPORT ON GULF  
Expected Results: INCREASED MARKET AWARENESS OF POTENTIAL OPPORTUNITIES.

Activity: ENCOURAGE MINISTER OF HIGHER EDUC TO VISIT OMT  
Expected Results: GRATEFUL SENIOR LEVEL AWARENESS OF CANADIAN CAPABILITY.

Activity: PREPARE SUMMARY OF CDN COMM COLLEGES & UNIVERSITY SITUATION  
Expected Results: USEFUL MARKETING TOOL DEVELOPED FOR COMPLEX CANADIAN SUPPLIER SITUATION.

Activity: CONDUCT BRIEFINGS REGULARLY ON CANADIAN UNIVERSITY/COLLEGE  
Expected Results: INCREASE NUMBER OF STUDENTS ATTENDING POST-SECONDARY SCHOOL IN CANADA.



RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUWAIT

Market: KUWAIT

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

OUTFITTING SAHMANIA HOSPITAL - Approximate Value: 0 M\$  
400 BEDS - BAHRAIN Financing Source :  
Contact : CDN EMB. PO BOX 25281 13113  
SAFAT-KUWAIT TLX:23549 MCAN KT

OUTFITTING DEFENCE FORCES Approximate Value: 0 M\$  
HOSPITAL - 40 BEDS - BAHRAIN Financing Source :  
Contact : CDN EMB. PO BOX 25281 13113  
SAFAT-KUWAIT TLX:23549 MCAN KT

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KUWAIT

Market: KUWAIT

Sector : CONSTRUCTION INDUSTRY

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size.	600.00 \$M	600.00 \$M	500.00 \$M	500.00 \$M
Canadian Exports	8.00 \$M	3.00 \$M	3.00 \$M	3.00 \$M
Canadian Share of Market	1.30 %	0.50 %	0.60 %	0.60 %

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

Major Competing Countries

Market Share

JAPAN	25.00 %
KOREA	25.00 %
FRANCE	15.00 %
GERMANY WEST	15.00 %
PEOPLE'S REP OF CHINA	10.00 %
UNITED KINGDOM	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. CONSULTING
2. ARCHITECTURE
3. HEAVY EQUIPMENT SPARES
4. CONSTRUCTION MATERIAL

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
- SPECIALIZED EQUIPMENT
- PROBABLY SUPPLIED TO USA
- PATENT.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUWAIT

Market: KUWAIT

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

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

Activity: ENCOURAGEMENT TO CDN CO TO REGISTER W/PLANNING MINISTRIES  
 Expected Results: INCREASED INVITATIONS TO BID.

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

3RD COUNTRY PROJECTS - IRAN & IRAQ	Approximate Value:	0 MS
	Financing Source :	DOM - Domestically funded
	Contact :	CDN EMB. PO BOX 25281. 13113 SAFAT.KUWAIT TLX:23549 MCAN KT
AMIRI OTWAN	Approximate Value:	150 MS
	Financing Source :	OTHER
	Contact :	CDN EMB. PO BOX 25281. 13113 SAFAT.KUWAIT TLX:23549 MCAN KT

RPT01

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 INVESTMENT PROMOTION PROFILE

Mission: KUWATT

Country: KUWATT

The mission reports that the approximate flows to all countries of investment from its country/territory in Canadian \$ is as follows: (including portfolio flows if a primary focus)

	Total (\$ Million)	Canadian Share	Major Competitor Share
Current year	6.00	8.00	0.00
One year ago	7.00	5.00	30.00
Two years ago	5.00	2.00	20.00

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:

\$ 500 MILLION - \$ 800 MILLION

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

- UK
- USA
- SWITZERLAND
- SPAIN
- HOLLAND
- WEST GERMANY

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

- FRG: WITH BP ANNOUNCEMENT BY THE BRITISH GERMAN GOVT PUBLICALLY ANNOUNCED IT'S WILLINGNESS TO ACCEPT KUWATT INVESTMENT. SENIOR LEVEL MINISTERIAL VISITS ALSO PLAY A ROLE.
- USA: MAINLY PRIVATE SECTOR LED INITIATIVES. A GROUP WHICH IS VERY AGGRESSIVE.
- INDIA, EGYPT, TURKEY: PUBLIC SECTOR SEMINARS PROMOTING THEIR COUNTRIES.

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 INVESTMENT PROMOTION PROFILE

Mission: KUWAIT

Country: KUWAIT

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

- POLITICALLY AND ENVIRONMENTALLY STABLE
- IMMIGRATION AND FAMILY (EDUCATION) SECURITY
- CON SCENERY AND PEOPLE

the following constraints:

- TAXES - PROPERTY TAXES
- TAXES - PROPERTY TAXES
- DISTANCE - FEAR OF UNKNOWN
- IMMIGRATION VISA PROGRAMS

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

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

The mission believes that the following sectors are of greatest interest to investors in its territory/country with an assigned ranking of 1-10:

Sector	Ranking
Agriculture/Food/Fish	2
Resource Processing	10
Machinery and Equipment	1
Transportation	5
Consumer Products	1
Commercial Service	10
Computer and Communications	5
Health Care Products/Medical	5
Aerospace and Defence	3
Strategic Technologies	5

RPT02

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: KUWAIT

Country: KUWAIT

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

	Date
Type: FAIR, OTHER	
MONEY 90 INVESTMENT SHOW. NATIONAL STAND. Location: UAF - DUBAI Invest Nature: ALL Sector: MULTIPLE SECTORS Cooperants: INVEST HOUSES, BANKS, DRIF, INV CDA Estimated Budget: \$100,000.00	11/90
Type: SEMINAR, ABROAD	
DURING CDA WEEK PROMOTION (SEE PFMD) Location: UAF, ABU DHABI, DUBAI Invest Nature: ALL Sector: MULTIPLE SECTORS Cooperants: INVEST HOUSES, BANKS, INV CDA, BANKS Estimated Budget: \$50,000.00	10/90
TOURISM/INVESTMENT PROM. IN GULF TOURISM LEADS TO INVESTMENT. Location: ABU DHABI, DUBAI Invest Nature: ALL Sector: MULTIPLE SECTORS Cooperants: TOURISM CDA Estimated Budget: \$20,000.00	12/89
PORTFOLIO SEMINAR/MISSION, PRIVATE SECTOR, FOLLOW-UP TO PREVIOUS SESSION Location: KUWAIT, DUBAI, ABU DHA Invest Nature: PORTFOLIO Sector: MULTIPLE SECTORS Cooperants: INVESTMENT HOUSES, REAL ESTATE INTEREST Estimated Budget: \$8,000.00	3/90
INVESTMENT SEMINAR, GOVT LEAD: TO INCLUDE ENTREPRENEURIAL IMMIGRATION. Location: KUWAIT, ABU DHABI Invest Nature: PORTFOLIO ACQUISITION GREENFIELD Sector: MULTIPLE SECTORS Cooperants: DRIFOT/BSRS, INVEST CDA, EXTOTT/TPF, IMMIGRATION Estimated Budget: \$12,000.00	10/89

RPT02

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: KUWAIT

Country: KUWAIT

Date

Type: ENTREPRENURIAL SEMINAR

INVESTMENT SEMINAR. GOVT LEAD: TO INCLUDE ENTREPRENURIAL IMMIGRATION.

10/89

Location: KUWAIT, ABU DHABI

Invest Nature: PORTFOLIO

ACQUISITION

GREENFIELD

Sector: MULTIPLE SECTORS

Cooperants: DRIFOTT/BSBS, INVEST CDA

EXTOTT/TPF, IMMIGRATION

Estimated Budget: \$12,000.00

Type: MISSION IN. TO INDUSTRY

CH OF COM INVESTMENT MISSION TO CANADA, PROVINCIAL GOVTS.

5/90

Location: ABU DHABI, DUBAI

Invest Nature: ALL

Sector: MULTIPLE SECTORS

Cooperants: EXTOTT/GMT/TPF, INV. CDA, DRIFOTT/BSBS

Estimated Budget: \$50,000.00

PORTFOLIO SEMINAR/MISSION, PRIVATE SECTOR, FOLLOW-UP PREVIOUS SESSION.

3/90

Location: DUBAI, ABU DHABI

Invest Nature: PORTFOLIO

Sector: MULTIPLE SECTORS

Cooperants: INVESTMENT HOUSES, REAL ESTATE INTEREST

Estimated Budget: \$8,000.00

Type: DIRECT MAIL CAMPAIGN

PROMOTE GULF ATTENDANCE AT BOCC

6/89

Location: BAHRAIN, UAF (2)

Invest Nature: ALL

Sector: MULTIPLE SECTORS

Cooperants:

Estimated Budget: \$0.00

Total estimated budget for all proposals: \$260,000.00

Post : KUWAIT

<u>Start Date</u>	<u>Event Name, Location &amp; Type</u>	<u>Sector/Post/Contact</u>
89/05/21	ARMX - DEFENCE MISSION FROM KUWAIT MISSION IN, TO INDUSTRY	DEFENCE PROGRAMS, PRODUCTS, SERV
89/05/23	BUYERS MISSION FROM KSA AND THE GULF TO ARMX MISSION IN, TO FAIR	DEFENCE PROGRAMS, PRODUCTS, SERV
89/06/08	KUWAIT EDUCATION & TRAINING MISSION CROSS CANADA MISSION IN, TO INDUSTRY	OIL & GAS EQUIPMENT, SERVICES
89/06/08	EDUCATION & TRAINING MISSION FROM THE PERSIAN GULF MISSION IN, TO INDUSTRY	EDUCATION, MEDICAL, HEALTH PROD
89/06/21	BUYERS FM M.E. TO WESTERN CDA FARM PROGRESS SHOW - REGINA MISSION IN, TO FAIR	AGRI & FOOD PRODUCTS & SERVICE E. BROWN
89/10/00	CANADA FOOD WEEK IN KUWAIT ABU DHABI, & DUBAI FAIR, SULO	AGRI & FOOD PRODUCTS & SERVICE
90/02/00	MIDDLE EAST FOOD SHOW, MEFEX '90 BAHRAIN INFO BOOTH, WITH GROUP	AGRI & FOOD PRODUCTS & SERVICE
90/03/12	RISK CONTROL EXHIBIT & CONF. - BAHRAIN MISSION OUT, INDUSTRY	DEFENCE PROGRAMS, PRODUCTS, SERV



RPTR1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 TRADE AND ECONOMIC OVERVIEW

