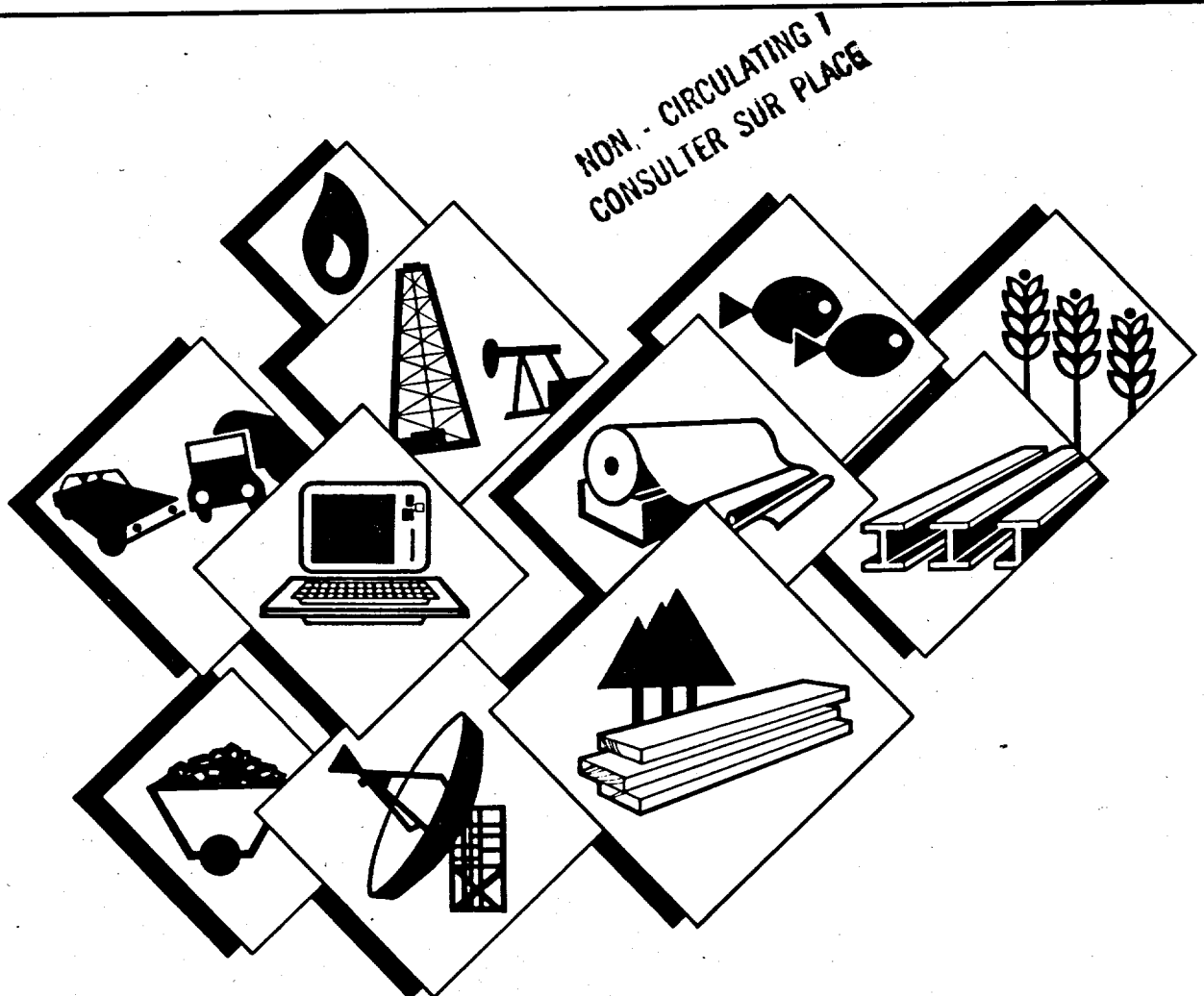




GEOGRAPHICAL SYNOPSIS

LATIN AMERICA AND THE CARIBBEAN

1989-90 EXPORT AND INVESTMENT PROMOTION OPERATIONAL PLAN



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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 Latin America and Caribbean 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:

- United States
- Asia and Pacific
- Western Europe
- Eastern Europe
- Africa
- Middle East

Dept. of External Affairs
Min. des Affaires extérieures
OTTAWA

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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.

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Export and Investment Promotion Planning System

1989/90 Geographic Synopsis

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RPT81

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: BRIDGETOWN

Country: BARBADOS

BARBADOS IS EXPECTED TO ACHIEVE MODEST REAL GROWTH IN THE 2 TO 3 PERCENT RANGE IN 1988 - A LEVEL WHICH IS MAINTAINABLE INTO 1989. ON AVERAGE, THE ECONOMICS OF THE OTHER TEN SMALL COUNTRIES AND DEPENDENCIES IN THE TERRITORY ARE PERFORMING SOMEWHAT BETTER, ALBEIT WITH BASES EVEN MORE FRAGILE AND NARROW. ALL ARE SMALL AND OPEN ECONOMIES, VERY IMPORT ORIENTED AND MOST ARE HEAVILY RELIANT ON TOURISM AND TTH IN BARBADOS CONTINUES TO BE LED BY A TOURISM, CONSTRUCTION IMPORTS OF US \$600-650 MILLION ANTICIPATED. A FISCALLY CONSERVATIVE 88/89 BUDGET WHICH INCLUDED HEAVY DOSES OF NEW TAXATION PLUS EXPENDITURE RESTRICTIONS SHOULD IMPROVE THE GOVERNMENT'S CONTROL OF THE DEFICIT, BALANCE OF PAYMENTS AND FOREIGN RESERVES. THE PERFORMANCE OF THE AGRICULTURAL SECTOR HAS BEEN DISAPPOINTING, IN PARTICULAR SUGAR. DIVERSIFICATION EFFORTS IN NON-TRADITIONAL CROPS AND AGRO-PROCESSING, HOWEVER, CONTINUES TO OFFER POTENTIAL. IN THE WINDWARD AND LEEWARD ISLANDS OVERALL PERFORMANCE IN THE CRITICAL BUT OFTEN FICKLE TOURISM SECTOR LOOKS PROMISING, WITH SIGNIFICANT TOURISM RELATED CONSTRUCTION/REFURBISHMENT ACTIVITIES CONTINUING ON MANY OF THESE ISLANDS. AGRICULTURE HAS WEAKENED MARGINALLY BUT SHOULD IMPROVE PROVIDING QUALITY AND MARKET ACCESS PROBLEMS ARE OVERCOME AND THE REGION CONTINUES TO BE SPARED FROM NATURAL DISASTERS. TOTAL IMPORTS OF US \$550-600 MILLION ARE PREDICTED FOR 1989 ALTHOUGH BALANCE OF PAYMENT PROBLEMS ON MANY ISLANDS WILL INHIBIT IMPORT GROWTH. INTRA-REGIONAL TRADE HAS BOTTOMED OUT AND ENCOURAGED BY NEW INITIATIVES WITHIN THE CARICOM GROUP, REGIONAL TRADE LEVELS SHOULD IMPROVE. PROTECTIONIST PRESSURES ARE MOUNTING AND WITH INCREASING LEVELS OF LOCAL PRODUCTION, ASSEMBLY OR FINISHING, THERE IS LIKELY TO BE EVEN GREATER USE OF IMPORT RESTRICTIONS ON EXTRA-REGIONAL GOODS. TERRITORY EXPORTS TO MAJOR TRADING PARTNERS, "IN SPITE OF FACILITATIVE PROGRAMS SUCH AS CBI, LOME AND CARIBCAN, ARE UNLIKELY TO GROW" SUBSTANTIALLY WITHOUT GREATER PRIVATE SECTOR INVESTMENT AND THE FURTHER DEVELOPMENT OF ENTREPRENEURIAL SKILLS. CANADIAN SALES TO THE TERRITORY AND OUR MARKET SHARE SHOULD BOTH IMPROVE IN 1989, (DEPENDENT SOMEWHAT ON THE CAN-US DOLLAR EXCHANGE RATE) AND A LARGE TRADE SURPLUS IN OUR FAVOUR WILL BE MAINTAINED. THE MAJOR EXTRA-REGIONAL SUPPLIERS CONTINUE TO BE THE USA, UK AND THEN CANADA. TRADING HOUSES RETAIN AN IMPORTANT ROLE IN OUR TRADE DEVELOPMENT ACTIVITIES, OFTEN BEING THE MOST EFFECTIVE MEANS OF SERVING THE SMALL ISLAND MARKETS. MULTILATERAL AND BILATERAL FUNDING, PARTICULARLY TO THE WINDWARD AND LEEWARD ISLANDS, PROVIDE A MAJOR FOCUS FOR

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RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: BRIDGETOWN

Country: BARBADOS

PROJECT WORK IN THE TERRITORY, GOOD ONGOING OPPORTUNITIES FOR CONSULTANTS/
CONTRACTORS/SUPPLIERS AS WELL AS USEFUL ENTRE TO THE MARKET.

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RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: BRIDGETOWN

Country: BARBADOS

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

1. AGRI & FOOD PRODUCTS & SERVICE
2. CONSTRUCTION INDUSTRY
3. ADVANCED TECH. PROD. & SERV.
4. EDUCATION, MEDICAL, HEALTH PROD

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

- | | |
|-----------------------------------|------------------------------------|
| 1. AGRI & FOOD PRODUCTS & SERVICE | 4. EDUCATION, MEDICAL, HEALTH PROD |
| 2. ADVANCED TECH. PROD. & SERV | |
| 3. CONSTRUCTION INDUSTRY | |

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BRIDGETOWN

Market: BARBADOS

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	125.00 \$M	130.00 \$M	132.00 \$M	130.00 \$M
Canadian Exports	12.50 \$M	12.30 \$M	12.25 \$M	12.25 \$M
Canadian Share of Market	10.00 %	9.50 %	9.30 %	9.40 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	33.00 %
UNITED KINGDOM	7.00 %

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

Products/services for which there are good market prospects:

1. HORTICULTURE
2. SEMI & PROCESSED FOODS
3. MEAT & MEAT BY-PRODUCTS
4. FEED FERTILIZER & VET. PRODS.
5. BREEDING STOCK

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Restrictive quotas
- Non-competitive pricing
- HIGH DEGREE OF PROT (TARIFFS & LICENSING) FOR REG PROD & MANU.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRIDGETOWN

Market: BARBADOS

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

Activity: ONT MINISTRY OF AGRIC & FOOD MISSION-FOOD & FOODSERVICE PROD
Expected Results: GENERATE MORE SALES AND INCREASE MARKET SHARE.

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 ADDITIONAL CDB PROJECTS IN AGRICULTURE SECTOR
Expected Results: ADDITIONAL SALES, TECHNOLOGY TRANSFER.

Activity: PROMOTE ADDITIONAL JOINT VENTURES IN AGRIC. SECTOR
Expected Results: ADDITIONAL SALES, TECHNOLOGY TRANSFER.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRIDGETOWN

Market: BARBADOS

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

INTEGRATED LIVESTOCK

Approximate Value: 12 Ms
Financing Source : CDB - Caribbean Devlpmt Bank
Contact : MARGARET STRYBOS, COMM OFFICER
TELEX: 2247 CANADA WB

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BRIDGETOWN

Market: BARBADOS

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	22.44 \$M	23.88 \$M	26.27 \$M	30.00 \$M
Canadian Exports	5.94 \$M	4.80 \$M	5.50 \$M	8.00 \$M
Canadian Share of Market	26.52 %	20.24 %	21.00 %	26.60 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	34.18 %
UNITED KINGDOM	16.34 %

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

Products/services for which there are good market prospects:

1. TELECOMMUNICATIONS
2. OTHER ELECTRONICS

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Market prospects have not been adequately explored

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRIDGETOWN

Market: BARBADOS

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

Activity: TELECOM EQUIPT/SERVICES INCOM MISS FROM BARBADOS, LEEWARD/
Expected Results: ADDITIONAL SALES GREATER AWARENESS CANADIAN CAPABILITIES.

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

Activity: FACILITATE NEW EXP FIN. FOR CDN TELECOM & INFUR, EQUIP & SER
Expected Results: ADDITIONAL SALES, TECHNOLOGY TRANSFER.

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BRIDGETOWN

Market: BARBADOS

Sector : EDUCATION, MEDICAL, HEALTH PROD

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	25.00 \$M	23.38 \$M	28.00 \$M	33.00 \$M
Canadian Exports	5.50 \$M	3.55 \$M	4.30 \$M	5.50 \$M
Canadian Share of Market	22.00 %	15.23 %	15.40 %	16.60 %

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

Major Competing Countries	Market Share
UNITED KINGDOM	31.00 %
UNITED STATES OF AMERICA	25.00 %

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

Products/services for which there are good market prospects:

1. PHARMACEUTICALS
2. EDUCATIONAL EQUIPMENT
3. HOSPITAL & MEDICAL EQUIPMENT

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Market prospects have not been adequately explored

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRIDGETOWN

Market: BARBADOS

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

Activity: CDN TRADING HOUSES IN EDUCATIONAL, HEALTH & MEDICAL
Expected Results: GENERATE ADDITIONAL SALES IN NUMEROUS MARKETS IN TERRITORY.

Activity: PROCUREMENT FOR OECS TECH. VOC. EDUC. PROJ DELAYED,
Expected Results: NEW SUPPLIES, ADDITIONAL SALES.

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

EDUCATION II

Approximate Value: 15 Ms
Financing Source : IBRD - World Bank
Contact : MARGARET STRYBOS, COMM OFFICER
TELEX: 2247 CANADA WB

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BRIDGETOWN

Market: BARBADOS

Sector : CONSTRUCTION INDUSTRY

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	33.00 \$M	29.75 \$M	35.70 \$M	32.00 \$M
Canadian Exports	2.48 \$M	3.84 \$M	5.00 \$M	4.50 \$M
Canadian Share of Market	7.54 %	12.92 %	14.00 %	14.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	29.00 %
UNITED KINGDOM	27.00 %

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

Products/services for which there are good market prospects:

1. BUILDING PRODUCTS
2. EQUIPMENT

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRIDGETOWN

Market: BARBADOS

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

Activity: ONGOING EFFORTS W/TRADING HOUSES SPECIALIZING IN BLDG PROD
Expected Results: ADDITIONAL SALES & IMPROVED MARKET SHARE.

Activity: ACTIVELY PURSUE UPCOMING CONSTRUCTION PROJ FINANCED BY CDB
Expected Results: AT LEAST \$10.0 MILLION IN NEW BUSINESS.

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

ROSEAU DAM, ST. LUCIA	Approximate Value: 50 M\$
	Financing Source : CIDA - Cdn Int'l Dev Agency IDA - World Bank CDB - Caribbean Devlpmt Bank
	Contact : K.G.WHITING, CJUNSELLOR (COMM) TELEX: 2247 CANADA WB
SOUTH & WEST COAST SEWERAGE PROJECT, BARBADOS	Approximate Value: 25 M\$
	Financing Source : IADB - Inter-American Dev Bank
	Contact : K.G.WHITING, COUNSELLOR (COMM) TELEX: 2247 CANADA WB

89/06/12

RP-A10

PEMD - Government Initiated Activities

1989

12A)

Post : BRIDGETOWN

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Post/Contact</u>
89/06/27	CANADIAN INSTITUTIONAL MAINTENANCE SHOW, BRIDGETOWN, BARBADOS FAIR, NATIONAL STAND	INDUSTRIAL MACHIN, PLANTS, SERV E. KELSO
89/11/00	TELECOM EQUIP/SERVICES MISS. FM BARBADOS, LEEWARD/WINDWARD MISSION IN, TO INDUSTRY	ADVANCED TECH. PROD. & SERV
90/02/00	TOURISM INFRASTRUCTURE & SUPP. MISS. TO JAMAICA, BARB, NASSAU MISSION OUT, INDUSTRY	CONSTRUCTION INDUSTRY

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RPTBL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: GUATEMALA

Country: GUATEMALA

ECONOMIC DEVELOPMENTS WHICH WILL AFFECT OUR TRADE ENDEAVOURS MOST ARE THE SHORTAGE AND CONTROL OF FOREIGN EXCHANGE AND THE LACK OF PUBLIC INVESTMENT IN CAPITAL PROJECTS. MOST OF GUATEMALA'S OBLIGATIONS WITH FOREIGN CREDITORS IS MATURING IN THE VERY SHORT TERM AND APPROXIMATELY 45% OF EXPORT INCOME WILL GO TO EXTERNAL PAYMENTS, SERIOUSLY CURTAILING THE CENTRAL BANK'S ABILITY TO EARMARK FOREIGN EXCHANGE FUNDS FOR IMPORTS. AS A RESULT, IT HAS INSTITUTED POLICIES SUCH AS IMPORT LICENCES, PROFORMA INVOICES AND OTHER DIFFICULT BANKING PROCEDURES WITH A CLEAR VIEW TO DISCOURAGING IMPORTS OF GOODS AND SERVICES AND INCREASING EXPORT ACTIVITY. AS FOR THE LACK OF PUBLIC INVESTMENT IN INFRASTRUCTURE PROJECTS, IF THE TREND IS SIMILAR TO THAT OF THE 1987 BUDGET, FUNDS WHICH WERE EARMARKED FOR PUBLIC INVESTMENT WERE LATER DIVERTED TO PAYMENTS OF FISCAL DEFICITS AND LARGE GOVERNMENT EXPENDITURES IN SUPPORTING AN INCREASING BUREAUCRACY. IN THE MULTILATERAL SECTOR, THE IADB AND WORLD BANK HAVE MINIMAL EXPOSURE IN GUATEMALA. CANADIAN COMPANIES, WITH EMBASSY SUPPORT, HAVE IDENTIFIED ALL THOSE PROJECTS WHERE OPPORTUNITIES EXIST, HAVE PREQUALIFIED AND PARTICIPATED IN THE COMPETITIVE TENDERS, BUT HAVE HAD ONLY MINIMAL SUCCESS. WE INTEND, HOWEVER, TO CONTINUE TO IDENTIFY OPPORTUNITIES AND TO LIAISE WITH CANADIAN CONSULTANTS AND SUPPLIERS ACTIVE IN THE GUATEMALAN MARKET.

OUR TRADE EFFORTS WILL BE DIRECTED TO MAINTAINING LEVELS OF TRADITIONAL SALES, AS WELL AS TO PROMOTING OPPORTUNITIES WHICH HAVE EXCELLENT POTENTIAL FOR CANADIAN SUPPLIERS OF GOODS AND SERVICES. THE LARGER PERCENTAGE OF OUR TRADE IS IN THE CONSUMER GOODS SECTOR (HIGHLIGHTED BY FOODSTUFFS AND RAW MATERIALS). WE FORECAST THAT PRESENT SALES VOLUMES WILL CONTINUE AT SIMILAR LEVELS OF FY 1987/88, BUT WILL NOT INCREASE, PARTLY BECAUSE OF IMPORTER'S DIFFICULTIES IN OBTAINING HARD CURRENCY FOR THEIR TRANSACTIONS. TELEPHONE CAPABILITIES ARE TO BE EXPANDED AND CANADIAN SUPPLIERS HAVE BEEN ACTIVE IN SEEKING PARTICIPATION IN THESE PROJECTS. A CELLULAR TELEPHONE EXPANSION IS ENVISIONED FOR 1989. STAGE FOUR OF RURAL TELEPHONE EXPANSION IS NOW IN THE PLANNING STAGES AND TENDERS SHOULD BE CALLED FOR EQUIPMENT COMMISSIONING AND TRAINING IN LATE 1989. SOME ACTIVITY AND PROSPECTS ARE DEVELOPING IN THE TRANSPORTATION SECTOR. THE CONSTRUCTION OF A NEW PORT AT CHAMPERICO IS PLANNED. WE PROPOSE TO MAINTAIN A CLOSE RELATIONSHIP WITH THE GUATEMALAN PUBLIC AND PRIVATE SECTOR IN IDENTIFYING FURTHER OPPORTUNITIES FOR CONSULTANTS AND ENGINEERS, AS CANADIAN CAPABILITIES ARE NOW IN DEMAND AND THEIR PRESENCE SHOULD MAKE IT EASIER TO MARKET THEIR SERVICES.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: GUATEMALA

Country: GUATEMALA

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

1. POWER & ENERGY EQUIP. & SERV.
CANADIAN CONSULTANTS AND SUPPLIERS HAVE BEEN HEAVILY INVOLVED IN THIS SECTOR FOR MANY YEARS. CANADIAN TECHNOLOGY AND EQUIPMENT IS IN DEMAND AND RECENT INVOLVEMENT IN HYDROELECTRIC DEVELOPMENT PROJECTS SHOULD ALLOW FOR MORE SOLID OPPORTUNITIES FOR THE SUPPLY OF ENGINEERING SERVICES AND GENERATION/DISTRIBUTION EQUIPMENT.
2. OIL & GAS EQUIPMENT, SERVICES
THE PETROLEUM SECTOR IN GUATEMALA IS BEING ACTIVELY PROMOTED IN CANADA AND RECENT INVOLVEMENT BY CANADIAN CONSULTANTS IN A CPPF FINANCED FEASIBILITY STUDY TO THE MINISTRY OF ENERGY HAS CREATED AN AWARENESS OF CANADIAN CAPABILITIES AND SHOULD RESULT IN REQUESTS FOR ADDITIONAL SERVICES.
3. ADVANCED TECH. PROD. & SERV
CANADIAN COMPANIES HAVE BEEN ACTIVE IN THE TELECOM SECTOR AND TWO RURAL TELEPHONE PROJECTS SHOULD AROUSE INTEREST FOR CANADIAN SUPPLIERS
4. AGRI & FOOD PRODUCTS & SERVICE
THE AGRICULTURAL SECTOR IS THE BACKBONE OF THE GUATEMALAN ECONOMY AND ALTHOUGH SALES OF SERVICES AND GOODS HAVE NEVER BEEN SIGNIFICANT, SPOT OPPORTUNITIES ALWAYS ARISE, SPECIALLY IN THE CATTLE, SWINE AND SMALL EQUIPMENT SECTORS.
5. TRANSPORT SYS, EQUIP, COMP, SERV.
THE CENTRAL GOVERNMENT IS PROMOTING THE CONSTRUCTION OF A NEW PORT AT CHAMPERICO SITE ON THE PACIFIC AND THE DIRECTORATE OF ROADS AND THE MUNICIPALITY OF GUATEMALA WILL HAVE REQUIREMENTS FOR CONSULTANTS IN THE ROAD SECTOR.
6. CONSUMER PRODUCTS & SERVICES
TRADITIONALLY, SALES TO GUATEMALA HAVE REACHED RESPECTABLE VOLUMES IN THIS SECTOR AND WE EXPECT THAT THIS TREND WILL CONTINUE. THE POST WILL MAINTAIN A POLICY OF FULL SUPPORT TO CANADIAN EXPORTERS ALREADY INVOLVED IN THIS MARKET WITH A VIEW TO MAINTAINING PRESENT VOLUME SALES.

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

- | | |
|-----------------------------------|---------------------------------|
| 1. CONSUMER PRODUCTS & SERVICES | 4. CONSUMER PRODUCTS & SERVICES |
| 2. CONSUMER PRODUCTS & SERVICES | |
| 3. AGRI & FOOD PRODUCTS & SERVICE | |

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: GUATEMALA

Market: GUATEMALA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: AGRICULTURE MACH,EQUIP,TOOLS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	220.00 \$M	180.00 \$M	200.00 \$M	250.00 \$M
Canadian Exports	220000.00 \$M	90000.00 \$M	100000.00 \$M	152000.00 \$M
Canadian Share of Market	0.10 %	0.50 %	0.50 %	0.50 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	60.00 %
GERMANY WEST	20.00 %
SPAIN	5.00 %
JAPAN	5.00 %
CENTRAL AMERICA	5.00 %
ITALY	5.00 %

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

Products/services for which there are good market prospects:

1. AGRICULTURAL EQUIPMENT
2. CATTLE STOCK
3. SWINE STOCK
4. SEMEN
5. CONSULTING SERVICES

Factors contributing to current successful Canadian exports:

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

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: GUATEMALA

Market: GUATEMALA

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- Limited Canadian capabilities
- CANADIAN EDC FINANCING NOT AVAILA-
- BLE FOR GUATEMALA

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

Activity: QUOTATION AND SALE OF 25 HEAD OF LANDRACE SWINE STOCK
Expected Results: PROMOTION OF FOLLOW-UP TO COMPLETE SALE.

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

Activity: DAIRY CATTLE MISSION FROM LATIN AMERICA
Expected Results: TO CREATE AWARENESS OF CANADIAN CAPABILITIES IN THIS SECTOR WHICH SHOULD RESULT IN CONCRETE SALES.

Activity: SWINE BREEDING STOCK MISSION FROM COSTA RICA

Activity: LIVESTOCK IMPROVEMENT SEMINARS

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

Activity: FURTHER PROMOTION OF BOVINE AND PORCINE LIVESTOCK
Expected Results: INCREASED SALES OF CANADIAN STOCK

Activity: MARKETING EFFORT IN SALES OF SMALL AGRICULTURAL EQUIPMENT
Expected Results: INTRODUCTION OF NEW PRODUCTS TO THE GUATEMALAN MARKETPLACE

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: GUATEMALA

Market: GUATEMALA

Sector : ADVANCED TECH. PRDD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	100.00 \$M	160.00 \$M	70.00 \$M	100.00 \$M
Canadian Exports	300000.00 \$M	160000.00 \$M	0.00 \$M	2.00 \$M
Canadian Share of Market	0.30 %	0.10 %	0.00 %	2.00 %

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

Major Competing Countries Market Share

JAPAN	25.00 %
UNITED STATES OF AMERICA	25.00 %
GERMANY WEST	25.00 %
ITALY	25.00 %

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

Products/services for which there are good market prospects:

1. RURAL & URBAN TELEPHONE EXPANSION
2. CELLULAR TELEPHONE SYSTEMS
3. CONSULTING/ENGINEERING SERVICES
4. CABLE

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- EDC FINANCING NOT AVAILABLE FOR
- GUATEMALA AT THIS TIME

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: GUATEMALA

Market: GUATEMALA

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

Activity: CONTINUED LIAISON WITH TELECOM AUTH. TO IDENT. TIMING & OPPORT

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

CELLULAR TELEPHONE SYSTEM

Approximate Value: 30 M\$
Financing Source : OTHER
Contact : GUATEL/HUGO CEREZO

RURAL TELEPHONE EXPANSION

Approximate Value: 10 M\$
Financing Source : OTHER
Contact : GUATEL/HUGO CEREZO

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: GUATEMALA

Market: GUATEMALA

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: OTHER TYPES OF REL EQUIP.

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	100.00 \$M	80.00 \$M	60.00 \$M	120.00 \$M
Canadian Exports	500000.00 \$M	400000.00 \$M	600000.00 \$M	8.00 \$M
Canadian Share of Market	0.50 %	0.50 %	1.00 %	6.60 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	50.00 %
GERMANY WEST	30.00 %
SWITZERLAND	10.00 %
ITALY	10.00 %

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

Products/services for which there are good market prospects:

1. ENGINEERING/CONSULTING SERVICES
2. GENERATION EQUIPMENT
3. DISTRIBUTION EQUIPMENT

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada
- EDC BILATERAL FIN IS NOT
- AVAIL. TO GUATEM. AT THIS
- TIME BECAUSE OF RAILWAY

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: GUATEMALA

Market: GUATEMALA

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- EDC BILATERAL FINANCING NOT AVAILA-
- BLE FOR GUATEMALA

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

Activity: CDN CO PREQUAL.FOR SMALL CENTRAL DEV.COMPL.& CONTRACT NEGOT.
Expected Results: SIGNATURE OF FEASIBILITY & ENGINEERING CONTRACT.

Activity: EQUIP,CONSTR.,& COMMISSIONING OF SMALL HYDRO CENTRALS.
Expected Results: SALE OF GENERATION & DISTRIBUTION EQUIPMENT.

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

Activity: IDENTIFICATION OF TENDERS FRO SERVICES AND EQUIPMENT.
Expected Results: LARGE PARTICIPATION FROM CANADIAN COMPANIES.

Activity: MARKET RESEARCH STUDY ON OPPORTUNITIES IN THE ENERGY SECTOR.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: GUATEMALA

Market: GUATEMALA

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

SMALL HYDRO DEVELOPMENT

Approximate Value: 20 M\$
Financing Source : OTHER
Contact : HUGO CEREZO

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: GUATEMALA

Market: GUATEMALA

Sector : TRANSPORT SYS,EQUIP,COMP,SERV.

Sub-Sector: CONSULTING & OTHER SERVICES

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	20.00 \$M	20.00 \$M	15.00 \$M	22.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	220000.00 \$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: 1-3 \$M

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	70.00 %
BRAZIL	10.00 %
GERMANY WEST	10.00 %
GUATEMALA	5.00 %
MEXICO	5.00 %

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

Products/services for which there are good market prospects:

1. ENGINEERING SERVICES
2. CONSULTING SERVICES
3. SUPERVISION SERVICES

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Non-competitive financing
- CANADIAN EDC FINANCING NOT AVAILA-
- BLE FOR GUATEMALA

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: GUATEMALA

Market: GUATEMALA

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

Activity: MONITOR OPPORT. FOR CONSULTING SERVICES IN ROAD SUPERV. WORK
Expected Results: FURTHER INVOLV. IN TRANSP. SECT. WHERE CONSULT. HAVE PRE-QUALIFIED IN SEVERAL PROJ. BUT NOT YET OBTAINED A CONTRACT.

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

TRANSPORTATION/TRUCK TARIFF STUDY	Approximate Value: 0 M\$ Financing Source : OTHER Contact : MINISTRY OF ENERGY & MINES/ HUGO CEREZO
CHAMPERICO PORT CONSTRUCTION PROJECT	Approximate Value: 25 M\$ Financing Source : OTHER Contact : HUGO CEREZO

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: GUATEMALA

Market: GUATEMALA

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: PETROLEUM AND PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	25.00 \$M	20.00 \$M	30.00 \$M	50.00 \$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 %	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	90.00 %
SPAIN	4.00 %
FRANCE	3.00 %
JAPAN	3.00 %

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

Products/services for which there are good market prospects:

1. ENGINEERING SERVICES
2. CONSULTING SERVICES
3. EXPLORATION
4. PIPELINE EQUIPMENT
5. VALVES
6. PUMPING STATIONS
7. STORAGE FACILITIES

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: GUATEMALA

Market: GUATEMALA

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- Market prospects have not been adequately explored
- EDC BILATERAL FINANCING NOT AVAILA-
- BLE FOR GUATEMALA

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

Activity: CPPF FEASIB.FOR STORAGE TANKS & REFINED PRODUCTS PIPELINE.
Expected Results: COMPLETION OF STUDY SHOULD BE STEPPING TIME FOR MORE CONSUL-
TING AND ENGINEERING WORK.

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

Activity: INTERFER 89 - GUATEMALA - CANADA INFORMATION BOOTH
Expected Results: EXPOSE CANADIAN PRODUCTS TO GUATEMALAN BUYERS.

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

Activity: IDENTIFICATION OF OPPORTUNITIES IN THE CONSULTING/ENG.SECTOR
Expected Results: FURTHER INVOLVEMENT BY COMPANIES ALREADY ACTIVE IN THIS
MARKETPLACE.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: GUATEMALA

Market: GUATEMALA

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

REFINED PRODUCTS TARIFF TRANS- PORTATION STUDY	Approximate Value: 0 M\$ Financing Source : OTHER Contact : MINISTRY OF ENERGY/HUGO CEREZO
EL PENATE STORAGE TANKS FACI- LITY	Approximate Value: 0 M\$ Financing Source : OTHER Contact : MINISTRY OF ENERGY/HUGO CEREZO
SANTO TOMAS STORAGE TANK FACI- LITY	Approximate Value: 0 M\$ Financing Source : OTHER Contact : MINISTRY OF ENERGY/HUGO CEREZO
REFINED PRODUCTS PIPELINE	Approximate Value: 0 M\$ Financing Source : OTHER Contact : MINISTRY OF ENERGY/HUGO CEREZO

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: GUATEMALA

Market: GUATEMALA

Sector : CONSUMER PRODUCTS & SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	300.00 \$M	350.00 \$M	400.00 \$M	450.00 \$M
Canadian Exports	2.50 \$M	3.00 \$M	3.00 \$M	4.00 \$M
Canadian Share of Market	0.80 %	0.80 %	0.70 %	0.80 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	50.00 %
JAPAN	20.00 %
KOREA	10.00 %
TAIWAN	10.00 %
GERMANY WEST	5.00 %
CENTRAL AMERICA	5.00 %

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

Products/services for which there are good market prospects:

1. FOODSTUFFS
2. INDUSTRIAL RAW MATERIALS
3. CLOTHING AND TEXTILES
4. SPORTING GOODS
5. HARDWARE GOODS
6. AUTOMOTIVE PARTS
7. NEWSPRINT
8. PAPER GOODS
9. SCIENTIFIC EQUIPMENT
10. RAW MATERIALS
11. MEDICATIONS
12. ASBESTOS

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: GUATEMALA

Market: GUATEMALA

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- EDC FINANCING AND INSURANCE NOT AVAILABLE FOR GUATEMALA

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

Activity: FISHING EQUIPMENT/SERVICES MISSION FROM LATIN AMERICA.
Expected Results: ALTHOUGH THIS MISS. HAS NOT BEEN APPROVED FOR OUR TERRITORY, WE HOPE TO BE INCLUDED AS POTENTIAL EXISTS IN THIS SECTOR

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

Activity: TO CONTINUE EMB SUPP TO TRADITIONAL EXPORTERS IN THIS SECT.
Expected Results: TO MAINTAIN VOLUME LEVELS OR SLIGHTLY INCREASE SALES IN THE CONSUMER PRODUCTS SECTOR

Post : GUATEMALA

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Post/Contact</u>
89/06/00	SWINE MISSION FROM LATIN AMERICA, (PANAMA, GUAT, COLOMBIA) MISSION IN, TO INDUSTRY	AGRI & FOOD PRODUCTS & SERVICE P.SCHUTTE