Mission: RIYADH

Country: SAUDI ARABIA

AFTER FIVE YEARS OF RECESSION, THERE ARE SIGNS THE SAUDI ECONOMY HAS BOTTOMED OUT. THE GOVERNMENT BUDGET OF LATE DECEMBER 1987 PROJECTED EXPENDITURES AT CDN \$47 BILLION, APPROXIMATELY 16% LESS THAN THE PRECEDING YEAR. ALTHOUGH NO MAJOR NEW CAPITAL PROJECTS WERE ANNOUNCED, UP TO CDN \$15 BILLION HAS BEEN EARMARKED FOR ONGOING PROJECTS. BUSINESS CONFIDENCE IS RECOVERING AS EVIDENCED BY RENewed ACTIVITY IN THE LOCAL STOCK MARKET AND THE NUMBER OF APPLICATIONS SUBMITTED FOR INDUSTRIAL LICENCES. INVENTORIES HAVE BEEN REDUCED AND COMPANIES ARE STARTING TO RESTOCK. OIL REVENUE IS THE CRITICAL FACTOR SINCE DIRECTLY OR INDIRECTLY IT ACCOUNTS FOR 60 PERCENT OF GDP. REDUCING THE ECONOMY'S DEPENDENCE ON CRUDE PETROLEUM EXPORTS HAS BEEN ONE OF THE PRINCIPAL GOALS OF THE GOVERNMENT'S FIVE-YEAR DEVELOPMENT PLANS (1970-90). A SECOND MAJOR OBJECTIVE IS STRENGTHENING THE ROLE OF THE PRIVATE SECTOR. OVER THE PAST FIFTEEN YEARS, MASSIVE AMOUNTS OF MONEY HAVE BEEN SPENT INSTALLING THE INFRASTRUCTURE NEEDED TO ACCOMPLISH THESE GOALS. THE SAUDI-ARABIAN BASIC INDUSTRIES CORPORATION (SABIC) HAS INVESTED MORE THAN US \$11 BILLION TO CREATE A WORLD SCALE PETROCHEMICAL INDUSTRY. TWO LARGE INDUSTRIAL CITIES HAVE BEEN BUILT AT JURAIL AND YANBII TO ENCOURAGE THE DEVELOPMENT OF PRIVATE, DOWNSTREAM PETROCHEMICAL INDUSTRIES. NON-OIL INVESTMENT IS PROMOTED BY A VARIETY OF GOVERNMENT SUBSIDIES, FINANCIAL AND TARIFF INCENTIVES. THESE POLICIES HAVE ACHIEVED IMPRESSIVE RESULTS. DURING THE THREE FIVE YEAR PLANS SPANNING THE PERIOD 1970-85, THE NON-OIL SECTOR GREW AT AN AVERAGE ANNUAL RATE OF 11 PERCENT. SABIC SUCCEEDED IN BRINGING THIRTEEN WORLD SCALE PRIMARY INDUSTRIES ON STREAM, TEN OF WHICH HAVE MAJOR FOREIGN PARTNERS. NON-OIL MANUFACTURING EXPANDED AT A SIMILAR PACE SO THAT BY THE END OF THE THIRD PLAN, THE PRIVATE SECTOR'S SHARE OF GDP HAD GROWN TO 37 PERCENT. IN THE EARLY EIGHTIES PROGRESS STALLED DUE TO A STEEP DROP IN OIL REVENUE AND THE COMPLETION OF MOST LARGE SCALE INFRASTRUCTURE PROJECTS. THE RESULTING SHARP ECONOMIC CONTRACTION PRECIPITATED A 45 PERCENT DROP IN GDP AND A MAJOR SHAKOUT IN THE BUSINESS COMMUNITY. THE GOVERNMENT RESPONDED WITH A SERIES OF INITIATIVES TO REINVIGORATE THE ECONOMY. CUSTOMS POLICY, PUBLIC SECTOR PROCUREMENT, STIMULATION OF LOCAL DEMAND, EXPORT PROMOTION AND THE SETTLEMENT OF COMMERCIAL DISPUTES, HAVE ALL BEEN LOOKED AT WITH A VIEW TO CREATING A MORE FAVOURABLE BUSINESS CLIMATE. SPECIAL ATTENTION HAS BEEN FOCUSED ON THE BANKING SECTOR TO STIMULATE NEW LENDING AND TO MOBILIZE INVESTMENT CAPITAL. THE GOVERNMENT IS ALSO ACTIVELY PROMOTING JOINT VENTURES IN THE KINGDOM WITH EMPHASIS ON HIGH TECH PRODUCTS, AGRIBUSINESS AND IMPORT SUBSTITUTION. DESPITE EFFORTS TO RESTRUCTURE THE ECONOMY AND BOOST THE ROLE OF THE PRIVATE SECTOR, OIL EXPORTS ARE STILL OF PRE-EMINENT IMPORTANCE. IF ACTUAL OIL RECEIPTS COME CLOSE TO THE US \$18 BILLION PROJECTED FOR 1988, THE NASCENT ECONOMIC RECOVERY WILL CONTINUE AND POSITIVE GROWTH CAN BE EXPECTED TO RESUME. IF THE PRICE COLLAPSES, THE RECESSION WILL DRAG ON FORCING THE GOVERNMENT TO DRAW DOWN FURTHER ITS ESTIMATED US \$60 BILLION IN FOREIGN RESERVES. IN EITHER CASE THE

RPTRI

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: RIYADH

Country: SAUDI ARABIA

SAUDIS ARE CONFIDENT ABOUT THE LONG RUN PROSPECTS FOR THE ECONOMY BASED ON THEIR 170 BILLION BARRELS IN PETROLEUM RESERVES. SMALL INDIGENOUS POPULATION AND MODERN INFRASTRUCTURE. PROSPECTS ARE BRIGHTEST FOR CANADIAN EXPORTERS WHO ARE PREPARED TO MAKE A LONG TERM COMMITMENT PROCESSING EQUIPMENT, TRAINING, HEALTHCARE AND SPECIALIZED OPERATIONS AND MAINTENANCE.

RPT81

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 TRADE AND ECONOMIC OVERVIEW

Mission: RIYADH

Country: NORTH YEMEN

LA REPUBLIQUE ARABE DU YEMEN (RAY) CONNAT DES PROBLEMES ECONOMIQUES QUI SONT COMMUNS A BON NOMBRE DE PAYS EN VOIE DE DEVELOPPEMENT. LA GRANDE MAJORITE DES PRODUITS DE CONSOMMATION CONTINUE D'ETRE IMPORTEE. CE CI A POUR EFFET DE CREER UNE SORTIE SUBSTANTIELLE DE LEURS DEVISES ETRANGERES QUI SONT LE PRODUIT DES REMISES DES OUVRIERS ETRANGERS, DE L'ATOF INTERNATIONALE ET, DEPUIS PEU, DES REVENUS GENERES PAR LA VENTE DU PETROLE. LES IMPORTATIONS TANT DE LA PART DU SECTEUR PUBLIC QUE DU SECTEUR PRIVE ONT CONNU UNE RECROISSANCE DEPUIS LA RELAXATION DES MESURES DE RESTREINTE A L'IMPORTATION ANNONCEE EN JANVIER 1988. ON PREVIENT UNE AUGMENTATION DES IMPORTATIONS DE L'ORDRE DE 60% DE PLUS QUE LA LIMITE FIXEE EN 1987. LA CONTRACTION DES ECONOMIES PETROLIERES DES PAYS DU GOLFE A PRODUIT UNE REDUCTION DES REMISES EN PROVENANCE DES YEMENITES TRAVAILLANT DANS CES PAYS DE LA REGION ET UNE DIMINUTION DE L'AIDE CONSENTIE PAR CES MEMES PAYS. EN REACTION AU CONFLIT ENTRE L'IRAN ET L'IRAQ, L'AIDE SUBSTANTIELLE PRECEDEMMENT FOURNIE PAR L'IRAQ A ETE ELIMINEE. LE FACTEUR DE DEVELOPPEMENT LE PLUS IMPORTANT EN CE QUI CONCERNE LA RAY EST LA DECOUVERTE DE PETROLE EN 1984 PAR LA HUNT OIL COMPANY (HOC). QUOIQUE LA PRODUCTION AIT ETE GENERALEMENT TRES LIMITEE, ELLE S'EST SUFFISAMMENT ACCRUE POUR PERMETTRE L'EXPORTATION DU PRECIEUX PRODUIT A LA FIN DE 1987. L'EXPLORATION CONTINUE ET BIEN QUE LES RESERVES EXISTANTES Prouvées de PETROLE ET DE GAZ SONT IMPORTANTES, LES RENSEIGNEMENTS CUMULES TENDENT A DEMONTRER QUE CES MEMES RESERVES SONT FORT MODESTES EN COMPARAISON AVEC CELLES DE L'ARABIE SAOUDITE ET DU KOWEIT. DANS UN DISCOURS PRONONCE LE 26 SEPTEMBRE 1988, LE PRESIDENT SAIEH A ANNONCE UNE "DECOUVERTE PROMETTEUSE" FAITE PAR LA HOC DU CHAMP D'ASAD AL-KAMII OU NEUF Puits de FORAGE SONT DEJA EN ACTIVITE. DE SON COTE, EXXON CORPORATION CONTINUE D'EXPLORER SA CONCESSION DE 27.000 KILOMETRES DANS LES HAUTES TERRES DU CENTRE DU PAYS ET EST A CREUSER UN PUIT A HOUTH. LES RESERVES EN GAZ SONT MAINTENANT ESTIMEES A 5.5 MILLIONS MILLIONS DE PIEDS. LES AUTORITES YEMENITES AVAIENT PREVU DES REVENUS DE LEURS VENTES DE PETROLE DE L'ORDRE DE \$500 MILLIONS POUR L'ANNEE 1988. IL S'AVERE CEPENDANT QUE SUR LA BASE DES REVENUS RECOLTES PENDANT LES SIX PREMIERS MOIS DE L'ANNEE LES PROFITS NE SE CHIFFERONT QU'A UN MAXIMUM DE \$300 MILLIONS. CETTE SITUATION REFLETE DES RETARDS RENCONTRES DANS LA PRODUCTION (140.000 BARILS/JOUR AU LIEU DE 200.000) ET L'EFFET DE LA VENTE DU PRODUIT A UN PRIX MOINDRE QU'ESCOMPTE (\$15/BARIL). DANS LES PRESENTES CIRCONSTANCES, IL SEMBLE QUE MALGRE LES REVENUS SOUITRES DE LA VENTE DU PETROLE, LE DEFICIT DU COMPTE COURANT EN 1988 SURPASSERA LE DEFICIT RECORD DE \$631 MILLIONS ENREGISTRE EN 1987. POUR LE TEMPS PRESENT, LA RAY ACCORDE SA PRIORITE AU DEVELOPPEMENT DU SECTEUR AGRICOLE (PRODUCTION ET STORAGE). D'AUTRES SECTEURS D'INTERET SONT LE TRANSPORT, LES COMMUNICATIONS, L'EDUCATION, L'ELECTRIFICATION DES ZONES RURALES ET LE DEVELOPPEMENT DE L'INFRASTRUCTURE. LES OPPORTUNITES DE VENTES CANADIENNES SONT RESTREINTES PAR LA NECESSITE DE CO-FINANCEMENT ET DE CONDITIONS DE FINANCEMENT PRIVILEGIEES. IL Y A UNE DEMANDE CONTINUE EN

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: RIYADH

Country: NORTH YEMEN

PRODUITS DE BASE (RLF, MEDICAMENTS, LATT EN POUFRE, ETC.), MAIS LA CONCURRENCE EST FORTE. LE CANADA A CONNU SES MEILLEURS SUCCES DANS LA VENTE DE BIENS ET DE SERVICES DANS LE SECTEUR PETROLIER ET DANS CEIUT DU DEYFLOPPEMENT AGRICOLE.