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: HAVANA

Country: CUBA

THE CUBAN ECONOMY CONTINUES IN ITS DEPRESSED STATE AND, ALTHOUGH THERE ARE HOPEFUL SIGNS FOR IMPROVEMENT IN SOME SECTORS, IT IS NOT CLEAR THAT THESE WILL BE SUFFICIENT TO RESTORE THE REQUIRED DEGREE OF HEALTH TO THE ECONOMY. THE IMPROVEMENTS FORESEEN ARE IN EXPANDED OIL & NICKEL PRODUCTION, IN EXPANDED TOURISM REVENUES & IN A LARGER SUGAR CROP IN 1988/89. WHILE THESE ARE ALL POSITIVE ELEMENTS FOR THE FUTURE, THEY ARE UNLIKELY TO BRING SUFFICIENT AMELIORATION TO CUBA'S ECONOMY IN THE NEXT YEAR OR TWO TO JUSTIFY MUCH OPTIMISM. PERHAPS THE BEST INDICATOR OF CUBA'S ECONOMIC PLIGHT IS ITS INCREASING HARD CURRENCY DEBT WHICH, ACCORDING TO MOST RECENT FIGURES, HAS RISEN BY U.S. \$813 MILLION TO REACH U.S. \$ 6.8 BILLION; CONVERTIBLE CURRENCY RESERVES HAVE FALLEN TO U.S. \$42 MILLION. AS A DIRECT RESULT OF ITS LOW LEVEL OF HARD CURRENCY RESERVES, CUBA HAS BEEN FORCED TO DELAY PAYMENTS ON ITS PUBLIC AND PRIVATE SECTOR DEBTS. THIS IN TURN HAS LED TO A CONTINUATION OF THE RELUCTANCE OF WESTERN NATIONS TO SUPPLY NEW CREDITS. UNLESS CUBA AGREES TO MAJOR STRUCTURAL CHANGES IN THE ECONOMY, AS REQUIRED BY THE PARIS CLUB, NEW WESTERN CREDITS IN ANY SUBSTANTIVE AMOUNT ARE NOT FORESEEN. AS A RESULT OF THIS SITUATION, CUBA, AGAIN IN 1988, HAS BEEN FORCED TO CONTINUE ITS ABNORMALLY LOW LEVEL OF HARD CURRENCY IMPORTS AT US \$600-\$700 MILLION, AS WAS THE POLICY IN 1987. THIS HAS LED TO A GREATER DEPENDENCY ON SOVIET BLOC SUPPLIES. EVEN GIVEN THIS DIFFICULT ECONOMIC SITUATION, CUBA REMAINS AN IMPORTANT EXPORT DESTINATION FOR CANADIAN PRODUCTS. A SURPRISINGLY LARGE NUMBER OF CANADIAN COMPANIES ACTIVELY MARKET THEIR GOODS IN CUBA; SOME PROVIDE THEIR OWN FINANCING. SEVERAL PROVINCES, MOST NOTABLY ONTARIO AND ALBERTA, HAVE SPONSORED ONE OR MORE TRADE MISSIONS TO CUBA IN THE CURRENT FY. WE FORESEE CONTINUING CANADIAN SALES TO THOSE SECTORS WHICH CUBA HAS DESIGNATED AS HAVING A HIGH PRIORITY AND ON WHICH THIS POST IS CONCENTRATING ITS PROMOTIONAL EFFORTS - EG. AGRICULTURE, HEALTH, TOURISM, TRANSPORTATION, PAN-AM GAMES. IF THE IMPORT BUDGET FOR HARD CURRENCY IMPORTS REMAINS AT US \$600-\$700 MILLION FOR 1989/90, THIS WILL PROVE AN ATTRACTIVE INCENTIVE TO CANADIAN SUPPLIERS BECAUSE CANADIAN QUALITY AND TECHNICAL EXPERTISE IS VALUED BY CUBANS AND WE CAN EXPECT THAT CUBA WILL CONTINUE TO BUY CANADIAN. BEYOND THIS, THERE ARE PERENNIALY A NUMBER OF SPECIAL PROJECTS THAT ARE OF INTEREST TO CANADIAN FIRMS AND FOR WHICH FINANCIAL RESERVES EXIST IN CUBA.

WE EXPECT THAT CANADIAN SALES IN 1989/90 WILL BE APPROXIMATELY THE SAME AS IN 1988/89 OR EVEN SLIGHTLY HIGHER IF SOME OF THE ECONOMIC PROJECTS UNDERWAY IN CUBA BEGINS TO PAY EARLY DIVIDENDS. ONE CAVEAT TO THIS EXPECTATION IS THE POSSIBILITY THAT THE SOVIETS WILL PURCHASE ON BEHALF OF CUBA, INCREASING QUANTITIES OF WHEAT AND FLOUR FROM WESTERN EUROPEAN COUNTRIES.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: HAVANA

Country: CUBA

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

1. POWER & ENERGY EQUIP. & SERV.
CUBA HAS UNDERTAKEN A MAJOR EXPANSION OF ITS OIL PRODUCTION CAPACITY. CDN EXPERTISE AND EQUIPMENT IS HIGHLY VALUED IN CUBA.
2. EDUCATION, MEDICAL, HEALTH PROD
HEALTH AND MEDICAL CARE REMAIN ONE OF CUBA'S TOP PRIORITIES. CDN EQUIPMENT IS APPRECIATED FOR ITS QUALITY. THERE IS A TRADITION OF EXPORTS FROM CANADA TO THIS SECTOR.
3. INDUSTRIAL MACHIN, PLANTS, SERV.
IN MANY SECTORS CUBA HAS AGING AND EVEN ANTIQUATED PLANTS. ALTHOUGH SOVIET BLOC COUNTRIES ARE THE MAJOR SUPPLIERS, CDA HAS STRONG POSSIBILITIES FOR THE SALE OF REPLACEMENT PARTS.

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

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

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: HAVANA

Market: CUBA

Sector : POWER & ENERGY EQUIP. & SERV.

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	0.00 \$M	0.00 \$M
Canadian Exports	3.60 \$M	1.70 \$M	2.00 \$M	2.00 \$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

COMECON

85.00 %

OTHER COUNTRIES

15.00 %

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

Products/services for which there are good market prospects:

1. LIGHTING EQUIPMENT
2. SWITCHGEARS
3. WIRE AND CABLES
4. DISTRIBUTION TRANSFORMERS

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Non-competitive financing

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HAYANA

Market: CUBA

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

Activity: CONTINUE TO FOLLOW-UP ON ELECTRICAL AND SPORT MISSION TO
Expected Results: NUMBER OF MAJ. CONS. PROJ. PRESENT SALES OPP. [\$8-10MILL].HO
NEVER, LACK OF FINANCING REMAINS MAJOR IMPEDIMENT.

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

Activity: HOST INFORMAL LUNCHES & MEET W/CUBAN OFFICIALS PERIODICLY.
Expected Results: TO MAINTAIN AND IMPROVE AS MUCH AS POSSIBLE OUR RELATIONSHIP
WITH OUR POTENTIAL CLIENTS

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: HAVANA

Market: CUBA

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	35.00 \$M	45.00 \$M	60.00 \$M	75.00 \$M
Canadian Exports	1.60 \$M	1.50 \$M	4.00 \$M	6.00 \$M
Canadian Share of Market	5.00 %	3.50 %	7.00 %	8.00 %

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

Major Competing Countries

Market Share

FRANCE	15.00 %
GERMANY WEST	30.00 %
ITALY	20.00 %
AUSTRIA	10.00 %
UNITED KINGDOM	15.00 %
SWITZERLAND	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 FURNITURE
2. MEDICAL/HOSPITAL EQPT.
3. DIAGNOSTIC REAGENTS

Factors contributing to current successful Canadian exports:

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

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HAVANA

Market: CUBA

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Non-competitive financing

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

Activity: SOME CDN CO HAVE APPROACHED MEDICUBA & MINSAP TO DISC. TECHN.
Expected Results: SALES OF APPROX. \$4-6 MILLION CDN.

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

Activity: HEALTH FOR ALL TRADE SHOW - APRIL 89/90
Expected Results: CDN'S PRESENCE IN CUBA TO BE EXPANDED. FAIR PROVIDES OPPORT. TO NEGOCIATE CONTRACTS (APPROX. \$3-4 MILLION CDN).

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 MED/HOSP SYPP/EQPT MISS TO CUBA AS FOLLOW UP TO CUBAN
Expected Results: MEDICUBA CONDUCTS ITS BUYING PROG IN APRIL. CDN CO WHILE IN CUBA CAN NEGOCIATE CONTRACTS WITH MEDICUBA.

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HAVANA

Market: CUBA

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

EXPANSION OF FINLAY INSTITUTE Approximate Value: 3 M\$
 Financing Source : UNDP - UN Development Program
 Contact : CDN EMBASSY, HAVANA

CONSTRUCTION OF 7 NEW HOSPITAL Approximate Value: 350 M\$
 Financing Source : OTHER
 Contact : CDN EMBASSY, HAVANA

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: HAVANA

Market: CUBA

Sector : INDUSTRIAL MACHIN, PLANTS, SERV.

Sub-Sector: TOOLS & HARDWARE

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	0.00 \$M	0.00 \$M	0.00 \$M
Canadian Exports	1.70 \$M	0.90 \$M	2.00 \$M	2.00 \$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
COMECON	85.00 %
OTHER COUNTRIES	15.00 %

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

Products/services for which there are good market prospects:

1. FASTENERS IN GENERAL
2. SCREWS AND NUTS
3. HAND TOOLS
4. OTHER EQUIPMENT

Factors contributing to current successful Canadian exports:

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

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HAVANA

Market: CUBA

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

Activity: CONT. TO FOLLOW-UP ON VISIT OF CUBAN DEL. TO CDN HARD. SHOW
Expected Results: LACK OF FINANCING CONTINUES TO PLAY A NEGATIVE ROLE. IF ECONOMY IMPROVES, UP TO \$5 MILLION IN SALES EXPECTED.

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

Activity: HOST INFORMAL LUNCHES & MEET WITH CUBAN OFF./EMP. PERIODICAL.
Expected Results: TO MAINTAIN & IMPROVE AS MUCH AS POSSIBLE OUR RELATIONSHIP WITH OUR POTENTIAL CLIENTS.

Activity: PARTICIPATION OF CUBAN DELEGATION IN CDN HARDWARE SHOW/FEB 89
Expected Results: TO MAINTAIN & IMPROVE AS MUCH AS POSSIBLE OUR RELATIONSHIP WITH OUR POTENTIAL CLIENTS.

Post : HAVANA

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Post/Contact</u>
89/04/24	HEALTH FOR ALL, HAVANA, CUBA INFO BOOTH, ONLY	EDUCATION, MEDICAL, HEALTH PROD J. DUNDON
89/06/24	AIRPORT EQUIP. MISSION FROM CUBA MISSION IN, TO INDUSTRY	TRANSPORT SYS, EQUIP, COMP, SERV. C. MUNANTE
89/06/25	HOTEL EQUIPMENT BUYERS MISSION FROM CUBA MISSION IN, TO INDUSTRY	CONSUMER PRODUCTS
89/09/00	MEDICAL EQUIPMENT BUYERS MISSION FROM CUBA MISSION IN, TO INDUSTRY	EDUCATION, MEDICAL, HEALTH PROD
89/10/00	FOREST HARVESTING EQUIP/SERV. MISS. TO CUBA, VENEZ., AND CHILE MISSION OUT, INDUSTRY	FOREST PRODUCTS, EQUIP, SERVICES
89/10/00	SPORTS EQUIP. / FACILITIES MISSION FROM CUBA MISSION IN, TO INDUSTRY	CONSUMER PRODUCTS
89/11/00	HAVANA INTERNATIONAL FAIR INFO BOOTH, ONLY	GENERAL OR UNASSIGNED ISB
90/02/00	HARDWARE BUYERS MISSION FROM CUBA MISSION IN, TO INDUSTRY	CONSUMER PRODUCTS

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: KINGSTON

Country: BAHAMAS

THE RE-ELECTION OF SIR LYNDEN PINDLING, LEADER OF THE PROGRESSIVE LIBERAL PARTY (PLP) AND PRIME MINISTER SINCE 1968, IN JUNE 1987 SEEMED TO ASSURE CONTINUITY OF ECONOMIC POLICY FOR THE BAHAMAS. AN ECONOMIC POLICY DEDICATED TO FOSTERING CONDITIONS FAVOURABLE TO ECONOMIC GROWTH BY THE FURTHER DEVELOPMENT OF THE TOURISM AND FINANCIAL SECTORS. TOURISM IS, AND WILL REMAIN, THE MAINSTAY OF THE BAHAMIAN ECONOMY, ACCOUNTING FOR ABOUT 70% (DIRECTLY AND INDIRECTLY) OF ITS GDP. NOT SURPRISINGLY, THEREFORE, MOST OF THE REAL GDP GROWTH IN 1987 (3%) WAS DIRECTLY ATTRIBUTABLE TO INCREASED CONSTRUCTION AND INFRASTRUCTURE PROJECTS RELATED TO THIS SECTOR. IN THIS REGARD CONSTRUCTION WORK CONTINUED DURING 1987 ON SEVERAL NEW HOTEL COMPLEXES, THE UPGRADING OF THE NASSAU INTERNATIONAL AIRPORT, THE NEW PROVIDENCE WATER/SEWERAGE SYSTEM AND VARIOUS HARBOUR IMPROVEMENT PROJECTS. FUTURE INFRASTRUCTURE PLANS INCLUDE THE ERECTION OF A 30 MILLION IMPERIAL GALLON DESALINATION PLANT AND BUILDING OF TWO 30 MEGAWATT OIL-FIRED ELECTRIC POWER PLANTS. IRONICALLY, THE ABOVE NOTED CONSTRUCTION AND ENGINEERING ACTIVITY OCCURRED WHILE THE COUNTRY WAS REGISTERING ONLY A 1% INCREASE IN TOURIST ARRIVALS IN 1987, TO 3.1 MILLION WHICH PRODUCED EARNINGS OF US\$ 1.2 BILLION. THE GOVERNMENT, HOWEVER, STILL FORECASTS ARRIVALS OF 5 MILLION PER ANNUM BY THE END OF THE CENTURY. BUT MANY OBSERVERS EXPECT THE MOST DRAMATIC GROWTH IN ARRIVALS TO BE IN THE CRUISE SHIP AND CONFERENCE SECTORS WHICH ARE LESS PROFITABLE THAN THE STOPOVER CATEGORY. WITH REGARD TO THE CRUISE SHIP SECTOR BALFOUR BEATTY HAS BEEN AWARDED A CONTRACT WITH ABOUT US\$ 50M FOR THE DESIGN AND IMPROVEMENT WORK TO HARBOURS IN THE BAHAMAS. THE MAJOR ELEMENTS OF THIS 24 MONTH CONTRACT INCLUDE THE PROVISION OF FOUR ADDITIONAL CRUISE LINER BERTHS IN NASSAU HARBOUR, TOGETHER WITH ONSHORE IMPROVEMENTS TO THE FORESHORE. WHEN COMPLETED, NASSAU HARBOUR WILL BE ABLE TO BERTH THE WORLD'S LARGEST CRUISE SHIPS. DESPITE THE ONGOING PROMOTION OF THE TOURISM SECTOR, THE GOVERNMENT IS SEEKING TO BROADEN THE COUNTRY'S ECONOMIC BASE BY DEVELOPING AGRICULTURE AND FISHING WHICH PRESENTLY ACCOUNT FOR LESS THAN 5% OF GDP. DESPITE THE RENEWED EMPHASIS ON THESE SECTORS, ABOUT 80% OF ALL FOOD PRODUCTS WILL CONTINUE TO BE IMPORTED. THUS PROSPECTS FOR THE IMPORT OF CANADIAN GOODS AND SERVICES RELATED TO THE HOSPITALITY INDUSTRY AND ITS INFRASTRUCTURE REMAIN GOOD. COMPETITIVELY PRICED CANADIAN FISH AND FOOD PRODUCTS AND BUILDING MATERIALS SHOULD FIND A SOLID MARKET IN THE BAHAMAS OVER THE NEXT FEW YEARS AS WELL. IN THE FINANCIAL SECTOR, A POTENTIAL PROBLEM EXISTS BETWEEN THE GOVERNMENT AND THE 385 BANKING INSTITUTIONS OPERATING IN THE BAHAMAS WHICH RESULTS FROM A RECENT DOUBLING OF LICENCE FEES FOR BANKS WHICH MAY ACCENTUATE A GROWING UNEASE IN THE COUNTRY'S OFFSHORE SECTOR TO THE BENEFIT OF THE CAYMAN ISLANDS. THE CAYMAN ISLANDS (POP. 20,000) AND THE TURKS AND CAICOS ISLANDS (POP. 5,000) CONTINUED TO SHOW MODERATE ECONOMIC GROWTH AND INCREASED IMPORTS IN 1987/88. OPPORTUNITIES EXIST FOR ADDITIONAL SOURCING OF FOOD PRODUCTS FROM CANADA. BELIZE REGISTERED A 5% INCREASE IN REAL GDP IN 1987 AND IS EXPECTED TO

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: KINGSTON

Country: BAHAMAS

DO AS WELL IN 1988. FURTHER EXPANSION IN IMPORTS OF CAPITAL GOODS IS EXPECTED FOR THE NEXT SEVERAL YEARS AND THE LONG TERM PROSPECTS OF THE AGRO-EXPORT ECONOMY REMAINS EXCELLENT.

RPTBL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: KINGSTON

Country: BELIZE

THE RE-ELECTION OF SIR LYNDEN PINDLING, LEADER OF THE PROGRESSIVE LIBERAL PARTY (PLP) AND PRIME MINISTER SINCE 1968, IN JUNE 1987 SEEMED TO ASSURE CONTINUITY OF ECONOMIC POLICY FOR THE BAHAMAS. AN ECONOMIC POLICY DEDICATED TO FOSTERING CONDITIONS FAVOURABLE TO ECONOMIC GROWTH BY THE FURTHER DEVELOPMENT OF THE TOURISM AND FINANCIAL SECTORS. TOURISM IS, AND WILL REMAIN, THE MAINSTAY OF THE BAHAMIAN ECONOMY, ACCOUNTING FOR ABOUT 70% (DIRECTLY AND INDIRECTLY) OF ITS GDP. NOT SURPRISINGLY, THEREFORE, MOST OF THE REAL GDP GROWTH IN 1987 (3%) WAS DIRECTLY ATTRIBUTABLE TO INCREASED CONSTRUCTION AND INFRASTRUCTURE PROJECTS RELATED TO THIS SECTOR. IN THIS REGARD CONSTRUCTION WORK CONTINUED DURING 1987 ON SEVERAL NEW HOTEL COMPLEXES, THE UPGRADING OF THE NASSAU INTERNATIONAL AIRPORT, THE NEW PROVIDENCE WATER/SEWERAGE SYSTEM AND VARIOUS HARBOUR IMPROVEMENT PROJECTS. FUTURE INFRASTRUCTURE PLANS INCLUDE THE ERECTION OF A 30 MILLION IMPERIAL GALLON DESALINATION PLANT AND BUILDING OF TWO 30 MEGAWATT OIL-FIRED ELECTRIC POWER PLANTS. IRONICALLY, THE ABOVE NOTED CONSTRUCTION AND ENGINEERING ACTIVITY OCCURRED WHILE THE COUNTRY WAS REGISTERING ONLY A 1% INCREASE IN TOURIST ARRIVALS IN 1987, TO 3.1 MILLION WHICH PRODUCED EARNINGS OF US\$ 1.2 BILLION. THE GOVERNMENT, HOWEVER, STILL FORECASTS ARRIVALS OF 5 MILLION PER ANNUM BY THE END OF THE CENTURY, BUT MANY OBSERVERS EXPECT THE MOST DRAMATIC GROWTH IN ARRIVALS TO BE IN THE CRUISE SHIP AND CONFERENCE SECTORS WHICH ARE LESS PROFITABLE THAN THE STOPOVER CATEGORY. WITH REGARD TO THE CRUISE SHIP SECTOR BALFOUR BEATTY HAS BEEN AWARDED A CONTRACT WITH ABOUT US\$ 50M FOR THE DESIGN AND IMPROVEMENT WORK TO HARBOURS IN THE BAHAMAS. THE MAJOR ELEMENTS OF THIS 24 MONTH CONTRACT INCLUDE THE PROVISION OF FOUR ADDITIONAL CRUISE LINER BERTHS IN NASSAU HARBOUR, TOGETHER WITH ONSHORE IMPROVEMENTS TO THE FORESHORE. WHEN COMPLETED, NASSAU HARBOUR WILL BE ABLE TO BERTH THE WORLD'S LARGEST CRUISE SHIPS. DESPITE THE ONGOING PROMOTION OF THE TOURISM SECTOR, THE GOVERNMENT IS SEEKING TO BROADEN THE COUNTRY'S ECONOMIC BASE BY DEVELOPING AGRICULTURE AND FISHING WHICH PRESENTLY ACCOUNT FOR LESS THAN 5% OF GDP. DESPITE THE RENEWED EMPHASIS ON THESE SECTORS, ABOUT 80% OF ALL FOOD PRODUCTS WILL CONTINUE TO BE IMPORTED. THUS PROSPECTS FOR THE IMPORT OF CANADIAN GOODS AND SERVICES RELATED TO THE HOSPITALITY INDUSTRY AND ITS INFRASTRUCTURE REMAIN GOOD. COMPETITELY PRICED CANADIAN FISH AND FOOD PRODUCTS AND BUILDING MATERIALS SHOULD FIND A SOLID MARKET IN THE BAHAMAS OVER THE NEXT FEW YEARS AS WELL. IN THE FINANCIAL SECTOR, A POTENTIAL PROBLEM EXISTS BETWEEN THE GOVERNMENT AND THE 385 BANKING INSTITUTIONS OPERATING IN THE BAHAMAS WHICH RESULTS FROM A RECENT DOUBLING OF LICENCE FEES FOR BANKS WHICH MAY ACCENTUATE A GROWING UNEASE IN THE COUNTRY'S OFFSHORE SECTOR TO THE BENEFIT OF THE CAYMAN ISLANDS. THE CYMAN ISLANDS (POP. 20,000) AND TURKS AND CAICOS ISLANDS (POP. 5,000) CONTINUED TO SHOW MODERATE ECONOMIC GROWTH AND INCREASED IMPORTS IN 1987/88. OPPORTUNITIES EXIST FOR ADDITIONAL SOURCING OF FOOD PRODUCTS FROM CANADA. BELIZE REGISTERED A 5% INCREASE IN REAL GDP IN 1987 AND IS EXPECTED TO DO AS WELL IN 1988. FURTHER EXPANSION IN IMPORTS OF

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: KINGSTON

Country: BELIZE

CAPITAL GOODS IS EXPECTED FOR THE NEXT SEVERAL YEARS AND THE LONG TERM PROSPECTS OF THE AGRO-EXPORT ECONOMY REMAINS EXCELLENT.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: KINGSTON

Country: CAYMAN ISLANDS

THE RE-ELECTION OF SIR LYNDEN PINDLING, LEADER OF THE PROGRESSIVE LIBERAL PARTY (PLP) AND PRIME MINISTER SINCE 1968, IN JUNE 1987 SEEMED TO ASSURE CONTINUITY OF ECONOMIC POLICY FOR THE BAHAMAS. AN ECONOMIC POLICY DEDICATED TO FOSTERING CONDITIONS FAVOURABLE TO ECONOMIC GROWTH BY THE FURTHER DEVELOPMENT OF THE TOURISM AND FINANCIAL SECTORS. TOURISM IS, AND WILL REMAIN, THE MAINSTAY OF THE BAHAMIAN ECONOMY, ACCOUNTING FOR ABOUT 70% (DIRECTLY AND INDIRECTLY) OF ITS GDP. NOT SURPRISINGLY, THEREFORE, MOST OF THE REAL GDP GROWTH IN 1987 (3%) WAS DIRECTLY ATTRIBUTABLE TO INCREASED CONSTRUCTION AND INFRASTRUCTURE PROJECTS RELATED TO THIS SECTOR. IN THIS REGARD CONSTRUCTION WORK CONTINUED DURING 1987 ON SEVERAL NEW HOTEL COMPLEXES, THE UPGRADING OF THE NASSAU INTERNATIONAL AIRPORT, THE NEW PROVIDENCE WATER/SEWERAGE SYSTEM AND VARIOUS HARBOUR IMPROVEMENT PROJECTS. FUTURE INFRASTRUCTURE PLANS INCLUDE THE ERECTION OF A 30 MILLION IMPERIAL GALLON DESALINATION PLANT AND BUILDING OF TWO 30 MEGAWATT OIL-FIRED ELECTRIC POWER PLANTS. IRONICALLY, THE ABOVE NOTED CONSTRUCTION AND ENGINEERING ACTIVITY OCCURRED WHILE THE COUNTRY WAS REGISTERING ONLY A 1% INCREASE IN TOURIST ARRIVALS IN 1987, TO 3.1 MILLION WHICH PRODUCED EARNINGS OF US\$ 1.2 BILLION. THE GOVERNMENT, HOWEVER, STILL FORECASTS ARRIVALS OF 5 MILLION PER ANNUM BY THE END OF THE CENTURY. BUT MANY OBSERVERS EXPECT THE MOST DRAMATIC GROWTH IN ARRIVALS TO BE IN THE CRUISE SHIP AND CONFERENCE SECTORS WHICH ARE LESS PROFITABLE THAN THE STOPOVER CATEGORY. WITH REGARD TO THE CRUISE SHIP SECTOR BALFOUR BEATTY HAS BEEN AWARDED A CONTRACT WITH ABOUT US\$ 50M FOR THE DESIGN AND IMPROVEMENT WORK TO HARBOURS IN THE BAHAMAS. THE MAJOR ELEMENTS OF THIS 24 MONTH CONTRACT INCLUDE THE PROVISION OF FOUR ADDITIONAL CRUISE LINER BERTHS IN NASSAU HARBOUR, TOGETHER WITH ONSHORE IMPROVEMENTS TO THE FORESHORE. WHEN COMPLETED, NASSAU HARBOUR WILL BE ABLE TO BERTH THE WORLD'S LARGEST CRUISE SHIPS. DESPITE THE ONGOING PROMOTION OF THE TOURISM SECTOR, THE GOVERNMENT IS SEEKING TO BROADEN THE COUNTRY'S ECONOMIC BASE BY DEVELOPING AGRICULTURE AND FISHING WHICH PRESENTLY ACCOUN FOR LESS THAN 5% OF GDP. DESPITE THE RENEWED EMPHASIS ON THESE SECTORS, ABOUT 80% OF ALL-FOOD PRODUCTS WILL CONTINUE TO BE IMPORTED. THUS PROSPECTS FOR THE IMPORT OF CANADIAN GOODS AND SERVICES RELATED TO THE HOSPITALITY INDUSTRY AND ITS INFRASTRUCTURE REMAIN GOOD. COMPETITIVELY PRICED CANADIAN FISH AND FOOD PRODUCTS AND BUILDING MATERIALS SHOULD FIND A SOLID MARKET IN THE BAHAMAS OVER THE NEXT FEW YEARS AS WELL. IN THE FINANCIAL SECTOR, A POTENTIAL PROBLEM EXISTS BETWEEN THE GOVERNMENT AND THE 385 BANKING INSTITUTIONS OPERATING IN THE BAHAMAS WHICH RESULTS FROM A RECENT DOUBLING OF LICENCE FEES FOR BANKS WHICH MAY ACCENTUATE A GROWING UNEASE IN THE COUNTRY'S OFFSHORE SECTOR TO THE BENEFIT OF THE CAYMAN ISLANDS. THE CAYMAN ISLANDS (POP. 20,000) AND THE TURKS AND CAICOS ISLANDS (POP. 5,000) CONTINUED TO SHOW MODERATE ECONOMIC GROWTH AND INCREASED IMPORTS IN 1987/88. OPPORTUNITIES EXIST FOR ADDITIONAL SOURCING OF FOOD PRODUCTS FROM CANADA. BELIZE REGISTERED A 5% INCREASE IN REAL GDP IN 1987 AND IS EXPECTED TO DO AS WELL IN 1988. FURTHER EXPANSION IN

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: KINGSTON

Country: CAYMAN ISLANDS

IMPORTS OF CAPITAL GOODS IS EXPECTED FOR THE NEXT SEVERAL YEARS AND THE
LONG TERM PROSPECTS OF THE AGRO-EXPORT ECONOMY REMAINS EXCELLENT.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: KINGSTON

Country: JAMAICA

DURING THE FIRST THREE QUARTERS OF 1988 THE JAMAICAN ECONOMY EXHIBITED A HEALTHY GROWTH RATE OF 5%, A MANAGEABLE INFLATION RATE OF 7%, INCREASED LEVELS OF TRADITIONAL (BAUXITE) AND NON-TRADITIONAL EXPORTS, A CONSTRUCTION BOOM IN RESIDENTIAL HOUSING AND INDUSTRIAL BUILDINGS AND RECORD TOURIST ARRIVALS. ON SEPTEMBER 12, 1988 HURRICANE GILBERT RAMPAGED ACROSS THE ENTIRE ISLAND LEAVING 45 PEOPLE DEAD, DISRUPTION AND CONTAMINATION OF WATER SUPPLIES, A PARALYSED ELECTRICAL DISTRIBUTION/ TRANSMISSION SYSTEM, 100,000 DESTROYED HOMES AND COUNTLESS ROOFLESS BUILDINGS. THE GOVERNMENT ESTIMATES TOTAL DAMAGE IN EXCESS OF CDN \$2.2 BILLION. THE MANUFACTURING SECTOR ALONE SUSTAINED CDN \$ 76 MILLION OF DAMAGE WITH THE CHEMICAL, TEXTILE, APPAREL, FURNITURE AND WOOD PRODUCTS INDUSTRIES SUSTAINING THE MOST EXTENSIVE DESTRUCTION. THE AGRO/FOOD SECTOR WAS ALSO SEVERELY AFFECTED. THE LOCAL POULTRY INDUSTRY, FOR EXAMPLE, WAS DESTROYED REQUIRING THE GOVERNMENT TO IMPORT SUBSTANTIAL QUANTITIES OF CHICKEN MEAT AND TABLE EGGS FOR THE FIRST TIME, PUTTING PRESSURE ON THE COUNTRY'S FOREIGN EXCHANGE RESOURCES. TRADITIONAL EXPORT CROPS SUCH AS BANANAS, HORTICULTURAL PRODUCTS, PIMENTO, FRESH PRODUCE, TOBACCO AND COFFEE WERE ALMOST WIPED OUT AS WELL. TO MAKE MATTERS WORSE, EXTENSIVE INTERNATIONAL MEDIA COVERAGE OF GILBERT'S DEVASTATION COULD HAVE A SIGNIFICANT DETRIMENTAL EFFECT ON THE IMPENDING 89/90 TOURIST SEASON, EVEN THOUGH BY NOVEMBER 15, 1988 108 OF THE ISLAND'S HOTELS WERE EXPECTED TO BE OPEN FOR BUSINESS. CORPORATE EARNINGS IN ALL SECTORS WILL BE AFFECTED DUE TO THE "SHUT DOWN" AND "START UP" PERIODS AFTER THE STORM AND THE DAMAGE TO INVENTORY AND PHYSICAL FACILITIES. COUNTERBALANCING THE DETRIMENTAL ECONOMIC CONSEQUENCES OF THE STORM, IS THE EXPECTED INJECTION OF SOME CDN \$620 MILLION THAT FOREIGN REINSURERS WILL PUMP INTO JAMAICA OVER THE NEXT 12 MONTHS TO HELP SETTLE CLAIMS CAUSED BY THE STORM. IN ADDITION MULTILATERAL FINANCIAL AGENCIES HAVE BEEN QUICK TO ARRANGE GENEROUS FINANCIAL PACKAGES TO ASSIST JAMAICA'S RECOVERY. THE INTER-AMERICAN DEVELOPMENT BANK, FOR INSTANCE, GRANTED JAMAICA A PACKAGE OF US\$100 MILLION FOR FINANCING NEW PROJECTS WITHOUT HAVING TO GO TO INTERNATIONAL TENDER. WITHIN TWO WEEKS OF THE STORM, THE IMF EXTENDED US\$ 47 MILLION IN EMERGENCY ASSISTANCE AND US\$ 114 MILLION UNDER A STAND-BY FUND FACILITY PROGRAM. CANADA, THE UNITED STATES AND THE UNITED KINGDOM HAVE ALSO EXTENDED SUBSTANTIAL SUMS OF BILATERAL RELIEF TO COVER EMERGENCY ASSISTANCE TO THE HOMELESS AND TO GET THE ELECTRICAL POWER SYSTEM BACK IN OPERATION. THE GOVERNMENT AND THE JAMAICAN PRIVATE SECTOR WILL HAVE NO OPTION BUT TO SPEND MUCH OF THE ABOVE NOTED IN-FLOWS OF FOREIGN EXCHANGE ON THE PURCHASE OF FOREIGN GOODS AND SERVICES AND THIS WILL CREATE SIGNIFICANT OPPORTUNITIES FOR CANADIAN EXPORTERS. THE RAPID RECONSTRUCTION OF THE JAMAICAN ECONOMY PROMISED BY THE GOVERNMENT OPENS UP POSSIBILITIES IN CONSTRUCTION MATERIALS OF ALL KINDS, PARTICULARLY WOOD SHINGLES AND GALVANIZED STEEL SHEETING. PRE-FABRICATED LOW COST HOUSING AND INDUSTRIAL STRUCTURES WILL BE REQUIRED TO ACCOMMODATE THE HOMELESS AND PROVIDE TEMPORARY FACILITIES TO REPLACE DESTROYED FACTORIES.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: KINGSTON

Country: JAMAICA

CANADIAN CONSULTING ENGINEERING EXPERTISE COULD BE USED IN THE RESTORATION OF THE COUNTRY'S ELECTRICAL AND TELEPHONE SYSTEMS, IN ADDITION TO THE WORLD BANK, IADB AND CARIBBEAN DEVELOPMENT BANK PROJECTS UNDERWAY. POTENTIAL CANADIAN EXPORTERS, HOWEVER, WILL HAVE TO BE VIGILANT AS TO THE DUE TO EXPECTED LONGER SETTLEMENT PERIODS IN THE TWICE WEEKLY BANK OF JAMAICA FOREIGN EXCHANGE AUCTIONS.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: KINGSTON