RPT87

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 EXPORT PROMOTION PRIORITIES

Mission: RIYADH

Country: SAUDI ARABIA

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

1. DEFENCE PROGRAMS, PRODUCTS, SERV  
DEFENCE SPENDING REMAINS A TOP PRIORITY WORTH APPROXIMATELY \$15 BILLION ANNUALLY.
2. ADVANCED TECH. PROD. & SERV  
NEWLY INSTALLED TELECOMMUNICATIONS INFRASTRUCTURE MUST BE MAINTAINED AND EXPANDED INTO RURAL AREAS. INCREASED COMPUTERIZATION IS BEING USED TO UPGRADE SAUDI SKILLS AND DECREASE RELIANCE ON EXPATRIOT WORKERS.
3. TRANSPORT SYS. EQUIP. COMP. SERV.  
NEW SAFETY STANDARDS AND SLOWER TURNOVER OF VEHICLES CREATES MARKET FOR SPARE PARTS AND JOINT VENTURE MANUFACTURING.
4. EDUCATION, MEDICAL, HEALTH PROD  
FOURTH DEVELOPMENT PLAN STRESSES HEALTHCARE SERVICES, TECHNICAL AND PROFESSIONAL TRAINING.
5. AGRI & FOOD PRODUCTS & SERVICE  
DESPITE EFFORTS TO INCREASE SELF-SUFFICIENCY, IMPORTS OF AGRICULTURE AND FOOD PRODUCTS CONTINUE IN THE MULTI-BILLION DOLLAR RANGE.
6. OIL & GAS EQUIPMENT, SERVICES  
WITH OIL AND GAS INFRASTRUCTURE NOW COMPLETE, THE EMPHASIS IS ON EFFECTIVE OPERATIONS AND MAINTENANCE.

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

- |                                      |                                     |
|--------------------------------------|-------------------------------------|
| 1. ADVANCED TECH. PROD. & SERV       | 4. POWER & ENERGY EQUIP. & SERV.    |
| 2. GRAINS AND OILSEEDS               | 5. FOREST PRODUCTS, EQUIP, SERVICES |
| 3. TRANSPORT SYS. EQUIP. COMP. SERV. | 6. CHEM PROD & PETROCHEM. EQP. SERV |

## RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: RIYADH

Market: SAUDI ARABIA

Sector : AGRI &amp; FOOD PRODUCTS &amp; SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	6300.00 \$M	4800.00 \$M	4200.00 \$M	3300.00 \$M
Canadian Exports	105.00 \$M	92.00 \$M	180.00 \$M	100.00 \$M
Canadian Share of Market	1.70 %	1.90 %	4.20 %	3.00 %

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

## Major Competing Countries

## Market Share

UNITED STATES OF AMERICA	34.00 %
NETHERLANDS	21.00 %
UNITED KINGDOM	10.00 %
AUSTRALIA	13.00 %
FRANCE	10.00 %
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. BARLEY SEEDS
2. POTATO SEEDS
3. IMPLEMENTS
4. FARM MANAGEMENT
5. FOOD
6. WHEAT/BARLEY/POTATO SEEDS TECH.
7. FOOD PROCESSING TECH

## Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RIYADH

Market: SAUDI ARABIA

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

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

Activity: DAIRY CATTLE & GENETIC MATERIAL SEMINAR MAY 1989  
Expected Results: INCREASE SALES OF CDN BREEDING STOCK AND GENETIC MATERIAL

Activity: TECH PROCESSED FOOD AND ANIMAL FEEDS MISSION OCT. 1989  
Expected Results: IDENTIFY AND DEVELOP SAUDI MARKET FOR PROCESSED FOODS AND ANIMAL FEEDS

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 SELF FINANCED MISSION TO AGRIBITION JUNE 1990  
Expected Results: 2-3 NEW AGENCY AGREEMENTS

Activity: BIENNIAL VISITS TO MAJOR AGRICULTURE AREAS  
Expected Results: RAISE AWARENESS OF CDN CAPABILITIES AND IDENTIFY SPECIFIC EXPORT OPPORTUNITIES

Activity: PREPARE MARKET SURVEY FOR AGRICULTURE & FOOD SECTORS  
Expected Results: HEIGHTEN CDN INTEREST IN SAUDI MARKET

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RIYADH

Market: SAUDI ARABIA

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

POTATO PROCESSING PLANT

Approximate Value: 1 Ms

Financing Source : OTHER

Contact : F. SALEMH, CDN EMBASSY  
RIYADH



## RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: RIYADH

Market: SAUDI ARABIA

Sector : DEFENCE PROGRAMS, PRODUCTS, SERV

Sub-Sector: ARMAMENTS &amp; VEHICLES

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	250.00 \$M	500.00 \$M	750.00 \$M	1000.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	25.00 \$M	50.00 \$M
Canadian Share of Market	0.00 %	0.00 %	3.00 %	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	40.00 %
FRANCE	20.00 %
UNITED KINGDOM	15.00 %
BRAZIL	8.00 %
AUSTRIA	5.00 %
SPAIN	3.00 %

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

## Products/services for which there are good market prospects:

1. ARMoured VEHICLES
2. SPECIAL SERVICES VEHICLES
3. PROTECTIVE BODY ARMOUR

## 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:

- Limited appreciation/understanding of distribution system
- Limited Canadian capabilities
- THERE IS NEED FOR SR. HIGH LEVEL
- POLITICAL INVOLVE. FOR MAJOR SALES.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RIYADH

Market: SAUDI ARABIA

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

Activity: FINALIZE SALE OF PIRANHAS TO MINISTRY OF DEFENCE  
Expected Results: \$50M COMPONENT FOR GM CANADA

Activity: KEEP MOWAG PROPOSAL ALIVE WITH NATIONAL GUARD PENDING BUDGET  
Expected Results: \$100M COMPONENT FOR GM CANADA

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

Activity: INCOMING MISSION TO ARM-X 23-25 MAY 1989  
Expected Results: \$10-20 MILLION SALES

Activity: INFO BOOTH AT INTERNATIONAL SECURITY EQUIPMENT EXHIBITION  
Expected Results: \$2 MILLION 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: MARKET STUDY  
Expected Results: RAISE AWARENESS OF MARKET OPPORTUNITIES IN KSA

Activity: CDN PARTIC. IN PROPOSAL TO RE-ENGINE ARMoured VEHICLES  
Expected Results: CDN GROUP TO BID ON REFIT PROGRAM

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM  
89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: RIYADH

Market: SAUDI ARABIA

Sector : DEFENCE PROGRAMS, PRODUCTS, SERV

Sub-Sector: ELECTRICAL &amp; ELECTRONIC

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	400.00 \$M	300.00 \$M	400.00 \$M	400.00 \$M
Canadian Exports	10.00 \$M	10.00 \$M	10.00 \$M	10.00 \$M
Canadian Share of Market	2.50 %	3.00 %	2.50 %	2.50 %

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 %
FRANCE	20.00 %
UNITED KINGDOM	15.00 %
GERMANY WEST	10.00 %
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. MILITARY COMMUNICATION NETWORK
2. NAVIGATION AIDS
3. ATC TOWERS
4. SRSAT - LUT
5. CRASH INDICATORS
6. MICROWAVE LANDING SYSTEM
7. STRATEGIC INSTALLATION SECURITY SYSTEMS
8. MAINTENANCE OF NAV. AIDS
9. BOMB DISPOSAL ROBOT
10. A/V/SURVEILLANCE CARS.

## Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RIYADH

Market: SAUDI ARABIA

Factors for Canadian exports not reaching market potential:

- Limited appreciation/understanding of distribution system
- Limited Canadian capabilities
- MAJOR SALES-POLITICALLY LINKED.NEED
- TO OBTAIN BLESSING OF EXPATRIATE

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

Activity: SUPPORT CDN FIRMS REGISTERED AS SUB-SUPPLIERS TO ARMY AVIAT.  
Expected Results: \$10-20 MILLION SALES

Activity: ENCOURAGE MODA TO DEMONSTRATE SIDE LOOKING AIRBORNE RADAR  
Expected Results: OBTAIN INVITATION TO QUOTE A SYSTEM

Activity: PURSUE CDN BIDDER FOR TAIF SECURITY SYSTEMS.  
Expected Results: PURSUADE CDN FIRM TO MAKE QUOTATION

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

Activity: ARM-X INCOMING MISSION - 23-25 MAY 1989  
Expected Results: \$10-20 MILLION 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: DETERMINE MARKET FOR ELECTRONIC WARFARE SIMULATION TRAINING  
Expected Results: PREPARE REPORT ON SIZE OF MARKET AND ENTRY POSSIBILITIES

Activity: GET MID-SIZE CDN FIRMS TO PARTICIPATE IN SMALL SECURITY JOBS  
Expected Results: J.-V. BID BY ONE OF SEVERAL QUALIFIED CDN GROUPS

Activity: SUPPORT CDN FIRMS TO MOVE INTO MAINTENANCE SECTOR-NAV AIDS  
Expected Results: J.-V. PARTICIPATION OF O & M CONTRACT AT AIRPORT



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## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: RIYADH

Market: SAUDI ARABIA

Sector : DEFENCE PROGRAMS, PRODUCTS, SERV

Sub-Sector: AEROSPACE

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	4000.00 \$M	2000.00 \$M	2000.00 \$M	2000.00 \$M
Canadian Exports	2.00 \$M	6.00 \$M	6.00 \$M	10.00 \$M
Canadian Share of Market	0.00 %	1.00 %	1.00 %	1.00 %

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

## Major Competing Countries

## Market Share

UNITED KINGDOM	30.00 %
FRANCE	20.00 %
UNITED STATES OF AMERICA	20.00 %
NETHERLANDS	10.00 %
GERMANY WEST	0.00 %

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

## Products/services for which there are good market prospects:

1. STOL AIRCRAFT
2. REMOTE RECONNAISSANCE VEHICLE
3. PILOT TRAINING
4. CL215 WATER BOMBER
5. OVERHAUL OF RSAF ENGINE
6. F-5 FLEET MAINTENANCE
7. CRV7 ROCKET WEAPON SYSTEM

## Factors contributing to current successful Canadian exports:

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

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RIYADH

Market: SAUDI ARABIA

Factors for Canadian exports not reaching market potential:

- Limited appreciation/understanding of distribution system
- NEED TO LINK COMMERCIAL & POLITICAL
- CONTACTS.

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

Activity: PURSUIT OF CDN INVOLVEMENT IN FRONTIER FORCES PROJECT  
Expected Results: SALE OF STOL AIRCRAFT AND AVIONICS

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

Activity: ESTABLISH PROMOTION PROGRAM FOR CI 277 AND CI 289  
Expected Results: HAVE KSA DELEGATION VIEW DEMO IN CDA. ESTABLISH APPROPRIATE AGENT

Activity: UPDATE MINI MARKET STUDY ON DEFENCE PRODUCTS  
Expected Results: CDN COMPANIES TO APPOINT AGENTS





RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: RIYADH

Market: SAUDI ARABIA

Sector : ADVANCED TECH. PROD. &amp; SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	200.00 \$M	250.00 \$M	250.00 \$M	300.00 \$M
Canadian Exports	10.00 \$M	13.00 \$M	15.00 \$M	20.00 \$M
Canadian Share of Market	5.00 %	5.00 %	6.00 %	7.00 %

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

## Major Competing Countries

## Market Share

JAPAN	20.00 %
UNITED STATES OF AMERICA	15.00 %
SWEDEN	13.00 %
GERMANY WEST	8.00 %
ITALY	8.00 %
NETHERLANDS	3.00 %

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

## Products/services for which there are good market prospects:

1. PACKET SWITCHING EQUIPMENT
2. TEST EQUIPMENT
3. PARX
4. RURAL SUBSCRIBER RADIO
5. MODEMS
6. COMMUNICATIONS TOWERS
7. MOBILE RADIO TELEPHONES

## Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RIYADH

Market: SAUDI ARABIA

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Limited appreciation/understanding of distribution system
- NOT ALL CDN PRODUCTS CONFORM TO
- CCITT SPECIFICATIONS.

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

Activity: SEMINAR ON CDN CAPABILITY IN RURAL TELECOMMUNICATIONS  
Expected Results: NORTHERN TELECOM AND SR TELECOM TO OBTAIN CONTRACTS

Activity: SUPPORT FOR SPECTRUM MANAGEMENT PROPOSAL AT PTT  
Expected Results: OBTAIN CONTRACT

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

Activity: INFO BOOTH AT SAUDI COM 90 (RIYADH) JAN 28 - FEB 1, 1990  
Expected Results: GENERATE 20 SOURCING LEADS, I.D. 5 NEW AGENTS

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

Activity: MINT MARKET STUDY OF TELECOMMUNICATIONS SECTOR  
Expected Results: RAISE AWARENESS OF MARKET OPPORTUNITIES IN KSA

Activity: ESTABLISH STRONG AGENTS FOR PACKET SWITCH MANUFACTURER  
Expected Results: SALES IN 1990 WHEN SERVICE INTRODUCED

Activity: INTRODUCE CDN TEST EQUIPMENT  
Expected Results: ESTABLISH LOCAL AGENTS

Activity: ESTABLISH DEMO SYSTEM FOR CDN SATELLITE COMMUNICATIONS  
Expected Results: OBTAIN REQUEST TO BID PROPOSED MFA LINK

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RIYADH

Market: SAUDI ARABIA

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

MOBILE TELEPHONE FOR NATIONAL  
GUARD

Approximate Value: 50 M\$  
Financing Source : OTHER  
Contact : R. ROILMAN, CDN EMBASSY  
RIYADH

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: RIYADH

Market: SAUDI ARABIA

Sector : ADVANCED TECH. PROD. &amp; SERV

Sub-Sector: COMPUTERS HARD/SOFTWARE &amp; COMP

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	200.00 \$M	250.00 \$M	300.00 \$M	300.00 \$M
Canadian Exports	5.00 \$M	6.10 \$M	10.00 \$M	10.00 \$M
Canadian Share of Market	3.00 %	3.00 %	2.00 %	3.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	44.00 %
JAPAN	16.00 %
FRANCE	12.00 %
UNITED KINGDOM	7.00 %
TAIWAN	5.00 %
BEIJING	3.00 %

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

Products/services for which there are good market prospects:

1. ENGLISH/ARABIC SOFTWARE
2. ENGLISH/ARABIC HARDWARE

Factors contributing to current successful Canadian exports:

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

RPTCI TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RIYADH

Market: SAUDI ARABIA

Factors for Canadian exports not reaching market potential:

- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- ASIAN PRICING OF HARDWARE PRECLUDES
- ANYTHING OTHER THAN SPECIALTY EQPT.

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

Activity: SUPPORT SUPPLEMENTAL SALES OF BILINGUAL TERMINALS  
Expected Results: FURTHER SALES OF ONE HUNDRED UNITS

Activity: SUPPORT RCT ON MACHINE READABLE PASSPORT EQUIPMENT  
Expected Results: RECEIVE INVITATION FOR FINANCIAL PROPOSAL

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

Activity: INFO BOOTH AT MIDDLE EAST COMPUTING AND BUSINESS EQPT SHOW  
Expected Results: GENERATE 20 SOURCING LEADS, I.D. FIVE NEW AGENTS

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

Activity: MINT MARKET STUDY OF COMMUNICATIONS AND INFORMATICS  
Expected Results: 3 CDN REFS TO APPOINT AGENTS

Activity: INTRODUCE CDN SOFTWARE MANAGEMENT FIRMS TO MARKET  
Expected Results: ESTABLISH CDN-SAUDI JOINT VENTURE

Activity: ORGANIZE CDN COMPUTER SPECIALISTS GROUP IN KINGDOM  
Expected Results: IMPROVE INTELLIGENCE ON AND RESPONSE TO UPCOMING COMPUTER PROJECTS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RIYADH

Market: SAUDI ARABIA

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

METEOROLOGICAL ENVIRONMENTAL PROTECTION ADMIN. FOR COMPUTER	Approximate Value:	10 MS
	Financing Source :	OTHER
	Contact :	R. ROLLMAN, CDN EMBASSY RTYADH

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: RIYADH

Market: SAUDI ARABIA

Sector : ADVANCED TECH. PRD. &amp; SERV

Sub-Sector: REMOTE SENSING INC. SPACE SAT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	2.50 \$M	2.50 \$M	3.00 \$M	3.00 \$M
Canadian Exports	0.00 \$M	0.10 \$M	0.20 \$M	0.20 \$M
Canadian Share of Market	0.00 %	4.00 %	6.00 %	6.00 %

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

Major Competing Countries	Market Share
TAIWAN	23.00 %
UNITED STATES OF AMERICA	14.00 %
UNITED KINGDOM	7.00 %
SWITZERLAND	21.00 %
JAPAN	13.00 %
GERMANY WEST	6.00 %

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

Products/services for which there are good market prospects:

1. ENHANCEMENT EQUIPMENT
2. TRAINING

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PFMD support
- Competitive pricing
- 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
- Limited Canadian capabilities
- PURCHASES MADE ON TURNKEY BASIS. NO
- CDN FIRMS OFFER FULL PACKAGE

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RIYADH

Market: SAUDI ARABIA

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

Activity: DISCUSSIONS WITH KACST REGARDING CDN TRAINING OF TECH/MAPPER  
Expected Results: TRAINEE PLACEMENT IN 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: DETERMINE NEEDS OF MODA FOR REMOTE SENSING  
Expected Results: CDN COMPANIES TO PURSUE OPPORTUNITIES IN KSA

Activity: PURSUE WITH MEPA USE OF CDN EOPT FOR POLLUTION MONITORING  
Expected Results: OBTAIN INVITATION FOR PROPOSAL

Activity: MEET WITH KACST DIRECTORS - SUPPORT FOR SYNTHETIC APERTURE  
Expected Results: ESTABLISH WHETHER THIS WILL BE NEW AREA OF KACST ACTIVITY



## RPTCL TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: RIYADH

Market: SAUDI ARABIA

Sector : POWER &amp; ENERGY EQUIP. &amp; SRV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1330.00 \$M	1450.00 \$M	1390.00 \$M	1300.00 \$M
Canadian Exports	23.00 \$M	25.00 \$M	20.00 \$M	15.00 \$M
Canadian Share of Market	0.60 %	1.70 %	1.40 %	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	25.00 %
JAPAN	20.00 %
GERMANY WEST	15.00 %
UNITED KINGDOM	14.00 %
FRANCE	10.00 %

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

Products/services for which there are good market prospects:

1. SWITCH GEAR
2. CONTROL SYSTEMS
3. MANAGEMENT SERVICES
4. LIGHTING
5. TRAINING
6. CABLES
7. INSTRUMENTATION

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PFMD support
- Fairs and Missions support
- Trade Fair activity
- Competitive pricing
- Strong sectoral capability in Canada
- Willingness of exporters to invest/joint venture in territory

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RIYADH

Market: SAUDI ARABIA

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Unsuitable product
- 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: DEVELOP SCFCO CENTRAL TRAINING PROGRAM WITH ARAB CDA ACCESS  
Expected Results: PLACE SAUDIS IN CDA FOR TECHNICAL AND MANAGEMENT TRAINING

Activity: DEVELOP FURTHER CONTACTS AT OTHER ELECTRICAL UTILITIES  
Expected Results: PLACE SAUDIS IN CDA FOR TECHNICAL AND MANAGEMENT TRAINING

Activity: PUSH FOR CDN PARTICIPATION IN GCC POWER GRID PROJECT MNGMT  
Expected Results: \$20 MILLION 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: PROMOTE CDN EXPERTISE IN SUPERVISORY CONTROL & DATA ACQUIS.  
Expected Results: SALES OF CDN SOFTWARE AND HARDWARE TO KSA

Activity: TOUR NORTHERN ELECTRICAL UTILITIES  
Expected Results: RAISE INTEREST IN CDN PRODUCTS AND SERVICES. INTEREST REGIONAL UTILITIES IN TRAINING

Activity: PROMOTE SAUDI PARTICIPATION IN ELECTRIX ONTARIO OCT. 1989  
Expected Results: INCREASED SAUDI AWARENESS OF CDN EQUIPMENT AND TECHNICAL EXPERTISE.

## RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: RIYADH

Market: SAUDI ARABIA

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	2142.00 \$M	2770.00 \$M	2500.00 \$M	2000.00 \$M
Canadian Exports	21.00 \$M	30.00 \$M	33.00 \$M	35.00 \$M
Canadian Share of Market	1.00 %	1.08 %	1.30 %	1.70 %

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

## Major Competing Countries Market Share

JAPAN	38.00 %
UNITED STATES OF AMERICA	25.00 %
GERMANY WEST	21.00 %
CANADA	0.70 %

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

## Products/services for which there are good market prospects:

1. AUTOMOTIVE PARTS
2. WET CELL BATTERIES
3. TYRES

## Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- PFMN support
- Fairs and Missions support
- Provincial export promotion
- 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
- CDNS SHOULD VISIT THE MARKET OFTEN.
- NOT ONLY WHEN THERE IS A MISSION

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RIYADH

Market: SAUDI ARABIA

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

Activity: ESTABLISHMENT OF CDN/SAUDI AUTO PARTS DISTRIBUTION CENTRE  
Expected Results: SALES OF \$20-30 MILLION P.A.

Activity: FINALIZE AGENCY AGREEMENT FOR SALES OF CDN HEAVY DUTY TRUCKS  
Expected Results: SALES OF \$10-15 MILLION P.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: ASSIST IN EST. CDN/SAUDI AUTO PARTS MANUFACTURING FACILITIES  
Expected Results: ESTABLISHMENT OF CDN/SAUDI J. - V.  
V

Activity: I.D. SAUDI PARTNERS FOR CDN SUPPLIERS OF GARAGE SERVICE EQUIP  
Expected Results: ESTABLISH 3 NEW AGENCIES/DISTRIBUTORSHIPS

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: RIYADH

Market: SAUDI ARABIA

Sector : TRANSPORT SYS.FOUIP.COMP.SERV.

Sub-Sector: AFROSPACE

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	550.00 \$M	600.00 \$M	650.00 \$M	700.00 \$M
Canadian Exports	1.00 \$M	1.30 \$M	2.00 \$M	5.00 \$M
Canadian Share of Market	0.00 %	0.20 %	0.30 %	0.70 %

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

Major Competing Countries

Market Share

UNITED KINGDOM	57.00 %
UNITED STATES OF AMERICA	28.00 %
FRANCE	8.00 %
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. COMMUTER AIRCRAFT
2. PRIVATE AIRCRAFT
3. AIRCRAFT PARTS
4. FLYING SERVICES
5. AIRCRAFT HANGAR FOR SAUDI
6. CONTROL TOWERS
7. FLIGHT SIMULATORS

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
- Limited appreciation/understanding of distribution system
- Performance of local agent or representative
- POOR AGENT SELECTION INITIALLY SET
- BACK PROMOTION

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RIYADH

Market: SAUDI ARABIA

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

Activity: DISCUSSIONS BETWEEN AVELEX/ARABASCO FOR AGENCY AGREEMENT  
Expected Results: FLOW THROUGH ENGINE COMPONENT WORK FOR AVELEX

Activity: FORMAL SUBMISSION OF DASH-8 AIRCRAFT FOR REGIONAL SERVICE  
Expected Results: RECEIVE REQUEST FOR FINANCIAL PROPOSAL

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

Activity: PURSUE -AGRI CORP. USE OF LIGHT AIRCRAFT FOR CROP SPRAYING  
Expected Results: LIGHT AIRCRAFT DEMONSTRATION

Activity: DEVELOP PROPOSAL - FDC FINANCING SALE OF VIP HELICOPTER TO YAR  
Expected Results: SALE OF 1 BELI HELICOPTER 212 TO YEMEN ARAB REPUBLIC

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RIYADH

Market: SAUDI ARABIA

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

AIR TRAFFIC CONTROL TOWER

Approximate Value: 5 M\$

Financing Source : OTHER

Contact : R. ROILMAN, CDN EMBASSY  
RIYADH

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: RIYADH

Market: SAUDI ARABIA

Sector : MINF.METAL.MINERAL PROD &amp; SRV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	320.00 \$M	265.00 \$M	250.00 \$M	250.00 \$M
Canadian Exports	2.00 \$M	2.00 \$M	2.00 \$M	3.00 \$M
Canadian Share of Market	0.60 %	0.80 %	0.80 %	1.20 %

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 %
JAPAN	15.00 %
GERMANY WEST	9.00 %
FRANCE	8.00 %
ITALY	6.00 %

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

## Products/services for which there are good market prospects:

1. MINING SERVICES
2. ASBESTOS
3. SPECIALTY STEELS

## Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- PFMD support
- Fairs and Missions support
- 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
- Market prospects have not been adequately explored



RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RIYADH

Market: SAUDI ARABIA

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

Activity: FOLLOW-UP CONSORTIUM MINING PROPOSAL HEADED BY CCC  
Expected Results: \$150 MILLION CONTRACT

Activity: FOLLOW-UP MTG OF JFC TECH SUB-COMM.-OPPORTUNITIES IN MINING  
Expected Results: IDENTIFY OPPORTUNITIES FOR PLACEMENT OF PUBLIC AND/OR PRIVATE SECTOR EXPERTS WITH DGMR

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

Activity: ESTABLISH FORMAL LINK BETWEEN SAUDI DIRECTORATE & CDN FMR  
Expected Results: MEMORANDUM OF UNDERSTANDING ON MINING COOPERATION

Activity: IDENTIFY SPECIFIC OPPORTUNITIES FOR J.V. IN MINING  
Expected Results: FACILITATE CDN INVESTMENT IN AND TRANSFER OF TECHNOLOGY TO MINING SECTOR

Activity: PREPARE MARKET STUDY FOR SAUDI MINING SECTOR  
Expected Results: MAKE CDN FIRMS AWARE OF OPPORTUNITIES IN KSA

Activity: MONITOR DEV'T OF NEW MINING CODE AND KEEP CDN FIRMS INFORMED  
Expected Results: IDENTIFICATION OF NEW OPPORTUNITIES THROUGH AWARENESS OF NEW REGULATIONS

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: RIYADH

Market: SAUDI ARABIA

Sector : OIL &amp; GAS EQUIPMENT SERVICES

Sub-Sector: MACHINERY AND EQUIPMENT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1590.00 \$M	820.00 \$M	570.00 \$M	650.00 \$M
Canadian Exports	15.00 \$M	17.00 \$M	15.00 \$M	20.00 \$M
Canadian Share of Market	0.90 %	2.10 %	2.60 %	3.10 %

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

## Major Competing Countries

## Market Share

UNITED STATES OF AMERICA	30.00 %
JAPAN	20.00 %
UNITED KINGDOM	10.00 %
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. MAINTENANCE SERVICES
2. SCADA SYSTEMS
3. EXPLORATION SOFTWARE
4. SUNDRY SUPPLIES
5. INSTRUMENTATION

## Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RIYADH

Market: SAUDI ARABIA

Factors for Canadian exports not reaching market potential:

- 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: CONTACTS WITH ARAMCO AND OTHER OIL INDUSTRY CONTACTS  
Expected Results: MONITOR LEVEL OF OIL SECTOR ACTIVITY. IDENTIFY UPCOMING 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: PREPARE GROUNDWORK FOR KSA MISSION TO NPS'90  
Expected Results: IDENTIFY BEST KSA REPS TO SEND TO NPS'90

Activity: PROMOTE CDN EXPERTISE IN SUPERVISORY CONTROL & DATA ACQUIS.  
Expected Results: SALES OF CDN SOFTWARE AND HARDWARE TO KSA

Activity: PROMOTE KSA & YEMENI ATTENDANCE AT INTERCAN '89  
Expected Results: INCREASE BUSINESS CONNECTIONS IN THIS SECTOR

Activity: ENCOURAGE CDN PARTICIPANTS IN MIDDLE EAST OIL SHOW  
Expected Results: NEW AGENCY AGREEMENTS

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RIYADH

Market: SAUDI ARABIA

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

IPSA II PIPELINE  
(IRAQ-SAUDI LINE)

Approximate Value: 1000 Ms  
Financing Source : OTHER  
Contact : CDN EMBASSY, BAGHDAD

COMPLETION OF GAS COLLECTION  
SYSTEM (FIJIR SUB-CONTRACT)

Approximate Value: 100 Ms  
Financing Source : OTHER  
Contact : A. SHTSKO, CDN EMBASSY,  
RIYADH

PETROLINE EXPANSION DHAHRAN -  
YANRU

Approximate Value: 1000 Ms  
Financing Source : OTHER  
Contact : A. SHTSKO, CDN EMBASSY  
RIYADH

## RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: RIYADH

Market: SAUDI ARABIA

Sector : EDUCATION.MEDICAL.HEALTH PROD

Sub-Sector: HOSP. &amp; MEDICAL EQUIP.INSTRUM.