Country: TURKS ISLANDS

THE RE-ELECTION OF SIR LYNDEN PINDLING, LEADER OF THE PROGRESSIVE LIBERAL PARTY (PLP) AND PRIME MINISTER SINCE 1968, IN JUNE 1987 SEEMED TO ASSURE CONTINUITY OF ECONOMIC POLICY FOR THE BAHAMAS. AN ECONOMIC POLICY DEDICATED TO FOSTERING CONDITIONS FAVOURABLE TO ECONOMIC GROWTH BY THE FURTHER DEVELOPMENT OF THE TOURISM AND FINANCIAL SECTORS. TOURISM IS, AND WILL REMAIN, THE MAINSTAY OF THE BAHAMIAN ECONOMY, ACCOUNTING FOR ABOUT 70% (DIRECTLY AND INDIRECTLY) OF ITS GDP. NOT SURPRISINGLY, THEREFORE, MOST OF THE REAL GDP GROWTH IN 1987 (3%) WAS DIRECTLY ATTRIBUTABLE TO INCREASED CONSTRUCTION AND INFRASTRUCTURE PROJECTS RELATED TO THIS SECTOR. IN THIS REGARD CONSTRUCTION WORK CONTINUED DURING 1987 ON SEVERAL NEW HOTEL COMPLEXES, THE UPGRADING OF THE NASSAU INTERNATIONAL AIRPORT, THE NEW PROVIDENCE WATER/SEWERAGE SYSTEM AND VARIOUS HARBOUR IMPROVEMENT PROJECTS. FUTURE INFRASTRUCTURE PLANS INCLUDE THE ERECTION OF A 30 MILLION IMPERIAL GALLON DESALINATION PLANT AND BUILDING OF TWO 30 MEGAWATT OIL-FIRED ELECTRIC POWER PLANTS. IRONICALLY, THE ABOVE NOTED CONSTRUCTION AND ENGINEERING ACTIVITY OCCURRED WHILE THE COUNTRY WAS REGISTERING ONLY A 1% INCREASE IN TOURIST ARRIVALS IN 1987, TO 3.1 MILLION WHICH PRODUCED EARNINGS OF US\$ 1.2 BILLION. THE GOVERNMENT, HOWEVER, STILL FORECASTS ARRIVALS OF 5 MILLION PER ANNUM BY THE END OF THE CENTURY, BUT MANY OBSERVERS EXPECT THE MOST DRAMATIC GROWTH IN ARRIVALS TO BE IN THE CRUISE SHIP AND CONFERENCE SECTORS WHICH ARE LESS PROFITABLE THAN THE STOPOVER CATEGORY. WITH REGARD TO THE CRUISE SHIP SECTOR BALFOUR BEATTY HAS BEEN AWARDED A CONTRACT WITH ABOUT US\$ 50M FOR THE DESIGN AND IMPROVEMENT WORK TO HARBOURS IN THE BAHAMAS. THE MAJOR ELEMENTS OF THIS 24 MONTH CONTRACT INCLUDE THE PROVISION OF FOUR ADDITIONAL CRUISE LINER BERTHS IN NASSAU HARBOUR, TOGETHER WITH ONSHORE IMPROVEMENTS TO THE FORESHORE. WHEN COMPLETED, NASSAU HARBOUR WILL BE ABLE TO BERTH THE WORLD'S LARGEST CRUISE SHIPS. DESPITE THE ONGOING PROMOTION OF THE TOURISM SECTOR, THE GOVERNMENT IS SEEKING TO BROADEN THE COUNTRY'S ECONOMIC BASE BY DEVELOPING AGRICULTURE AND FISHING WHICH PRESENTLY ACCOUNT FOR LESS THAN 5% OF GDP. DESPITE THE RENEWED EMPHASIS ON THESE SECTORS, ABOUT 80% OF ALL FOOD PRODUCTS WILL CONTINUE TO BE IMPORTED. THUS PROSPECTS FOR THE IMPORT OF CANADIAN GOODS AND SERVICES RELATED TO THE HOSPITALITY INDUSTRY AND ITS INFRASTRUCTURE REMAIN GOOD. COMPETITIVELY PRICED CANADIAN FISH AND FOOD PRODUCTS AND BUILDING MATERIALS SHOULD FIND A SOLID MARKET IN THE BAHAMAS OVER THE NEXT FEW YEARS AS WELL. IN THE FINANCIAL SECTOR, A POTENTIAL PROBLEM EXISTS BETWEEN THE GOVERNMENT AND THE 385 BANKING INSTITUTIONS OPERATING IN THE BAHAMAS WHICH RESULTS FROM A RECENT DOUBLING OF LICENCE FEES FOR BANKS WHICH MAY ACCENTUATE A GROWING UNEASE IN THE COUNTRY'S OFFSHORE SECTOR TO THE BENEFIT OF THE CAYMAN ISLANDS. THE CAYMAN ISLANDS (POP. 20,000) AND THE TURKS AND CAICOS ISLANDS (POP. 5,000) CONTINUED TO SHOW MODERATE ECONOMIC GROWTH AND INCREASED IMPORTS IN 1987/88. OPPORTUNITIES EXIST FOR ADDITIONAL SOURCING OF FOOD PRODUCTS FROM CANADA. BELIZE REGISTERED A 5% INCREASE IN REAL GDP IN 1987 AND IS EXPECTED TO DO WELL IN 1988. FURTHER EXPANSION IN IMPORTS OF CAPITAL GOODS IS

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: KINGSTON

Country: TURKS ISLANDS

EXPECTED FOR THE NEXT SEVERAL YEARS AND THE LONG TERM PROSPECTS OF THE
AGRO-EXPORT ECONOMY REMAINS EXCELLENT.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: KINGSTON

Country: BAHAMAS

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

1. AGRI & FOOD PRODUCTS & SERVICE
OVER 80% OF ALL FISH AND FOOD PRODUCTS ARE IMPORTED. VAST MAJORITY FROM FLORIDA. SOLID OPPORTUNITY FOR PROCESSED FOOD ITEMS GEARED TOWARDS UP SCALE MARKET.
2. CONSTRUCTION INDUSTRY
MANY MAJOR INFRASTRUCTURE AND TOURISM RELATED PROJECTS ARE BEING PLANNED OR ARE BEING IMPLEMENTED. OPPORTUNITY EXISTS FOR CANADIAN CONSULTING ENGINEERING FIRMS IN DESALINATION PROJECT.
3. CONSUMER PRODUCTS & SERVICES
BAHAMIANS HAVE HIGH PER CAPITA INCOME AND DEMAND TOP QUALITY PRODUCTS, ALL OF WHICH IMPORTED. LOCAL DISTRIBUTERS ALWAYS INTERESTED IN NEW PRODUCTS.

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

1. AGRI & FOOD PRODUCTS & SERVICE
2. CONSUMER PRODUCTS & SERVICES
3. ADVANCED TECH. PROD. & SERV
4. GRAINS AND OILSEEDS

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: KINGSTON

Country: JAMAICA

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

1. AGRI & FOOD PRODUCTS & SERVICE
LARGE AND GROWING IMPORT MARKET DIRECTED TOWARDS UPPER INCOME JAMAICANS AND TOURISTS. HIGH QUALITY OF CANADIAN PRODUCT RECOGNISED BY FOOD DISTRIBUTORS, POTENTIAL FOR MORE CANADIAN SUPPLY.
2. CONSTRUCTION INDUSTRY
JAMAICA IN NEED OF CONSTRUCTION MATERIALS OF ALL KINDS IN WAKE OF HURRICANE GILBERT. EXCELLENT OPPORTUNITY FOR CANADIAN CEDAR SHINGLES AND GALVANIZED STEEL ROOF SHEETING.
3. FOREST PRODUCTS, EQUIP, SERVICES
OPPORTUNITIES EXIST IN SOFTWOOD LUMBER MARKET WHICH IS PRESENTLY DOMINATED BY USA SOUTHEAST PRODUCERS. DEMAND FOR LUMBER STRONG AS RESULT OF HURRICANE DAMAGE.
4. ADVANCED TECH. PROD. & SERV
JAMAICA TELEPHONE COMPANY AND JAMINTEL EMBARKED ON FIVE YEAR EXPANSION AND UPGRADE PLAN.

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

1. FISHERIES, SEA PRODUCTS & SERV.
2. FOREST PRODUCTS, EQUIP, SERVICES
3. GRAINS AND OILSEEDS
4. ADVANCED TECH. PROD. & SERV

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KINGSTON

Market: JAMAICA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	106.80 \$M	100.00 \$M	105.00 \$M	115.50 \$M
Canadian Exports	3.50 \$M	3.70 \$M	4.20 \$M	4.50 \$M
Canadian Share of Market	3.30 %	3.70 %	4.00 %	3.90 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	75.00 %
UNITED KINGDOM	5.00 %
NETHERLANDS	2.00 %
JAPAN	2.00 %

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

Products/services for which there are good market prospects:

1. PORTION CONTROL FOODS
2. PROCESSED FOODS FOR LOCAL REPACKAGING
3. FLOUR

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

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

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KINGSTON

Market: JAMAICA

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

Activity: POSSIBLE DNT.FOOD PROD.MISS.DURING FY 89/90 WHICH WAS CANCELLED.
Expected Results: 3 NEW REPRESENTATION AGREEMENTS

Activity: CONT.INVESTIG.OF CON DAIRY PROD.& POSS.OF OBT.LOCAL LICENCE
Expected Results: ARRANGE AT LEAST ONE LICENCING AGREEMENT

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KINGSTON

Market: JAMAICA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	35.10 \$M	41.00 \$M	48.00 \$M	0.00 \$M
Canadian Exports	3.10 \$M	8.20 \$M	9.00 \$M	0.00 \$M
Canadian Share of Market	8.80 %	20.00 %	18.70 %	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	65.00 %
UNITED KINGDOM	20.00 %
JAPAN	10.00 %

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

Products/services for which there are good market prospects:

1. TELEPHONE SWITCHES
2. TELEPHONE TRANSMISSION EQUIPMENT
3. CELLULAR TELEPHONES
4. COMPUTER SOFTWARE

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing
- willingness of exporters to invest/joint venture in territory

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KINGSTON

Market: JAMAICA

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

Activity: PREPARE MKT REP.ON JAMAIC.TELECOM NEEDS 1988-92 & CIRC.TO CD
Expected Results: VISIT TO JAMAICA OF COMPANIES INTERESTED IN SELLING TO
JAMAICA TELEPHONE CO.

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

Activity: MAKE DIRECT REPRES.TO JAMAICA TEL.CO IN SUPP.OF CDN EQUIP.
Expected Results: SALES IN FY 1989/90 OF \$15M.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KINGSTON

Market: JAMAICA

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	68.10 \$M	77.50 \$M	82.00 \$M	90.00 \$M
Canadian Exports	5.30 \$M	10.40 \$M	12.00 \$M	15.00 \$M
Canadian Share of Market	7.80 %	13.40 %	14.60 %	16.60 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	60.00 %
UNITED KINGDOM	7.00 %
SWEDEN	6.00 %
TRINIDAD AND TOBAGO	2.00 %

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

Products/services for which there are good market prospects:

1. PAPERBOARD
2. CARDBOARD BOXES
3. KRAFT PAPER PRODUCTS
4. SOFTWOOD LUMBER
5. RED CEDAR SHINGLES

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Market prospects have not been adequately explored
- HIGH TRANSPORTATION COSTS, CANADA
- TO JAMAICA

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KINGSTON

Market: JAMAICA

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

Activity: VISIT TO JAMAICA BY COFI EXPERT OR SIMILAR ORGANISATION
Expected Results: RENEWED INTEREST BY JAMAICA COMMODITY TRADING CORP FOR
CANADIAN LUMBER

Post : KINGSTON

Start Date	Event Name, Location & Type	Sector/Post/Contact
89/04/00	HOSPITALITY TRADE BUYERS MISS. FM COMMONWEALTH CARIBBEAN MISSION IN, TO INDUSTRY	GENERAL OR UNASSIGNED ISB
89/04/23	BUYERS FROM JAMAICA & BAHAMAS TO HOSTEX '89, TORONTO MISSION IN, TO FAIR	AGRI & FOOD PRODUCTS & SERVICE E.KELSO
89/05/00	MINISTERIAL MISSION FROM BAHAMAS MISSION IN, TO INDUSTRY	TRANSPORT SYS, EQUIP, COMP, SERV. J.DUNDUN
89/11/00	POWER GENERATING EQPT MISS. FM BAH., BELIZE, JAMAICA MISSION IN, TO INDUSTRY	POWER & ENERGY EQUIP & SERV.

RPT81

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: MEXICO

Country: MEXICO

MEXICO'S BALANCE OF PAYMENTS, AFTER HAVING REGISTERED A SIGNIFICANT IMPROVEMENT UNTIL THE SPRING OF 1988, WHEN RESERVES PEAKED AT OVER US \$16BN, HAS SINCE DETERIORATED SOMEWHAT. THE GROWTH IN RESERVES WAS FED BY A VIGOROUS TRADE SURPLUS (WHICH DOUBLED TO US\$8.48N IN 1987), AND BY A CURRENCY FREEZE IN 1988 AT A TIME WHEN DOMESTIC INTEREST RATES REACHED AN ALL-TIME HIGH, THUS ATTRACTING CAPITAL FROM ABROAD. THE PERSISTENCE OF THE CURRENCY FREEZE IS HOWEVER HAVING A DETRIMENTAL EFFECT ON EXPORTS, WHICH ARE GROWING AT A MUCH SLOWER PACE, WHILE IMPORTS ARE INCREASING (UP 54% IN THE FIRST 8 MONTHS, DUE PARTLY TO THE DISMANTLING OF IMPORT BARRIERS). THE TRADE SURPLUS IS THUS EXPECTED TO BE DOWN MORE THAN 65% IN 1988. THERE HAS ALSO BEEN A RESUMPTION OF CAPITAL FLIGHT IN THE SUMMER OF 1988. RESERVES WERE DOWN TO AN ESTIMATED US\$10 BN IN LATE OCTOBER. HIGH INTERNATIONAL INTEREST RATES AND THE LACK OF SUCCESS AT NEGOTIATING SERIOUS CUTS IN THE LEVEL OF OUTSTANDING DEBT KEEP MEXICO'S OBLIGATIONS TOWARDS ITS CREDITORS AT A DIFFICULT LEVEL. DEBT SERVICE THUS REPRESENTS SOME 6% OF GDP. THE RELATIVE SUCCESS OF THE "ECONOMIC PACT" UNVEILED IN LATE 1987 HAS MANAGED TO REDUCE MONTHLY INFLATION FROM AN AVERAGE OF 7-8% IN 1987 TO 1-2% IN MID-1988. THE COST TO THE ECONOMY IS EXPECTED TO BE HIGH HOWEVER WITH GROWTH EXPECTED TO BE -1% TO -2% (AFTER + 1.4% IN 1987). AND INFLATIONARY PRESSURES MAY STILL UNDO MUCH OF WHAT HAS BEEN ACHIEVED SO FAR. INVESTMENT IS DOWN TO ONLY 15% OF GDP, FROM A HIGH OF OVER 25% SOME 6 YEARS AGO. A DEVALUATION OF THE PESO WILL BECOME MORE NECESSARY AS INFLATION PERSISTS AND AS THE TRADE SURPLUS SHRINKS. THIS MAY LEAD TO HIGHER DOMESTIC INTEREST RATES, HIGHER PRICES AND DEMANDS FOR SALARY INCREASES, WHICH WOULD THREATEN THE ACCOMPLISHMENT OF THE ECONOMIC POLICIES. THE GOVERNMENT OF MEXICO CLAIMS, QUITE RIGHTLY SOME SUCCESS AT HAVING BROUGHT DOWN THE LEVEL OF BUDGET DEFICIT FROM 16-18% OF GDP IN 1986-87 TO AN EXPECTED 9.5% THIS YEAR. THIS IS DUE LARGELY TO LOWER COSTS OF FINANCING ITS DOMESTIC DEBT (AS DOMESTIC RATES HAVE FALLEN FROM 160-180% TO 40-50%) AND TO SOME ADJUSTMENTS IN THE BUDGET. THE DEFICIT REMAINS TOO HIGH HOWEVER, AND ATTENTION WILL FOCUS AGAIN ON THE NEED TO TRIM THE PUBLIC SECTOR AND TO INCREASE REVENUES. THE GOVERNMENT OF MEXICO IS THUS STILL IN A STRAIT-JACKET WITH LITTLE ROOM FOR MANOEUVRE. ANY EARLY MOVE TO BOOST THE ECONOMY COULD FUEL A RAPID RESUMPTION OF INFLATION. THE GOAL OF THE NEW ADMINISTRATION HAS BEEN STATED AS ACHIEVING A GRADUAL AND SUSTAINED GROWTH IN A CONTEXT OF LOW INFLATION.

CANADIAN EXPORTS, UP 22% IN 1987, TO A LEVEL OF \$522 MILLION, WERE DOWN 7% TO \$488 MILLION IN 1988, THIS AT A TIME WHEN MEXICAN IMPORTS WERE INCREASING MORE THAN 50%. THIS DISCREPANCY MAY BE EXPLAINED PARTLY BY THE FACT THAT MEXICAN IMPORTS OF CONSUMER GOODS (NOT A STRONG SECTOR FOR CANADA) MUSHROOMED BY OVER 100% IN 1988, WHILE GOVERNMENT CUTBACKS HAVE LED TO CANCELLATIONS AND POSTPONEMENTS OF PROJECTS IN THE RAILWAY, COMMUNICATIONS AND AVIATION SECTORS, WHERE WE HAVE SOME MAJOR DEALS IN THE PIPELINE. SALES OF AGRICULTURAL COMMODITIES WERE UP SUBSTANTIALLY OVER 1987, SUPPORT-

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: MEXICO

Country: MEXICO

TED BY GOOD EDC GUARANTEE/FINANCING PROGRAMS.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: MEXICO

Country: MEXICO

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

1. GRAINS AND OILSEEDS

MEXICO IS CANADA'S SECOND LARGEST MARKET FOR CANOLA AND THE POTENTIAL EXISTS TO MOVE OVER \$100 MILLION OF SEED, MEAL & OIL ANNUALLY. MEXICO ALSO PRESENTS A MARKET FOR CANADIAN WHEAT; BARLEY FOR ITS BREWING INDUSTRY.

2. AGRI & FOOD PRODUCTS & SERVICE

MEXICO GOVERNMENT IS PLEDGE TO INCREASE ITS MILK PRODUCTION AND INITIATED A \$140 MILLION DAIRY PROGRAM WHICH THE NEW ADMINISTRATION WILL CONTINUE. BEEF AND PORK PRODUCTION IS TARGETED FOR INCREASES TO REPLACE IMPORTS AND MEET CURRENT MARKET DEMAND.

3. ADVANCED TECH. PROD. & SERV

THE TELECOMMUNICATIONS SECTOR IS SCHEDULED FOR PRIORITY ATTENTION. TELMEX PLANS TO INCREASE THE NUMBER OF LINES FROM 4.4 MILLION BY 2000 WITH A COMPLETELY DIGITAL SYSTEM. A REPLACEMENT PROGRAM FOR THE MORELOS SATELLITE WILL MEAN THE PURCHASE OF 1 OR 2 SATELLITES. A RURAL TELEPHONY PROGRAM TO SERVICE 6000 TOWNS IS PLANNED.

4. TRANSPORT SYS, EQUIP, COMP, SERV.

RAIL MODERNIZATION & IMPROVEMENTS ARE A PRIORITY REQUIREMENT FOR COMMERCE & TOURISM. INITIALLY AN EXPANDED REPAIR AND OVERHAUL PROGRAM IS NEEDED. IMPROVED COMMUTER SERVICES TO AND FROM MEXICO ARE NEEDED. OTHER URBAN CENTRES INCLUDING MONTERREY/GUADALAJARA/STATE OF MEXICO ARE EXPANDING PASSENGER SERVICES.

5. INDUSTRIAL MACHIN, PLANTS, SERV.

MEXICO'S EXPANDING PRODUCTION CAPABILITY NEEDS MODERN MACHINERY & EQUIPMENT WHICH ASSURE PRODUCT QUALITY STANDARDS & EFFECTIVENESS. MEXICO'S LOW COST LABOUR IS ATTRACTING MORE INVESTMENT, BOTH DOMESTIC & FOREIGN.

6. TRANSPORT SYS, EQUIP, COMP, SERV.

MEXICO'S AUTOMOTIVE SECTOR IS ALREADY A FACTOR IN NORTH AMERICAN MARKETS & OFFERS CANADIAN FIRMS OPPORTUNITIES FOR INVESTMENT, MARKETS FOR MATERIALS & EQUIPMENT.

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

1. AGRI & FOOD PRODUCTS & SERVICE
2. MINE, METAL, MINERAL PROD & SRV
3. TRANSPORT SYS, EQUIP, COMP, SERV.

4. MINE, METAL, MINERAL PROD & SRV
5. POWER & ENERGY EQUIP. & SERV.
6. TRANSPORT SYS, EQUIP, COMP, SERV.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1750.00 \$M	1600.00 \$M	1850.00 \$M	1850.00 \$M
Canadian Exports	21.00 \$M	22.50 \$M	25.30 \$M	50.00 \$M
Canadian Share of Market	1.70 %	1.40 %	1.40 %	3.00 %

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

Major Competing Countries

Market Share

MEXICO	0.00 %
UNITED STATES OF AMERICA	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. DAIRY CATTLE
2. BEEF CATTLE
3. SWINE
4. HIDES
5. SEMEN
6. SEED POTATOES
7. MILK POWDER

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are moderate
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- Competitive pricing
- Strong sectoral capability in Canada
- Bilateral economic trade agreement
- AVAILABILITY OF LOW COST
- POWDERED MILK (CHANGING)

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors for Canadian exports not reaching market potential:

- Restrictive standards
- Non-competitive pricing
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- GOVT AG. SANITARY
- STNDS, MKTG BOARDS
- LACK OF ON-GOING REPRESENTATION IN
- THE MARKET PLACE & AGRESSIVITY.

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

- Activity: INCOMING MISSION TO STUDY DAIRY MNGMT PRACTICES IN CAN.
- Activity: SEED POTATOE BUYERS MISSION FROM MEXICO
Expected Results: SALES INCREASE TO 1/2 M.\$ ANNUALLY.
- Activity: MEAT BUYERS MISSION FROM MEXICO (LOW PRIORITY)
Expected Results: SALES INCREASE TO 2/3M.\$ ANNULALLY.
- Activity: POULTRY BREEDING STOCK BUYERS MISSION FROM MEXICO (LOW PRIO)

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

- Activity: OUTGOING TECH. SEMINAR & COMM. SWINE MISSION TO MEXICO
Expected Results: POTENTIAL SALES 2/3 MILLION \$.
- Activity: OUTGOING BEEF CATTLE (ALL BREEDS) MISSION TO MEXICO
Expected Results: POTENTIAL SALES BEEF/DAIRY CATTLE \$50 MILLION OVER 3 YEARS.
- Activity: DEVELOP PROGRAM OF TECH. ASSIST. & COUP. W/STATE AGR. MINIST.
Expected Results: INCREASE KNOWLEDGE OF CDN CAPABILITY.
- Activity: DEVELOP DIRECT CONTACTS/RELAT. W/SELECTED MEXICAN UNIVERS.
Expected Results: MARKET INFORMATION.

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

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

LICONSA MILK ENHANCEMENT
PRO^N PROGRAM (DAIRY CATTLE)

Approximate Value: 120 M\$
Financing Source : EDC - Export Dev Corporation
Contact : G. RICHARDSON, CDN EMBASSY,
MEXICO, TLEX 1771191 (DMCNE)

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : GRAINS AND OILSEEDS

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	825.00 \$M	900.00 \$M	1475.00 \$M	1200.00 \$M
Canadian Exports	47.50 \$M	116.30 \$M	148.00 \$M	120.00 \$M
Canadian Share of Market	5.80 %	12.80 %	10.00 %	10.00 %

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

Major Competing Countries	Market Share
MEXICO	55.00 %
UNITED STATES OF AMERICA	35.00 %

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

Products/services for which there are good market prospects:

1. CANOLA
2. MILLING WHEATS
3. FEED GRAINS
4. MALTING BARLEY

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
- Competitive Canadian financing
- CANOLA IS A UNIQUE PRODUCT
- MUST COMP WITH SOYA, AND
- SUNFLOWER SEED.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- CHANGES IN FIN. BY OUR COMP. (USA)
- & COMP PRICING BY SUB PROD./COMPET

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

Activity: OILSEED TECH SEMINAR IN MEXICO CITY, CIUDAD OREGON & GUADAL
Expected Results: INCREASED CANOLA MEAL ACCEPTANCE AMONG FEED FORMULATORS.

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

Activity: CANOLA SEED MISSION TO MEXICO (TECHNICAL TRAINING)
Expected Results: INCREASE SALES POTENTIAL FOR SEED OIL, MEAL TO OVER \$100M. ANNUALLY.

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

Activity: CONTINUED CANOLA PROMO THROUGH EXHIBITS/INFO BOOTHS @ 3 NAT
Expected Results: BUILD AWARENESS OF CANADIAN CAPABILITY TO SUPPLY CANOLA, OIL & MEAL.

Activity: INVESTIGATE POTENTIAL MARKET FOR (ONTARIO) SOFT WHEATS.
Expected Results: POTENTIAL SALES OF 2 TO 5 M. ANNUALLY.

Activity: DEVELOP DIRECT CONTACTS WITH MEXICAN BREWERERS RE MALTING
Expected Results: POTENTIAL SALES OF 2 TO 5 M. ANNUALLY.

Activity: OILSEEDS REPORT (OCTOBER). ANNU. WHEAT, SURVEY COARSE GRAINS
Expected Results: MKT REPORT FOR CDN INDUSTRY & MARKET INFORMATION FOR CANADIAN EXPORTERS.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

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

LIVESTOCK CREDIT PROGRAM

Approximate Value: 200 M\$
Financing Source : IADB - Inter-American Dev Bank
Contact : G. RICHARDSON - MEXICO
254 3288; A. PAHNKE - SAME.

GLOBAL AGRICULTURAL PROGRAM

Approximate Value: 140 M\$
Financing Source : IADB - Inter-American Dev Bank
Contact : G. RICHARDSON - MEXICO
254 3288; A. PAHNKE - SAME

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : DEFENCE PROGRAMS, PRODUCTS, SERV

Sub-Sector: OTHER DEFENSE PROD & SERV.

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	0.00 %
GERMANY WEST	0.00 %
UNITED KINGDOM	0.00 %
JAPAN	0.00 %

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

Products/services for which there are good market prospects:

1. SURVEILLANCE EQUIP. & LOCUS FOR BLDGS & PROPERTY
2. FIRE FIGHTING EQUIPMENT
3. SAFETY CLOTHING/PROTECTIVE CLOTHING
4. GAS AND METAL DETECTION DEVICES

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are moderate
- Aggressive marketing
- PEMD support
- Trade Fair activity
- Provincial export promotion
- Competitive pricing
- willingness of exporters to invest/joint venture in territory

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Unsuitable product
- Limited appreciation/understanding of distribution system
- Limited Canadian capabilities
- Market prospects have not been adequately explored
- OUR PROD. OFTEN TOO SHIP/CUSTLY
- TO COMPETE WITH MXCAN PRD.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

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

Activity: SECURITY PRODUCTS/SERVICES MISSION TO MEXICO
Expected Results: 4/5 REPRESENTATION AGREEMENT

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	301.00 \$M	310.00 \$M	320.00 \$M	336.00 \$M
Canadian Exports	2.80 \$M	5.00 \$M	6.00 \$M	15.00 \$M
Canadian Share of Market	0.90 %	1.70 %	1.90 %	0.00 %

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

Major Competing Countries	Market Share
MEXICO	70.00 %
SWEDEN	12.00 %
UNITED STATES OF AMERICA	5.00 %
JAPAN	3.00 %
GERMANY WEST	3.00 %

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

Products/services for which there are good market prospects:

1. MICROWAVE SYSTEMS
2. TELEPHONY EQUIPMENT
3. SATELLITE GROUND SEGMENT
4. EXCHANGES
5. MULTIPLE-ACCESS RURAL TELEPHONE SYSTEMS

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are moderate
- Aggressive marketing
- PEMP support
- CIDA programs
- Competitive pricing
- Competitive Canadian financing
- willingness of exporters to invest/joint venture in territory

30/05/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors for Canadian exports not reaching market potential:

- Restrictive standards
- Non-competitive pricing
- Lack of promotion and advertising
- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- GOVT. FIRMS FAVOUR
- LOCAL EQPT.

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

Activity: MARKET REPORT IS IN PREPARATION
Expected Results: MORE EFFECTIVE PROMOTION BY CDN EXPERTORS

Activity: PARTICIPATION IN COMEXPO MEXICO D F FEB 20-MARCH 3, 1988
Expected Results: 5 REPRESENTATION AGREEMENTS.

Activity: COMMERCIAL OFFICER TOUR OF CANADA NOV 88
Expected Results: KNOWLEDGE OF INDUSTRY & NEEDS.

Activity: ARTICLE FOR CANADA EXPORT
Expected Results: NEW INTEREST IN MKT

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

Activity: ENCOURAGE CDN FIRMS TO VISIT LOCAL PROSPECTS
Expected Results: GREATER AWARENESS OF CDN CAPABILITY. SOME SALES

Activity: RURAL TELECOM MISSION FALL 89 (SUG. BY DOC)
Expected Results: REPRESENTATION AGREEMENTS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

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

Activity: INFO BOOTH AT COMEXPO FEB'90
Expected Results: NEW LEADS

Activity: INFO BOOTH AT MEXCOMM, FEB'90
Expected Results: NEW LEADS

Activity: MINI SHOWS/TECH SEM AT EMB & BOOTHS AT COMPACOM/EXPO-ELECT
Expected Results: REPRESENTATION AGREEMENTS

Activity: FOCUSSED PROMOTIONS ON MKTS OTHER THAN TELMEX (BKS PEMEX CEE
Expected Results: NEW SALES OPPORTUNITIES

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

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

ENLARGEMENT OF MICROWAVE NETWORK

Approximate Value: 280 M\$
Financing Source : IA08 - Inter-American Dev Bank
Contact : M. RODRIGUEZ-MEXICO 011-525
254 D. BUTLER EXT AFF OTT MUNC

SATELLITE GROUND SEGMENT

Approximate Value: 50 M\$
Financing Source : OTHER
Contact : M. RODRIGUEZ-MEXICO 011-525
254 D. BUTLER EXT AFF OTT MUNC

MULTI-ACCESS RURAL TELEPHONY

Approximate Value: 100 M\$
Financing Source : OTHER
Contact : (POTENTIAL IA08) SAME AS ABOVE

TELMEX EXPANSION OF SERVICES

Approximate Value: 250 M\$
Financing Source : OTHER
Contact : (POTENTIAL IA08) SAME AS ABOVE

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: COMPUTERS HARD/SOFTWARE & COMP

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	232.00 \$M	255.00 \$M	332.00 \$M	414.00 \$M
Canadian Exports	3.70 \$M	5.00 \$M	6.00 \$M	10.00 \$M
Canadian Share of Market	1.60 %	2.00 %	1.80 %	2.00 %

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

Major Competing Countries

Market Share

MEXICO	60.00 %
UNITED STATES OF AMERICA	28.00 %
GERMANY WEST	4.00 %
BRAZIL	3.00 %

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

Products/services for which there are good market prospects:

1. PERIPHERALS
2. SPARE PARTS & ACCESORIES
3. SOFTWARE

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- Provincial export promotion
- Competitive pricing
- EDC INSURANCE

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Restrictive quotas
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- PATENTS/COPYRIGHTS UNENFORCEABLE LACK OF AGENTS
- LACK OF AGENTS

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

Activity: MARKET REPORT ON SECTOR AND ARTICLE IN CANADA EXPORT
Expected Results: GREATER MKT AWARENESS

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

Activity: MINI SHOW(S) TECHNICAL WORKSHOPS AT EMBASSY
Expected Results: 5 TO 10 REPRESENTATION AGREEMENTS.

Activity: INFORMATION BOOTHS AT COMEXPO FEB 90 MEX COMM FEB 90

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

Activity: PUSH SECTOR FOR PROVINCIAL TRADE MISSIONS

Activity: INFO BOOTHS AT COMPUCON, EXPO ELECTRONIC

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	180.00 \$M	200.00 \$M	190.00 \$M	200.00 \$M
Canadian Exports	0.90 \$M	6.00 \$M	6.00 \$M	8.00 \$M
Canadian Share of Market	0.00 %	3.00 %	3.00 %	4.00 %

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

Major Competing Countries	Market Share
MEXICO	60.00 %
UNITED STATES OF AMERICA	12.00 %
JAPAN	10.00 %
ITALY	8.00 %
GERMANY WEST	5.00 %
OTHER COUNTRIES	5.00 %

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

Products/services for which there are good market prospects:

1. TURBO GENERATORS
2. POWER GENERATING PLANTS
3. STEAM GENERATORS
4. SUBSTATIONS
5. VALVES AND METAL PIPING
6. LIGHTNING ARRESTORS
7. SPAKE PARTS.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are moderate
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing
- EDC LINE OF CREDIT WITH
- CFE IS ALWAYS ALMOST
- FULLY USED.

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
- Performance of local agent or representative
- CFE MUST FAVOUR
- MXCAN EQPT.
- CDN FIRMS OFTEN LACK PERMANENT
- REPRESENTATIVE IN THIS MARKET.

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

Activity: ENCOURAGE CDN FIRMS TO REGISTER AS SUPPLIERS CFE
Expected Results: INCREASED NUMBER OF BID FROM CANADIAN FIRMS.

Activity: FOLLOW UP WITH CFE RE 2 PROPOSED HYDRO ELECTRIC DEVELOPMENTS
Expected Results: PARTICIPATION IN PROJECTS.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

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

Activity: PROMOTE THIS AREA FOR PROVINCIAL TRADE DEVELOPMENT ACTIVITY

Activity: UPDATE MARKET STUDY FOR 1988.

Expected Results: REPORT FOR DISTRIBUTION.

Activity: PROVIDE DIRECTLY TO CDN FIRMS INFO ON TENDERS

Expected Results: LARGER NUMBER OF CDN SUPPLIER.

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

HYDRO ELECTRIC GENERATION

Approximate Value: 450 M\$

Financing Source : IBRD - World Bank

Contact : M.RODRIGUEZ(011 525) 254 32 88

D.BUTLER 613-995-04 60

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

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	785.00 \$M	1350.00 \$M	1480.00 \$M	1550.00 \$M
Canadian Exports	62.00 \$M	66.00 \$M	70.00 \$M	73.00 \$M
Canadian Share of Market	8.00 %	5.00 %	5.00 %	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	45.00 %
JAPAN	12.00 %
GERMANY WEST	18.00 %
MEXICO	17.00 %

Current Status of Canadian

exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. AUTOMOTIVE PARTS OEM
2. AFTER MARKET PTS

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- PEMD support
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing
- AUTOMOTIVE SECTOR

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors for Canadian exports not reaching market potential:

- Restrictive quotas
- Non-competitive pricing
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Limited Canadian capabilities
- Market prospects have not been adequately explored
- NOT SUFFICIENT PERMANENT
- REPRESENTATION

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

Activity: AUTOPARTS MISSION TO MEXICO NOV 1989
Expected Results: HOPEFULLY 7 TO 15 J. VENTURES ON TECHNOLOGY.

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 IN-ROADS WITH INA (MEX. AUTOPARTS MFRS ASSRS)
Expected Results: HOPEFULLY 7 TO 15 J. VENTURES ON TECHNOLOGY.

Activity: UPDATE OF AUTOMOTIVE IND. REPORT

Activity: VERTICAL LISTING OF AUTOMOTIVE MFRS & NEEDS/INTERESTS.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : TRANSPORT SYS,EQUIP,COMP,SERV.