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	166.00 \$M	162.00 \$M	166.00 \$M	170.00 \$M
Canadian Exports	0.13 \$M	0.12 \$M	0.13 \$M	0.15 \$M
Canadian Share of Market	0.08 %	0.07 %	0.08 %	0.09 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	35.00 %
GERMANY WEST	20.00 %
UNITED KINGDOM	12.00 %

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

Products/services for which there are good market prospects:

1. SURGICAL/MEDICAL EQUIPMENT
2. X-RAY EQUIPMENT
3. DENTAL EQUIPMENT
4. ELECTRON MED EQUIPMENT

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PFMD support
- Fairs and Missions support
- Competitive pricing
- DEDICATION (EXPORTER) TIME
- & RESOURCES ALLOCATED AND
- WILLINGNESS TO REDUCE \$

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Limited Canadian capabilities

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RIYADH

Market: SAUDI ARABIA

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

Activity: CONTACTS WITH AGENCIES TO INTRO. FURTHER CDN EXPERTISE & CO.  
Expected Results: 2-3 AGENCY AGREEMENTS

Activity: CDN CO. TO BE INVITED TO PARTIC. IN TENDERS FOR MEDICAL EQPT  
Expected Results: 2-3 AGENCY AGREEMENTS

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

Activity: HEALTH CARE PROPOSED MISSION TO CDA IN MAY 1989  
Expected Results: INTRODUCE AGENTS AND POTENTIAL CUSTOMERS TO CDN SUPPLIERS

Activity: HEALTH CARE PROPOSED MISSION TO KSA - VISIT TO HEALTH SHOW  
Expected Results: SIGN 2-3 AGENCY AGREEMENTS/J.-V.

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

Activity: WATCH FOR NEW TENDERS & INFORM CDN COMPANIES  
Expected Results: TO ALLOW CDN COMPANIES TO PARTICIPATE IN UPCOMING TENDERS

Activity: CONTACTS WITH MAJOR PUBLIC SECTOR HOSPITALS I.D. NEEDS  
Expected Results: IDENTIFICATION OF AND SALES IN NICHE MARKETS

Activity: ENCOURAGE CDN CO. TO PARTICIPATE IN MIDDLE EAST MEDICARE  
Expected Results: INITIATE SALES AND AGENCY AGREEMENTS

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RIYADH

Market: SAUDI ARABIA

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

KING FAHD MEDICAL CITY  
RIYADH

Approximate Value: 150 Ms  
Financing Source : DOM - Domestically funded  
Contact : L. C. PAMFRIEAU, CDN EMBASSY  
RIYADH

KING FAHD NTL. GUARD HOSP.  
EXP.

Approximate Value: 25 Ms  
Financing Source : DOM - Domestically funded  
Contact : L. C. PAMFRIEAU, CDN EMBASSY  
RIYADH

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: RIYADH

Market: SAUDI ARABIA

Sector : EDUCATION, MEDICAL, HEALTH PROD

Sub-Sector: EDUCATIONAL SERVICES, EQUIPMENT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	320.00 \$M	280.00 \$M	290.00 \$M	300.00 \$M
Canadian Exports	0.70 \$M	0.80 \$M	0.90 \$M	1.00 \$M
Canadian Share of Market	0.20 %	0.30 %	0.30 %	0.30 %

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

## Major Competing Countries

## Market Share

UNITED KINGDOM	40.00 %
UNITED STATES OF AMERICA	25.00 %
FRANCE	6.00 %
GERMANY WEST	6.00 %

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

## Products/services for which there are good market prospects:

1. EDUCATION AND TRAINING IN CDA
2. TEACHING AIDS
3. TEXT BOOKS
4. LABORATORY EQUIPMENT

## Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PFMD support
- Trade Fair activity
- Provincial export promotion
- Competitive pricing
- Bilateral economic trade agreement



RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RIYADH

Market: SAUDI ARABIA

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

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

Activity: INCREASE TRAINING OF SAUDI MEDICAL STAFF IN CDA  
 Expected Results: INCREASE NUMBER OF TRAINEES TO 500 BY 1991

Activity: FOLLOW-UP ACTIVITIES IDENTIFIED BY JEC  
 Expected Results: 3 TRAINING CONTRACTS

Activity: FOLLOW-UP CONCLUSION OF 2 PROPOSALS CONCERNING HEALTH CARE  
 Expected Results: 2 CONTRACTS

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 SURVEY WILL BE PREPARED FOR DISTRIBUTION  
 Expected Results: TO STIMULATE THE INTEREST OF CDN SUPPLIERS BY PROVIDING INFO ON MARKET OPPORTUNITIES

Activity: STRENGTHEN CONTACTS-MINISTRY OF INTERIOR-SEARCH & RESCUE  
 Expected Results: 25 TRAINEES

Activity: STRENGTHEN CONTACTS-INSTITUTE OF PUBLIC ADMIN. PROMOTE TRAIN  
 Expected Results: 3 TRAINEES

Activity: DEVELOP CONTACTS BETWEEN MOT & CDN COLLEGES TRAIN POLICE/PER  
 Expected Results: 4 TRAINEES

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: RIYADH

Market: SAUDI ARABIA

Sector : EDUCATION, MEDICAL, HEALTH PROD

Sub-Sector: SERVICES INCLUDING CONSULTING

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	648.00 \$M	582.00 \$M	500.00 \$M	477.00 \$M
Canadian Exports	5.00 \$M	9.00 \$M	9.00 \$M	10.00 \$M
Canadian Share of Market	0.80 %	1.50 %	1.80 %	2.10 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	32.00 %
UNITED KINGDOM	22.00 %
AUSTRIA	10.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. HOSPITAL MANAGEMENT
2. LABORATORY MANAGEMENT
3. O & M

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PFMD support
- Competitive pricing
- Willingness of exporters to invest/joint venture in territory
- EXPORTERS DEDICATION-TIME
- & RESOURCES ALLOCATED &
- WILLINGNESS TO REDUCE \$

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- lack of promotion and advertising
- LACK OF FLEXIBILITY OF THE SERVICES
- OFFERED IN RELATION TO MKT CONDIT.

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: RIYADH

Market: SAUDI ARABIA

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

Activity: ASSIST CDN CO. IN CONCLUDING TRAINING PROPOSALS  
Expected Results: 2 CONTRACTS

Activity: ASSIST NEWLY EST. J.-V. TO OBTAIN HOSPITAL MNGMT CONTRACT  
Expected Results: 1 CONTRACT

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

Activity: HEALTH CARE PROPOSED MISSION TO CANADA IN MAY 1989  
Expected Results: INTRODUCE AGENTS & POTENTIAL CUSTOMERS TO CDN SUPPLIERS.  
SUPPLY INFO ON MARKET OPPORTUNITIES

Activity: HEALTH CARE MISSION TO KSA & VISIT SAUDI HEALTH CARE SHOW  
Expected Results: CREATE OPPORTUNITIES FOR CONCLUSION OF SALES 2-3 AGENCY AGREEMENTS. J.-V.

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

Activity: LOBBY KSA AUTHORITIES TO INVITE CDN CO.-MEDT. TRAIN. PROJECT  
Expected Results: 1 PROJECT

RPTD1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 INVESTMENT PROMOTION PROFILE

Mission: RIYADH

Country: SAUDI ARABIA

The mission reports that the approximate flows to all countries of investment from its country/territory in Canadian \$ is as follows: (including portfolio flows if a primary focus)

	Total (\$ Million)	Canadian Share	Major Competitor Share
Current year	1000.00	2.00	35.00
One year ago	800.00	5.00	35.00
Two years ago	800.00	7.00	35.00

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:

\$ 60 MILLION

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

- UNITED STATES
- BRITAIN
- JAPAN
- OTHER EUROPEAN COUNTRIES

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

- TARGETTED PROMOTION TO INDIVIDUAL INVESTORS IN LIGHT OF GOVERNMENT POLICY TO ENCOURAGE REPATRIATION OF PRIVATE CAPITAL FOR INVESTMENT IN LOCAL ECONOMY.

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 INVESTMENT PROMOTION PROFILE

Mission: RIYADH

Country: SAUDI ARABIA

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

- STRONG ECONOMY: POSITIVE OUTLOOK
- POLITICAL STABILITY
- RESOURCE RICH
- WELCOMING POLICY
- BUSINESS IMMIGRANT PROGRAM.

the following constraints:

- LITTLE KNOWN
- DISTANCE
- CANADIAN \$ NOT A MAJOR CURRENCY
- HIGH TAXES
- LOW VISIBILITY OF CANADIAN BANKS AND INVESTMENT DEALERS

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

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

The mission believes that the following sectors are of greatest interest to investors in its territory/country with an assigned ranking of 1-10:

Sector	Ranking
Agriculture/Food/Fish	9
Resource Processing	2
Machinery and Equipment	5
Transportation	8
Consumer Products	4
Commercial Service	1
Computer and Communications	3
Health Care Products/Medical	6
Aerospace and Defence	10
Strategic Technologies	7

RPTD2

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: RIYADH

Country: SAUDI ARABIA

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

	Date
Type: ENTREPRENEURIAL SEMINAR	
ORGANIZE SEMINARS IN COOPERATION WITH IMMIGRATION OFFICERS FROM KUWAIT.	0/89
Location: KSA	
Invest Nature: 1-4	
Sector: MULTIPLE SECTORS	
Cooperants:	
Estimated Budget: \$35,000.00	
Type: MISSION IN. TO INDUSTRY	
SAUDI BUSINESSMEN'S MISSION TO INCLUDE FOCUS ON INVESTMENT.	9/89
Location:	
Invest Nature: ALL	
Sector: MULTIPLE SECTORS	
Cooperants: DFA/INVEST CDA/DRIF	
Estimated Budget: \$35,000.00	
Type: DIRECT MAIL CAMPAIGN	
REGULARLY DISTRIBUTE INFO ON CDN ECONOMY & INVESTMENT CLIMATE TO LEADING BUSINESSMEN.	0/89
Location: KSA	
Invest Nature: ALL	
Sector: MULTIPLE SECTORS	
Cooperants: INVEST CDA	
Estimated Budget: \$0.00	
Type: OUTCALL PROGRAM	
MEET PRIVATELY WITH SELECTED HIGH NET-WORTH SAUDIS.	0/89
Location: KSA	
Invest Nature:	
Sector: MULTIPLE SECTORS	
Cooperants:	
Estimated Budget: \$0.00	

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RPT02

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: RIYADH

Country: SAUDI ARABIA

Date

Type: OTHER PROMOTION

ARRANGE PROGRAM FOR VISITING INVESTMENT DEALERS/BANKERS.

0/89

Location: KSA

Invest Nature: 1-3

Sector: MULTIPLE SECTORS

Cooperants: INVESTMENT DEALERS/BANKERS.