Sub-Sector: RAIL

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	95.10 \$M	66.10 \$M	100.00 \$M	150.00 \$M
Canadian Exports	28.00 \$M	32.00 \$M	20.00 \$M	35.00 \$M
Canadian Share of Market	29.40 %	48.40 %	20.00 %	23.30 %

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

Major Competing Countries

Market Share:

MEXICO	0.00 %
UNITED STATES OF AMERICA	0.00 %
UNITED KINGDOM	0.00 %
GERMANY WEST	0.00 %
JAPAN	0.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. RAIL
2. SLEEPER CARS
3. LUCOMOTIVE/RAIL CAR PARTS
4. RAIL FASTENING SYSTEMS
5. PASSENGER SERVICE RELATED GOODS
6. TRAINING SIMULATORS
7. LEASING OF SPECIALIZED ROLLING STOCK
8. EQUIPMENT FOR MAINTENANCE
9. TRAFFIC CONTROL SYSTEMS
10. TICKETING SYSTEMS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

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
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing
- CDN FIRMS WITH REPS HAVE
- DONE WELL.

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Limited Canadian capabilities
- Market prospects have not been adequately explored
- GOVT OWNED BUYERS
- MUST FAVOUR MXN PRDS
- LACK OF PERM REP IN MEXICO. NO MAJOR
- CDN INVESTMENT/JV IN MEXICO

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

- Activity: RAILWAY REPORT FOR DISTRIBUTION
- Activity: FOLLOW UP MEXN RAILWAY PRESENTATION MONTREAL OCT 88
- Activity: RENEWED CONTACT W/URBAN TRANSPORTATION OFFICIALS MEXICO,
Expected Results: MARKET INFORMATION.
- Activity: IND.VISITS OR REP ON POSSIBLE INCOM. REGIONAL MISSION

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DEPARTMENT OF EXTERNAL AFFAIRS

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

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	145.00 \$M	230.00 \$M	185.00 \$M	250.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	1.00 \$M
Canadian Share of Market	3.70 %	6.00 %	0.80 %	0.50 %

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

Major Competing Countries	Market Share
FRANCE	0.00 %
BRAZIL	0.00 %
NETHERLANDS	0.00 %
SWEDEN	0.00 %
UNITED KINGDOM	0.00 %
UNITED STATES OF AMERICA	0.00 %

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

Products/services for which there are good market prospects:

1. DASH-8 SALES TO AIRLINES
2. BELL HELICOPTERS
3. BUFFALO OVERHAUL
4. TWIN OTTER OVERHAUL
5. FUEL PUMPS FOR F-5 S

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
- Canada is one of few sources of supply
- Strong sectoral capability in Canada

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Unsuitable product
- Non-competitive financing
- 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: CONTINUE DIRECT ASSISTANCE TO BOEING CANADA
Expected Results: SALE OF 1 TO 5 DASH 8 S WITHIN 3 YEARS.

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : MINE, METAL, MINERAL PROD & SRV

Sub-Sector: MINERALS AND MINERAL PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1180.20 \$M	1220.20 \$M	1270.00 \$M	1300.00 \$M
Canadian Exports	100.00 \$M	124.00 \$M	125.00 \$M	150.00 \$M
Canadian Share of market	8.50 %	10.20 %	9.80 %	11.50 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	0.00 %
MEXICO	0.00 %
UNITED KINGDOM	0.00 %
GERMANY WEST	0.00 %
BRAZIL	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. SULPHUR
2. STEEL RAILS
3. STEEL AND STRIP STEEL
4. ASBESTOS
5. POTASH
6. COAL
7. NICKEL
8. ALUMINIUM
9. RAW MATERIALS & SEMIFABRICATED PRODUCT FOR MFG.

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are moderate
- Aggressive marketing
- Competitive pricing
- Strong sectoral capability in Canada
- ESTABL. REPRES. & SUPPORT
- FROM CAN FOR MKT ACTIV.
- CDN QUALITY, GEOGRAP LOCA

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors for Canadian exports not reaching market potential:

- Limited appreciation/understanding of distribution system
- Limited Canadian capabilities
- Market prospects have not been adequately explored
- MODERNIZATION OF
- MEXICAN STEEL IND
- RAIDS ON MKT BY NEW SUPPLIERS.
- ASBESTOS SUBSTITUTES.

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

Activity: DEFINITION OF INITIAL MARKET FOR COAL IN MEXICO
Expected Results: REPORT

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

Activity: SELECTIVE WORK W/CDN FIRMS TO IDENTIFY SUITABLE REPS
Expected Results: 2-5 REPRESENTATION AGREEMENTS

Activity: PROMOTE W/MEXICAN MFRRS PARTICULARLY AUTO AND APPLIANCES
Expected Results: IDENTIFICATION OF NEW BUYERS

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

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

FERTILIZER PROJECT

Approximate Value: 200 M\$
Financing Source : IBRD - world Bank
Contact : D.BUTLER 613-995-0460; G.WEBER
(011 525) 254 32 88

STEEL INDUSTRY MODERNIZATION

Approximate Value: 300 M\$
Financing Source : IBRD - world Bank
Contact : D.BUTLER 613-995-0460; G.WEBER
(011 525) 254 32 88

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : MINE, METAL, MINERAL PROD & SRV

Sub-Sector: EQUIPMENT AND MACHINERY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	141.00 \$M	130.00 \$M	160.00 \$M	175.00 \$M
Canadian Exports	4.00 \$M	6.00 \$M	8.00 \$M	10.00 \$M
Canadian Share of Market	3.00 %	5.00 %	5.00 %	6.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	45.00 %
GERMANY WEST	13.00 %
EAST GERMANY	10.00 %
SWEDEN	9.00 %
JAPAN	8.00 %
UNITED KINGDOM	5.00 %

Current Status of Canadian

exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. MINING MACHY-GENERAL
2. DRILLING EQUIP.
3. CONSULTING

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are moderate
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Provincial export promotion
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing
- willingness of exporters to invest/joint venture in territory

30/05/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Unsuitable product
- Limited appreciation/understanding of distribution system
- Limited Canadian capabilities
- Market prospects have not been adequately explored
- ONGOING REPRESENTATION IS
- REQUIRED.

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

Activity: TECHNICAL MINING SEMINAR AND MISSION NOV 22-25

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

Activity: PARTICIPATION IN MEX MINING SHOW 1989 (INFO BOOTH)

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 MINING STUDY PAPER & CONTACTS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: MACHINERY AND EQUIPMENT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year. (Projected)
Market Size	132.00 \$M	200.00 \$M	200.00 \$M	200.00 \$M
Canadian Exports	5.00 \$M	10.00 \$M	12.00 \$M	12.00 \$M
Canadian Share of Market	3.80 %	5.00 %	6.00 %	6.00 %

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

Major Competing Countries

Market Share

MEXICO	0.00 %
UNITED STATES OF AMERICA	0.00 %
UNITED KINGDOM	0.00 %
FRANCE	0.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. COMMUNICATIONS EQUIPMENT
2. HELICOPTER REPAIR & OVERHAUL
3. PIPELINE SERVICES
4. DRILLING EQUIPMENT

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- Fairs and Missions support
- Provincial export promotion
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing
- BEING ESTAB. IN USA MKT.
- PERSISTENCE FOR 2-3 YEARS

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DEPARTMENT OF EXTERNAL AFFAIRS

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Non-competitive pricing
- Lack of promotion and advertising
- Unsuitable product
- Limited appreciation/understanding of distribution system
- Limited Canadian capabilities
- Market prospects have not been adequately explored
- PEMEX MUST FAV LOCAL
- MFRRS.PEMEX BUYING
- COMPANIES LACK STRONG LOCAL REP.

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

Activity: REVIEW AND UPDATE MARKET PAPER
Expected Results: NEW INTEREST IN MARKET BY 5-10 QUALIFIED CDN EXPORTERS

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

Activity: PARTICIPATE IN PETRO EXPO MEXICO JULY 89
Expected Results: 4-5 REP AGREEMENTS. IDENTIFY NEW POSSIBLE REPS.

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DEPARTMENT OF EXTERNAL AFFAIRS

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

Mission: MEXICO

Market: MEXICO

Sector : CHEM PROD & PETROCHEM,EQP,SERV

Sub-Sector: PLASTICS PRODUCTS,EQUIP,SERVIC

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1625.00 \$M	1820.00 \$M	1850.00 \$M	1970.00 \$M
Canadian Exports	18.00 \$M	12.00 \$M	13.00 \$M	13.00 \$M
Canadian Share of Market	1.10 %	0.70 %	0.70 %	0.70 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	28.00 %
MEXICO	47.00 %
GERMANY WEST	15.00 %
SWITZERLAND	5.00 %
BRAZIL	0.00 %

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

Products/services for which there are good market prospects:

1. SPECIALTY PLASTICS RAW MATERIALS
2. FERTILIZERS

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are moderate
- PEMD support
- Competitive pricing

30/05/89

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors for Canadian exports not reaching market potential:

- Restrictive quotas
- Lack of promotion and advertising
- Unsuitable product
- Limited appreciation/understanding of distribution system
- Limited Canadian capabilities
- Market prospects have not been adequately explored
- Performance of local agent or representative
- VESTIGES OF IMPORT
- CONTROLS
- FEW CDN CO. HAVE PERMANENT
- REPRESENTATION.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MEXICO

Market: MEXICO

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	123.00 \$M	111.00 \$M	110.00 \$M	110.00 \$M
Canadian Exports	4.00 \$M	2.00 \$M	3.00 \$M	3.00 \$M
Canadian Share of Market	3.00 %	2.00 %	3.00 %	3.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	50.00 %
GERMANY WEST	30.00 %
FRANCE	15.00 %
BRAZIL	0.00 %
SWITZERLAND	0.00 %
UNITED KINGDOM	0.00 %

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

Products/services for which there are good market prospects:

1. LABORATORY EQUIP-TEACHING
2. TECHNICAL EQUIP-TEACHING

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are moderate
- PEMD support
- Fairs and Missions support
- Competitive pricing

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- FEW FIRMS HAVE ONGOING
- REPRESENTATION

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

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

Activity: PREPARE MKT STUDY & AGENT LIST. REPORT EDUC. PURCHASES

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

Mission: MEXICO

Market: MEXICO

Sector : INDUSTRIAL MACHIN, PLANTS, SERV.

Sub-Sector: MANUFACT & MATERIAL PLANT, EQP.

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	5300.00 \$M	4900.00 \$M	5550.00 \$M	5550.00 \$M
Canadian Exports	40.00 \$M	50.00 \$M	60.00 \$M	70.00 \$M
Canadian Share of Market	0.80 %	1.00 %	1.10 %	1.30 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	58.00 %
GERMANY WEST	29.00 %
JAPAN	3.00 %
SPAIN	2.00 %
ITALY	2.00 %
FRANCE	2.00 %

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

Products/services for which there are good market prospects:

1. PLASTIC MACHINERY
2. METAL WORKING MACHINERY
3. PAINT FINISHING MACHINERY
4. TOOLS/DIES/MOULDS
5. FOOD PROCESSING/PACKAGING MACHINERY

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are moderate
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Provincial export promotion
- Competitive pricing
- Competitive Canadian financing

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MEXICO

Market: MEXICO

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Unsuitable product
- Limited appreciation/understanding of distribution system
- Limited Canadian capabilities
- Market prospects have not been adequately explored
- FEW CDN COMPANIES HAVE PERMANENT
- REPRESENTATION.

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

Activity: INVESTIGATE AVAIL OF IND. MACHINERY SHOWS IN MONTERREY & MEX
Expected Results: IDENTIFY MARKETING VEHICLE.

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

Activity: MISSION OR PARTICIPATION IN IND. MACH SHOW IN MONTERREY/MEX
Expected Results: REPRESENTATION AGREEMENTS

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

Activity: STUDY MEXICAN MKT FOR PLASTICS MACHINERY
Expected Results: REPORT FOR DISTRIBUTION.

Activity: STUDY MEXICAN MKT FOR METAL WORKING MACHINERY
Expected Results: REPORT FOR DISTRIBUTION.

Post : MEXICO

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Post/Contact</u>
89/05/00	PLASTICS MACHINERY MISSION TO TRINIDAD/TOBAGO/MEX., COLOMBIA MISSION OUT, INDUSTRY	PETROCHEM & CHEM PROD, EQP, SERV
89/06/00	PETROLEUM EQUIP/SERVICE MISS. FROM LATIN AMERICA MISSION IN, TO INDUSTRY	OIL & GAS EQUIPMENT, SERVICES P. SCHUTTE
89/07/11	PETRO EXPO '89 MEXICO INFO BOOTH, WITH GROUP	OIL & GAS EQUIPMENT, SERVICES J. DUNDON
89/07/17	SEED POTATO MISSION FROM LATIN AMERICA AND CARIBBEAN MISSION IN, TO INDUSTRY	AGRI & FOOD PRODUCTS & SERVICE E. KELSO
89/10/00	SECURITY PROD/SERVICES MISSION TO MEXICO, PERU, COLOMBIA MISSION OUT, INDUSTRY	DEFENCE PROGRAMS, PRODUCTS, SERV
89/10/00	MEAT PRODUCTS BUYERS MISSION FROM MEXICO MISSION IN, TO INDUSTRY	AGRI & FOOD PRODUCTS & SERVICE
89/10/00	CANJLA MISSION TO MEXICO, COSTA RICA, EL SALVADOR MISSION OUT, INDUSTRY	AGRI & FOOD PRODUCTS & SERVICE
89/10/18	MEXICAN MINING CONGRESS, ACAPULCO, MEXICO FAIR, NATIONAL STAND	MINE, METAL, MINERAL PROD & SRV C. MUNANTE
89/11/00	AUTOMOBILE SERV EQUIP. & SUPPL. MISS. TO MEX, VENEZ, ARGENTINA MISSION OUT, INDUSTRY	TRANSPORT SYS, EQUIP, COMP, SERV.
90/03/00	SOLD CANADIAN SHOW, MONTEKREY, MEXICO FAIR, SOLD	GENERAL OR UNASSIGNED ISB

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: PORT-OF-SPAIN

Country: TRINIDAD AND TOBAGO

THE TWIN-ISLAND NATION OF TRINIDAD AND TOBAGO (TANDT), THE SECOND LARGEST AMONG THE ENGLISH-SPEAKING CARIBBEAN NATIONS, HAS A RICH ENDOWMENT OF OIL AND NATURAL GAS, A WELL-DEVELOPED PHYSICAL INFRASTRUCTURE AND A WELL-TRAINED HUMAN RESOURCE BASE. IT ALSO HAS A TECHNICALLY EFFICIENT INDUSTRIAL BASE, PARTICULARLY IN ENERGY CENTRED INDUSTRIES. HOWEVER, FOR SIX YEARS THE ECONOMY HAS REGISTERED NEGATIVE GROWTH DUE MAINLY TO THE DRAMATIC FALL IN OIL PRICES AND PRODUCTION. EARNINGS FROM THE PETROLEUM SECTOR, WHICH ACCOUNTS FOR OVER 70 PERCENT OF EXPORT INCOME, HAVE DROPPED DRAMATICALLY TO THE POINT WHERE ITS FOREIGN EXCHANGE RESERVES HAVE BEEN TOTALLY DEPLETED AND THE COUNTRY FACES SEVERE ECONOMIC DIFFICULTIES. IN AN EFFORT TO ARREST THE DECLINE AND IN PART TURN THE ECONOMY BACK ON TO A GROWTH PATH, THE GOVERNMENT OF TRINIDAD AND TOBAGO (GORTT) HAS BEGUN IMPLEMENTING STRUCTURAL ADJUSTMENT PROGRAMMES INVOLVING DEVALUATION, CUTS IN PUBLIC SPENDING, RESTRUCTURING OF ITS EXTERNAL DEBT, ENCOURAGING EXPORT-LED MANUFACTURING AND IMPORT REPLACEMENT. EXPERTS ACKNOWLEDGE THAT THE ECONOMY HAS BOTH THE MATERIAL AND HUMAN BASE FOR A TURNAROUND IN THE MEDIUM TERM. HOWEVER, TIGHTER ECONOMIC RESTRAINTS INCLUDING A FURTHER DEVALUATION OF THE TT DOLLAR MAY BE NECESSARY. AS A RESULT OF TANDT'S ECONOMIC DIFFICULTIES, TRADITIONAL EXPORTS FROM CANADA WILL SUFFER. THERE IS AN EXTENSIVE "NEGATIVE LIST" OF COMMODITIES INCLUDING FOODSTUFFS AND FINISHED GOODS UNDER VERY "TIGHT" FOREIGN EXCHANGE CONTROLS AND AS A RESULT, CANADIAN FIRMS MUST EXERCISE EXTREME CAUTION WHEN CONSIDERING EXPORT ORDERS. NEVERTHELESS, CERTAIN GORTT POLICIES AND INITIATIVES WILL PRESENT EXPORT OPPORTUNITIES IN SPECIFIC SECTORS. A NEW PUBLIC SECTOR INVESTMENT PROGRAMME (PSIP) CALLS FOR NEW INVESTMENTS TOTALLING TT\$3.8 BILLION OVER THE 3-YEAR PERIOD 1988-91. THE PETROLEUM SECTOR HAS LONG DOMINATED THE ECONOMY OF TANDT AND WHILE THE LONG TERM OBJECTIVE IS TO REDUCE DEPENDENCE ON THIS SECTOR, FOR THE TIME BEING, IT WILL CONTINUE TO BE THE MAIN SOURCE OF EXPORT EARNINGS AND GOVERNMENT REVENUES. HOWEVER, INCREASED PRODUCTION CANNOT COME FROM EXISTING WELLS AND THERE WILL BE EXTENSIVE NEW INVESTMENT IN EXPLORATION, PRODUCTION AND DRILLING FACILITIES. MAJOR NEW INVESTMENTS INCLUDE GAS PIPELINES, METHANOL PLANT, EXTENSIVE EXPLORATION, ETC. AGRICULTURE AND AGRO-INDUSTRIAL IS ANOTHER SECTOR WHICH WILL RECEIVE SUBSTANTIAL NEW INVESTMENT. THIS WILL BE OF PARTICULAR INTEREST TO CANADIAN EXPORTERS SINCE MANY OF THE PROJECTS ARE IN AREAS WHERE CANADA IS COMPETITIVE AND HAS THE EXPERTISE. THESE INCLUDE DAIRY AND BEEF DEVELOPMENT, FISHING, ETC. GORTT'S POLICY OF IMPORT SUBSTITUTION AND EXPORT EXPANSION ENCOURAGES JOINT VENTURES AND TECHNOLOGY TRANSFERS IN SEVERAL SECTORS. PRODUCTS AND SERVICES ASSOCIATED WITH PLASTICS, FOOD AND MEAT PROCESSING, PACKAGING AND GENERAL AGRICULTURAL TECHNOLOGY OFFER POTENTIAL. OVER THE YEARS, CANADA HAS DEVELOPED A STRONG TRADING RELATIONSHIP WITH TANDT. DESPITE THE CURRENT ECONOMIC DIFFICULTY, THE TIES WILL BE MAINTAINED AND CULTIVATED SO THAT CANADIAN EXPORTERS WILL BE WELL POSITIONED WHEN THE ECONOMY IMPROVES. THE GUYANESE ECONOMY REMAINS IN POOR CONDITION, HOWEVER, THE PROPOSED IMF

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RPT81

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: PORT-OF-SPAIN

Country: TRINIDAD AND TOBAGO

AGREEMENT AND STRUCTURAL ADJUSTMENT PROGRAMME OFFERS THE POSSIBILITIES OF ECONOMIC RECOVERY IN THE NEAR TO MEDIUM TERM. THIS OFFICE WILL MONITOR THE SITUATION CLOSELY WITH THE INTENTION OF IDENTIFYING AND CAPITALIZING ON IFI INITIATIVES. MARTINIQUE AND GUADELOUPE OFFER SPECIAL OPPORTUNITIES FRANCE AND THE EEC.