Estimated Budget: \$0.00

Total estimated budget for all proposals:

\$70,000.00

Post : RIYADH

<u>Start Date</u>	<u>Event Name, Location &amp; Type</u>	<u>Sector/Post/Contact</u>
89/06/15	SENIOR SAUDI BUSINESSMEN'S MISSION TO CANADA MISSION IN, TO INDUSTRY	GENERAL OR UNASSIGNED ISB L.REARDON
89/09/00	EDUCATION & TRAINING MISSION TO KINGDOM OF SAUDI ARABIA MISSION OUT, INDUSTRY	EDUCATION, MEDICAL, HEALTH PROD
89/10/00	CHAMBER OF COMMERCE MISSION FROM UAE MISSION IN, TO INDUSTRY	GENERAL OR UNASSIGNED ISB
89/10/22	SAUDI BUILD, RIYADH, SAUDI ARABIA INFO BOOTH, ONLY	CONSTRUCTION INDUSTRY
89/12/05	ARAB PROTECH-INTL SECURITY EQUIP. SHOW IN KSA INFO BOOTH, ONLY	GENERAL OR UNASSIGNED ISB
90/01/28	SAUDI COMMUNICATIONS, RIYADH INFO BOOTH, ONLY	ADVANCED TECH. PROD. & SERV
90/02/11	ELECTROTECH INFO BOOTH, WITH GROUP	ADVANCED TECH. PROD. & SERV
90/03/00	SAUDI-AG, RIYADH INFO BOOTH, ONLY	AGRI & FOOD PRODUCTS & SERVICE



RPTR1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 TRADE AND ECONOMIC OVERVIEW

Mission: TFL AVIV

Country: ISRAEL

THE PROGRAM OF ECONOMIC STABILIZATION FIRST IMPOSED IN 1985 WAS CONTINUED THROUGHOUT 1988. THE GOALS OF REDUCING THE BUDGET DEFICIT, BRINGING INFLATION DOWN TO AN ACCEPTABLE LEVEL, AND MAINTAINING EXCHANGE RATE STABILITY HAVE IN LARGE PART BEEN ACHIEVED, ALTHOUGH NOT WITHOUT SOME DISCOMFORT. GOVERNMENT SPENDING CUTS HAVE SERIOUSLY AFFECTED THE NATIONAL HEALTH SYSTEM, THE EDUCATIONAL SYSTEM AND EVEN THE STATUS OF MILITARY PROCUREMENT PROGRAMS. EXPORTERS COMPLAIN THAT DOLLAR EARNINGS FROM FOREIGN SALES NO LONGER COVER COSTS IN LOCAL CURRENCY, WHICH HAVE CONTINUED TO RISE AT A RATE OF 17-20% ANNUALLY. THEY DEMAND A DEVALUATION, WHICH THE GOVERNMENT IS PLEDGED TO AVOID. IN ISRAEL, WHERE WAGES ARE LINKED TO THE COST-OF-LIVING INDEX, DEVALUATIONS TRANSLATE INTO INFLATIONARY WAGE INCREASES AND BECOME SELF-DEFEATING. THE STABILIZATION PACKAGE ALSO INCLUDES PUTTING AN END TO CONSUMER SUBSIDIES AND PRIVATIZING MOST PUBLICLY-HELD ENTERPRISES, A MOVE WHICH REFLECTS THE SHIFT TO THE RIGHT IN ISRAELI POLITICS. AS A CONSEQUENCE OF THE AUSTERITY MEASURES, ECONOMIC GROWTH BEGAN TO SLOW TOWARD THE MIDDLE OF 1988. INDUSTRIAL OUTPUT FELL FROM THE PREVIOUS YEAR BY 5-10%, ACCORDING TO SECTOR, AND TAX REVENUE SLUMPED. ADDED TO THESE DIFFICULTIES IS THE COST OF THE PALESTINIAN UPRISING, THE COST OF EXTRA SECURITY MEASURES, THE ABSENCE OF MANY WEST BANK LABOURERS FROM THE WORKFORCE AND THE DELETERIOUS EFFECT ON TOURISM RECEIPTS ARE ESTIMATED TO HAVE COST THE ECONOMY WELL IN EXCESS OF A BILLION DOLLARS. ISRAELI IMPORTS GREW BY 11% DURING THE FIRST 8 MONTHS OF 1988, AND ARE PROJECTED TO REACH US\$13 BILLION FOR THE YEAR. CANADIAN EXPORTERS MAINTAINED MARKET SHARE, DESPITE THE EXISTENCE OF THE USA/ISRAEL FTA, AND WILL AGAIN RECORD SALES WELL IN EXCESS OF \$100 MILLION. IN ADDITION TO SALES OPPORTUNITIES OFFERED BY THE MARKET FOR OUR TRADITIONAL EXPORTS, SEVERAL AREAS OFFER POTENTIALLY INTERESTING PROSPECTS: RAILWAY EXPANSION, ENVIRONMENTAL PROTECTION SYSTEMS, AND CAPITAL EQUIPMENT FOR A VARIETY OF INDUSTRIAL PLANTS. AN ESPECIALLY INTERESTING FEATURE OF THE ISRAELI ECONOMY IS THE PRESENCE OF LOCALLY-DEVELOPED HIGH TECHNOLOGY IN SECTORS OF RELEVANCE TO CANADIAN FIRMS. THE POST HAS DEVELOPED, IN CO-OPERATION WITH NCR, A PROGRAM TO ASSIST COMPANIES LOCATE AND ACQUIRE TECHNOLOGY IN SEVERAL FIELDS, NOTABLY THE MEDICAL, AGRICULTURAL AND BIOTECHNOLOGY SECTORS.

-----  
CYPRUS: IN ADDITION TO BEING A MODEST MARKET FOR A WIDE RANGE OF CANADIAN GOODS AND SERVICES, CYPRUS OFFERS ITSELF AS A CONVENIENT AND CONGENIAL BASE OF OPERATIONS FOR FIRMS DOING BUSINESS IN THE REGION GENERALLY. POWER PROJECTS, AS WELL AS WATER AND SEWAGE DEVELOPMENTS, ARE OF SPECIAL INTEREST, BUT FINANCING TERMS ARE COMPETITIVE.

RPT82

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 EXPORT PROMOTION PRIORITIES

Mission: TEL AVIV

Country: ISRAEL

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

1. ADVANCED TECH. PROD. & SERV.  
ELECTRONICS: RAPIDLY GROWING SECTOR IN ISRAEL: MARKET FOR COMPONENTS. CABLE TV PROJECT BEING IMPLEMENTED. PTT HAS ADOPTED CON STANDARDS. REMOTE SENSING FIELD EXPANDING. INCREASED USE OF PROCESS CONTROL/S/ INSTRUMENTATION IN MANUFACTURING INDUSTRY.
2. AGRI & FOOD PRODUCTS & SERVICE  
TWO MAJOR PROMOTIONAL EVENTS WILL OCCUR: A) "AGRITECH 89" AND B) CANADA/ISRAEL FOOD WEEK (10/89). VENUES FOR A) AGRICULTURAL MACHINERY. FARM IMPLEMENTS. LIVESTOCK EQUIPMENT/SERVICES. AND B) SPECIALIZED FOOD ITEMS.
3. TRANSPORT SYS. EQUIP. COMP. SERV.  
TWO PROJECTS: A) PASSENGER-COMMUTER RAILWAY FOR TEL AVIV AREA. B) ISRAEL CHEMICAL INDUSTRIES REQUIREMENT FOR ORE CARRIERS AND RELATED EQUIPMENT.
4. POWER & ENERGY EQUIP. & SERV.  
PLANS IN PLACE FOR NEW THERMAL GENERATION PLANTS: 2X550 MW TO BE COMMISSIONED 1997. INCLUDES ANCILLARY EQUIPMENT. COAL HANDLING EQUIPMENT. TRANSMISSION. FOLLOWING VISIT TO COA BY TOP ISRAELI ELECTRIC OFFICIALS INTEREST IN CON SOURCES IS HIGH.
5. INDUSTRIAL MACHIN. PLANTS. SERV.  
EDC LINES OF CREDIT IN PLACE AT TWO LARGEST INDUSTRIAL GROUPS IN ISRAEL.

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

- |                                     |                                      |
|-------------------------------------|--------------------------------------|
| 1. CHEM PROD & PETROCHEM. EQP. SERV | 4. TRANSPORT SYS. EQUIP. COMP. SERV. |
| 2. FOREST PRODUCTS. EQUIP. SERVICES | 5. AGRI & FOOD PRODUCTS & SERVICE    |
| 3. MINF. METAL. MINERAL PROD & SRV  |                                      |

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TFI AVIV

Market: ISRAEL

Sector : AGRI &amp; FOOD PRODUCTS &amp; SERVICE

Sub-Sector: AGRICULTURE MACH. EQUIP. TOOLS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	170.00 \$M	190.00 \$M	220.00 \$M
Canadian Exports	0.00 \$M	27.50 \$M	32.00 \$M	38.00 \$M
Canadian Share of Market	0.00 %	16.10 %	16.80 %	17.20 %

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

Major Competing Countries	Market Share
EUROPEAN COMMON MARKET C	40.00 %
UNITED STATES OF AMERICA	60.00 %

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

Products/services for which there are good market prospects:

1. PULSES
2. SPECIALTY FOOD ITEMS (E.G. FISH PRODUCTS)
3. FARM IMPLEMENTS
4. GRAIN HANDLING AND STORAGE EQUIPMENT
5. PEAT
6. BIOTECHNOLOGY (SERVICES)

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
- Competitive Canadian financing

RPTCI

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TEL AVIV

Market: ISRAEL

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Unsuitable product
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- BUY BACK DEMANDS.
- IMPORT LICENSING

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

Activity: CONDUCT MARKET RESEARCH OF IMPORT POTENTIAL  
 Expected Results: ASSIST IN DEFINING MARKET NEEDS

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

Activity: CANADA FOOD WEEK (OCT. 1989)  
 Expected Results: PROMOTE CAN FOOD PRODUCTS

Activity: AGRITECH '89  
 Expected Results: RAISE AWARENESS OF AVAILABLE LOCAL TECHNOLOGY AND MARKET POTENTIAL

Activity: AG CDA INFO BOOTH AT AGRITECH '89  
 Expected Results: PROMOTE JOINT VENTURES AND HELP RAISE AWARENESS OF CDA AS POTENTIAL SUPPLIER

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

Activity: SEMINAR ON DAIRY CATTLE GENETICS (MAY 1989)  
 Expected Results: PROMOTE JOINT VENTURES

RPTCI

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TEL AVIV

Market: ISRAELI

Sector : ADVANCED TECH. PROD. &amp; SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	110.00 \$M	136.35 \$M	150.00 \$M	160.00 \$M
Canadian Exports	2.60 \$M	4.30 \$M	6.00 \$M	10.00 \$M
Canadian Share of Market	2.30 %	3.15 %	4.00 %	6.25 %

Cumulative 3 year export potential for  
CDN products in this sector/subsector: 15-20 \$M

Major Competing Countries Market Share

UNITED STATES OF AMERICA	0.00 %
GERMANY WEST	0.00 %
UNITED KINGDOM	0.00 %
FRANCE	0.00 %
NETHERLANDS	0.00 %
ITALY	0.00 %

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

Products/services for which there are good market prospects:

1. CABLE TV TRANSMITTERS
2. INSTRUMENTATION EQUIPMENT
3. SCRAMBLING/DESCRAMBLING EQUIPMENT
4. TELECOMMUNICATIONS EQUIPMENT
5. BROADCASTING EQUIPMENT
6. REMOTE SENSING SYSTEMS
7. LOCAL AREA NETWORKS (LAN'S)

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TFI AVIV

Market: ISRAEL

Factors for Canadian exports not reaching market potential:

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

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

Activity: GENERATE WIDE RANGE OF CONTACTS WITH MAJOR AGENTS/DISTRIBUT.  
Expected Results: UPDATED INFORMATION ON MAJOR OPPORTUNITIES.

Activity: PROMOTE AVAILABILITY OF FDC FINANCING.  
Expected Results: GET ACCESS TO MAJOR PROJECTS.

Activity: GENERATE INTEREST IN ISRAELI MARKET IN CDN SUPPLIERS  
Expected Results: MORE AGGRESSIVE PRESENCE OF CDN COMPANIES IN THE RELEVANT MARKET.

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TFI AVTV

Market: ISRAFI

Sector : POWER &amp; ENERGY EQUIP. &amp; SRV.

Sub-Sector: THERMAL

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	0.00 \$M	5.00 \$M	12.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.30 \$M	6.00 \$M
Canadian Share of Market	0.00 %	0.00 %	6.00 %	50.00 %

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

## Major Competing Countries

## Market Share

UNITED STATES OF AMERICA	0.00 %
GERMANY WEST	0.00 %
UNITED KINGDOM	0.00 %
SWITZERLAND	0.00 %
FRANCE	0.00 %

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

## Products/services for which there are good market prospects:

1. POWER STATION AUXILIARY EQUIPMENT
2. GENERATORS
3. VALVES, PIPES
4. PARTS OF STEAM GENERATOR BOILERS

## 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:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TEL AVIV

Market: ISRAEL

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

Activity: IDENTIFY DETAILED REQUIREMENTS OF ISRAEL ELECTRIC CORP.  
Expected Results: ENABLE POST TO ADVISE COMPANIES ON TEC DETAILED SHOPPING LIST AND ON IFC PROCUREMENT PRACTICES.

Activity: ASCERTAIN IFC FINANCING REQUIREMENTS AND PROMOTE FDC LINES  
Expected Results: MAINTAIN COMPETITIVE FINANCING ENVIRONMENT.

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 CDN CAPABILITY IN VIEW OF NEW THERMAL PLANT  
Expected Results: IMPROVE AWARENESS OF CDN EQUIPMENT



RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TEL AVIV

Market: ISRAEL

Sector : TRANSPORT SYS. EQUIP. COMP. SERV.

Sub-Sector: RATL

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	12.01 \$M	12.40 \$M	16.00 \$M	23.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.50 \$M	2.50 \$M
Canadian Share of Market	0.00 %	0.00 %	3.00 %	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	27.00 %
FRANCE	26.00 %
GERMANY WEST	15.00 %
PORTUGAL	9.00 %
NETHERLANDS	6.00 %
SPAIN	1.00 %

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

## Products/services for which there are good market prospects:

1. PARTS OF RAILWAY ROLLING STOCK
2. RAILWAY CONTAINERS
3. RAIL CARS, WAGON TRUCKS
4. SIGNALLING EQUIPMENT
5. TRACK FIXTURES AND FITTINGS
6. DRF CARRIERS

## Factors contributing to current successful Canadian exports:

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

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TFI AVIV

Market: ISRAEL

## Factors for Canadian exports not reaching market potential:

- Restrictive standards
- Lack of promotion and advertising
- Market prospects have not been adequately explored
- UCI EUROPEAN
- STANDARDS
- NEW OPPORT. APPEARED DUE TO REORGAN
- OF THE ISRAEL PORTS/RAILWAY AUTH.

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

Activity: DRIF EXPERT AND PRIVATE SECTOR COMPANIES OUTGOING MISSION  
 Expected Results: INCREASE AWARENESS OF CDN. CAPABILITIES AND PROMOTE EDC FINANCING

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

Activity: I.D. DECISION MAKERS AT ISRAEL PORTS/RAILWAYS AUTH. ...  
 Expected Results: ESTABLISH DETAILED BUYERS LIST OF RAILWAY EQUIPMENT IN ISRAEL

Activity: CONTACT POTENTIAL SUPPLIERS. SOLICIT INTEREST FOR THIS MKT  
 Expected Results: ESTABLISH DETAILED SUPPLIER LIST

Activity: EVALUATE POTENTIAL AGENTS  
 Expected Results: IMPROVE AWARENESS OF CDN POTENTIAL. GENERATE NEW DIRECT RELATION BETWEEN CDN SUPPLIERS & ISRAELI BUYERS.

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TFI AVIV

Market: ISRAEL

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

500 ORE CARRIERS FOR ISRAEL  
CHEMICALS INDUSTRY

Approximate Value: 0 M\$  
Financing Source :  
Contact : S. ROUJNAH, POST

NEW RAILCARS FOR ISRAEL  
RAILWAYS

Approximate Value: 0 M\$  
Financing Source :  
Contact : S. ROUJNAH, POST

RPTC1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TFI AVTV

Market: ISRAEL

Sector : INDUSTRIAL MACHIN. PLANTS. SERV.

Sub-Sector: MANUFACT &amp; MATERIAL PLANT. EQP.

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	400.00 \$M	700.00 \$M	500.00 \$M	450.00 \$M
Canadian Exports	4.50 \$M	4.00 \$M	4.50 \$M	6.00 \$M
Canadian Share of Market	1.00 %	0.60 %	1.00 %	1.30 %

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

## Major Competing Countries

## Market Share

UNITED STATES OF AMERICA	37.00 %
GERMANY WEST	22.00 %
ITALY	15.00 %
UNITED KINGDOM	10.00 %
JAPAN	7.00 %
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. INDUSTRIAL BOILERS/PARTS
2. PUMPS
3. MATERIAL-HANDLING EQUIPMENT
4. FILTERING MACHINERY
5. AIR COMPRESSORS
6. BLOWERS

## Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are low
- Strong sectoral capability in Canada
- Competitive Canadian financing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TEI AVIV

Market: ISRAEL

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: CONTACT POTENTIAL SUPPLIERS - SOLICIT INTEREST IN THIS MARKET  
 Expected Results: IMPROVEMENT OF MARKET PROMOTIONAL ACTIVITY

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 FDC FINANCING TO PURCHASING MANAGERS  
 Expected Results: INCREASE AWARENESS OF CDN POTENTIAL

RPT01

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 INVESTMENT PROMOTION PROFILE

Mission: TEL AVIV

Country: ISRAEL

The mission reports that the approximate flows to all countries of investment from its country/territory in Canadian \$ is as follows: (including portfolio flows if a primary focus)

	Total (\$ Million)	Canadian Share	Major Competitor Share
Current year	20.00	5.00	70.00
One year ago	30.00	5.00	70.00
Two years ago	40.00	5.00	70.00

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:

\$2-3 MILLION

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

- U.S.A.
- F.F.C.

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

- J-V MISSIONS TO ISRAEL
- ENTREPRENEURIAL IMMIGRATION

RPTD1

## TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

## 89/90 INVESTMENT PROMOTION PROFILE

Mission: TEI AVIV

Country: ISRAEL

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

- STABLE ENVIRONMENT, EFFICIENT BUSINESS ATMOSPHERE, GATEWAY
- STABLE ENVIRONMENT, EFFICIENT BUSINESS ATMOSPHERE, GATEWAY

the following constraints:

- COMPETITION FROM U.S.A.

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

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

The mission believes that the following sectors are of greatest interest to investors in its territory/country with an assigned ranking of 1-10:

Sector	Ranking
Agriculture/Food/Fish	1
Resource Processing	6
Machinery and Equipment	4
Transportation	8
Consumer Products	5
Commercial Service	7
Computer and Communications	2
Health Care Products/Medical	3
Aerospace and Defence	9
Strategic Technologies	10

29/05/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPT02

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: TEL AVIV

Country: ISRAEL

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

Date

Type: ENTREPRENEURIAL SEMINAR

WE WOULD ORGANIZE A "CAN AS A BUS BASE" SEMINAR TO BE HELD FOR SCREENED DECISION-MAKERS. ADVERTISE & SCREEN APPLICANTS.

11/89

Location:

Invest Nature: J-V

STRAT PARTNERSHIP

TECH. IIC.

Sector: MULTIPLE SECTORS

Cooperants: - INV. CDA

- PRIVATE SECTOR CONSULTANT

Estimated Budget: \$20,000.00

Total estimated budget for all proposals:

\$20,000.00



Post : TEL AVIV

<u>Start Date</u>	<u>Event Name, Location &amp; Type</u>	<u>Sector/Post/Contact</u>
89/09/17	AGRITECH'89, TEL AVIV, ISRAEL MISSION OUT, INDUSTRY	AGRI & FOOD PRODUCTS & SERVICE L.REARDON
89/10/00	CANADA FOOD WEEK TEL AVIV FAIR, SOLD	AGRI & FOOD PRODUCTS & SERVICE
89/11/06	MEDAX'89, TEL AVIV, ISRAEL INFO BOOTH, ONLY	EDUCATION, MEDICAL, HEALTH PROD
90/01/00	MULTI-SECTOR MISSION TO ISRAEL MISSION OUT, INDUSTRY	GENERAL OR UNASSIGNED ISB