RPT82

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: PORT-OF-SPAIN

Country: TRINIDAD AND TOBAGO

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

1. AGRI & FOOD PRODUCTS & SERVICE
AGRICULTURE AND AGRO INDUSTRIAL SECTOR WILL BE THE PRINCIPAL RECIPIENTS OF MAJOR MULTILATERAL AND BILATERAL FINANCING. THE DEVELOPMENT AND RESTRUCTURING WILL REQUIRE A FULL RANGE OF PRODUCT, E.G. LIVESTOCK, EQUIPMENT AND SERVICES.
2. OIL & GAS EQUIPMENT, SERVICES
THIS IS TRINIDAD AND TOBAGO'S LARGEST FOREIGN EXCHANGE EARNER AND VERY SIGNIFICANT EXPENDITURES ARE PLANNED IN THIS SECTOR TO IMPROVE OUTPUT AND LOWER COSTS.
3. INDUSTRIAL MACHIN, PLANTS, SERV.
SIGNIFICANT EXPENDITURES ARE PLANNED TO ENABLE EXPANSION OF EXPORT-ORIENTED INDUSTRY AND TO SUPPORT GOVERNMENT IMPORT REPLACEMENT POLICIES.

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

1. AGRI & FOOD PRODUCTS & SERVICE
2. FISHERIES, SEA PRODUCTS & SERV.
3. OIL & GAS EQUIPMENT, SERVICES

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PORT-OF-SPAIN

Market: TRINIDAD AND TOBAGO

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	470.00 \$M	473.00 \$M	328.00 \$M	300.00 \$M
Canadian Exports	40.00 \$M	45.00 \$M	26.00 \$M	30.00 \$M
Canadian Share of Market	8.50 %	9.50 %	7.90 %	10.00 %

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	31.00 %
EUROPEAN COMMON MARKET C	0.17 %
AUSTRALIA	0.40 %
NEW ZEALAND	0.08 %

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

Products/services for which there are good market prospects:

1. SEMI-PROCESSED AND PROCESSED FOOD
2. VEGETABLES (POTATOES, ONIONS, CARROTS)
3. PULSES (DRIED PEAS)
4. ANIMAL BREEDING STOCK
5. FOOD HANDLING AND PROCESSING EQUIPMENT
6. MEAT AND MEAT BY-PRODUCTS

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PORT-OF-SPAIN

Market: TRINIDAD AND TOBAGO

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- ACUTE SHORTAGE OF
- FOREIGN EXCHANGE
- ACUTE SHORTAGE OF FOREIGN CURRENCY
- LIMITED CAP. IN FOOD PRODUCTS/EQPT

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

Activity: MARKET RESEARCH REPORT
Expected Results: A REPORT IN APRIL, 1989

Activity: I.D. OF MARKETING STRATEGY IN PROMOTING PROCUREMENT OF CDN
Expected Results: A DEFINITIVE MARKETING STRATEGY AND PROGRAM

Activity: CDN FIRMS ARE INVOLVED IN 3 PROJECTS THAT REQUIRE EQPT
Expected Results: EXPORT OF CDN MEAT PROCESSING MACHINERY AND OTHER RELATED EQUIPMENT

Activity: I.D. SPECIFIC PROJECTS & REQUIREMENTS
Expected Results: LIST OF PROJECTS AND REQUIREMENTS

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

Activity: INCOMING BUYERS - LIVESTOCK
Expected Results: PROCUREMENT OF 1200 DAIRY CATTLE AND 1500 BEEF CATTLE

Activity: INFO BOOTH AGRICULTURAL EXHIBITION
Expected Results: I.D. 10 PROSPECTS FOR CDN PRODUCTS

Activity: INCOMING BUYERS - CDN AGRICULTURE FAIRS
Expected Results: PROCUREMENT OF CDN PRODUCTS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PUKT-OF-SPAIN

Market: TRINIDAD AND TOBAGO

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

Activity: IN-DEPTH ASSESSMENT OF FOOD PROCESSING INDUSTRY
Expected Results: MARKETING PROGRAM FOR CDN GOODS AND SERVICES

Activity: CDN FAMILIARIZATION TOUR-TANDT AGRICULTURE/AGROINDUSTRIAL
Expected Results: INCREASE NUMBER OF CDN FIRMS ACTIVE IN TANDT

Activity: ACTIVELY PURSUE I.D. PROJECTS BEING FUNDED BY MULTILATERAL
Expected Results: ACHIEVE SUCCESS ON 3 PROJECTS

Activity: TO MAINTAIN LINKAGES WITH EXISTING AGENTS/DISTRIBUTORS
Expected Results: TO INCREASE CDN SHARE OF FOOD PRODUCTS MARKET

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PORT-OF-SPAIN

Market: TRINIDAD AND TOBAGO

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

CHARLIE'S MEATS INTEGRATED
MEAT PLANT

Approximate Value: 10 M\$
Financing Source : DOM - Domestically funded
Contact : KRIS PANDAY, (819)623-7254/8

INTEGRATED LIVESTOCK

Approximate Value: 13 M\$
Financing Source : CDB - Caribbean Devlpmt Bank
Contact : BRUCE MOTTA, (819)623-7254/8

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PORT-OF-SPAIN

Market: TRINIDAD AND TOBAGO

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: MACHINERY AND EQUIPMENT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	127.00 \$M	133.00 \$M	147.00 \$M	334.00 \$M
Canadian Exports	0.80 \$M	0.30 \$M	0.20 \$M	0.60 \$M
Canadian Share of Market	0.60 %	0.20 %	0.10 %	0.20 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	95.00 %
SWITZERLAND	1.10 %
UNITED KINGDOM	0.40 %
ARGENTINA	0.30 %
OTHER COUNTRIES	3.20 %

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

Products/services for which there are good market prospects:

1. COMPRESSORS
2. PUMPS
3. GENERATORS
4. GAS TURBINES
5. VALVE/FITTINGS

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PORT-OF-SPAIN

Market: TRINIDAD AND TOBAGO

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Performance of local agent or representative

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

Activity: MARKET RESEARCH REPORT
Expected Results: A REPORT IN APRIL, 1989

Activity: I.D. MARKETING STRATEGY IN PROMOTING PROCUREMENT OF CDN PROD
Expected Results: A DEFINITIVE MARKETING STRATEGY AND PROGRAM

Activity: IDENTIFY SPECIFIC PROJECTS/REQUIREMENTS
Expected Results: LIST OF PROJECTS/REQUIREMENTS

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

Activity: OUTGOING ALBERTA GOV'T TRADE MISSION, 1989
Expected Results: SLANT RIG DRILLING EXPLORATION AND EQUIPMENT PROCUREMENT

Activity: INCOMING BUYERS TO ALBERTA OIL AND GAS SHOW
Expected Results: PROCUREMENT OF EQUIPMENT

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

Activity: SCHEDULE INDUSTRY VISITS TO TRINTOMAR, TRINTUC & TRINTOPEC
Expected Results: INCREASE AWARENESS WITH CDN INDUSTRY. INVITATIONS TO 10 CDN FIRMS

Activity: GATHER MARKET INTELLIGENCE ON U.S. COMPETITION
Expected Results: PREPARE CDN SUPPLIERS FOR COMPETITIVE CIRCUMSTANCES

Activity: PARTICIPATE IN TWO PROMOTIONAL EVENTS
Expected Results: DISTRIBUTE INFO RE CDN CAPABILITY

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PORT-OF-SPAIN

Market: TRINIDAD AND TOBAGO

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

OIL AND GAS EXPLORATION PROGRAM

Approximate Value: 150 M\$
Financing Source : OTHER
Contact : TRINTOMAR

REFINERY UP-GRADING

Approximate Value: 120 M\$
Financing Source : OTHER
Contact : TRINTOC

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PORT-OF-SPAIN

Market: TRINIDAD AND TOBAGO

Sector : INDUSTRIAL MACHIN, PLANTS, SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	208.00 \$M	146.00 \$M	389.00 \$M	450.00 \$M
Canadian Exports	1.40 \$M	3.10 \$M	6.30 \$M	5.00 \$M
Canadian Share of Market	0.60 %	2.10 %	1.60 %	1.10 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	70.00 %
JAPAN	10.00 %
UNITED KINGDOM	8.00 %
GERMANY WEST	7.00 %
SWITZERLAND	5.00 %

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

Products/services for which there are good market prospects:

1. TUBING AND PIPE FITTING
2. COPPER BARS
3. MACHINERY AND PARTS

Factors contributing to current successful Canadian exports:

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

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PORT-OF-SPAIN

Market: TRINIDAD AND TOBAGO

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

Activity: ASSESSMENT OF MARKET REQUIREMENTS IN MANUFACTURING SECTOR
Expected Results: REPORT TO BE SUBMITTED JUNE 1989

Activity: I.D. CDN CO. TO COMPRISE TRADE MISSION TO VISIT LOCAL MANUF.
Expected Results: SUPPORT FOUR PEMD VISITS

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. SPECIFIC PROJECTS WITHIN AGRO SECTOR
Expected Results: TO ALERT CDN FIRMS OF POTENTIAL OPPORTUNITIES

Activity: COOPERATION WITH TANDT MANU. ASS. RE MANU. EQPT FROM CDA
Expected Results: TO GENERATE 5 SALES LEADS

Activity: MONITOR/REPORT ON DEV'T AT CARONI'S BAGASSE PLANT REFURBISH.
Expected Results: PROVIDE DETAILS OF REQUIREMENTS TO CDN SUPPLIERS

Post : PORT-OF-SPAIN

Start Date Event Name, Location & Type Sector/Post/Contact

89/10/18 PETROFUM/PETROCHEMICAL
CONGRESS, PORT OF SPAIN
INFU SOUTH, ONLY

OIL & GAS EQUIPMENT, SERVICES
C.MUNANTE

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: SAN JOSE

Country: COSTA RICA

COSTA RICA'S ECONOMY CONFRONTED GROWING PROBLEMS IN 1987-88, AND SEEMS LIKELY TO EXPERIENCE CONTINUING DIFFICULTIES THROUGH 1989-90. EXTERNAL DEBT, WEAK PRICES FOR ITS EXPORTS (MAINLY AGRICULTURAL COMMODITIES - COFFEE AND BANANAS PREDOMINATING) AND THE RESULTANT TRADE IMBALANCE, A LOWERING OF DOMESTIC INVESTMENT LEVELS AND WEAK INTERNAL DEMAND ARE AMONG THE MORE SERIOUS PROBLEMS FACING COSTA RICA IN 1989. NEVERTHELESS, A RELATIVELY DIVERSIFIED ECONOMY, DOMESTIC STABILITY AND ACCESS TO SUBSTANTIAL INTERNATIONAL FINANCIAL ASSISTANCE (MAINLY FROM THE USA) HAVE DONE MUCH TO LESSEN THE EFFECT OF ADVERSE CIRCUMSTANCES.

COSTA RICA HAS A FOREIGN OFFICIAL DEBT OF ABOUT \$4 BILLION (ROUGHLY EQUIVALENT TO ANNUAL GDP) AND AN ANNUAL DEBT SERVICE REQUIREMENT APPROACHING \$1 BILLION. RESCHEDULING NEGOTIATIONS HAVE BEEN HELD WITH THE PARIS CLUB ON THE PROTION OF THIS DEBT OWED TO OFFICIAL CREDITORS (ABOUT \$1 BILLION), BUT AN EARLY AGREEMENT ON TERMS SEEMS UNLIKELY. IN THE MEANTIME, EDC REMAINS OFFCOVER. DEBT WITH PRIVATE BANKS EXCEEDS \$1.5 BILLION, AND RESCHEDULING NEGOTIATIONS ARE PROCEEDING. A STRUCTURAL ADJUSTMENT LOAN OF \$100 MILLION WAS APPROVED BY THE WORLD BANK IN 1988, AND THIS AMOUNT SUPPLEMENTED BY A FURTHER \$100 MILLION FROM THE GOVERNMENT OF JAPAN.

PROSPECTS FOR CANADIAN EXPORTERS: COSTA RICA'S IMPORT LEVELS ARE UNLIKELY TO RISE SIGNIFICANTLY, IN 1989, ABOVE THEIR CURRENT LEVEL OF \$1.3 BILLION PER YEAR, AND MAY EVEN DECLINE SLIGHTLY. MAJOR FACTORS IN THIS SITUATION ARE IMPORT DISCOURAGING MEASURES NEEDED TO HELP BRING THE TRADE DEFICIT INTO LINE, LIMITED ACCESS TO FOREIGN CREDIT, AND WEAK DOMESTIC DEMAND RESULTING FROM TIGHT INTERNAL CREDIT. CANADIAN EXPORTS TO COSTA RICA WERE \$ 31 MILLION IN 1987, AND WILL REACH \$ 28 MILLION IN 1988. PRINCIPAL CANADIAN EXPORTS ARE: PAPER PRODUCTS, CHEMICALS AND FERTILIZERS, PLASTICS, AND A BROAD VARIETY OF END PRODUCTS, INCLUDING MACHINERY, MEDICAL PRODUCTS AND CONSUMER GOODS.

IN VIEW OF THE COSTA RICAN GOVERNMENT'S LIMITED ABILITY TO OBTAIN EXTERNAL FINANCE, FEW LARGE CAPITAL PROJECTS ARE EXPECTED TO BE UNDERTAKEN IN THE NEXT FEW YEARS, EXCEPT WHERE THESE ARE FINANCED BY THE IADB OR IBRD. THE GENERATION AND DISTRIBUTION OF ELECTRICITY, TELECOMMUNICATIONS AND AGRICULTURAL DEVELOPMENT ARE SECTORS WHERE THE IADB AND IBRD ARE ACTIVE. CANADIAN EXPORTERS HAVE MADE SIGNIFICANT PROGRESS IN RECENT YEARS IN THE SUPPLY OF NON-CAPITAL GOODS, INCLUDING INDUSTRIAL AND AGRICULTURAL INPUTS AND, TO A LESSER EXTENT, CONSUMER GOODS. RECURRING EXPORTS OF THIS NATURE ARE EXPECTED TO CONTINUE TO OFFER THE MAIN OPPORTUNITIES IN THE NEXT FEW YEARS. THE COSTA RICAN AGRICULTURE/LIVESTOCK INDUSTRY IS PRESENTLY UNDERGOING A PERIOD OF CHANGE, WITH DIVERSIFICATION INTO NEW CROPS AND EXPANSION AND IMPROVEMENT OF PRODUCTION METHODS IN TRADITIONAL AREAS. GOOD OPPORTUNITIES EXIST FOR SALES OF A BROAD RANGE OF AGRICULTURAL INPUTS. COSTA RICA HAS A MODEST RANGE OF LIGHT INDUSTRY, PRODUCING MAINLY FOR THE CENTRAL AMERICAN MARKET. CANADIAN INPUTS FOR THESE INDUSTRIES CAN, AND HAVE BEEN, SUCCESSFUL IN DISPLACING TRADITIONAL (USUALLY USA) SUPPLIERS. A NUMBER OF SMALL SCALE MINING INVESTMENTS ARE CURRENTLY UNDER STUDY, AND

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: SAN JOSE

Country: COSTA RICA

THESE MAY PROVIDE MODEST EXPORT OPPORTUNITIES IN A YEAR OR TWO. COSTA RICA WILL COMPLETE ITS ACCESSION TO THE GATT IN 1989. WHILE NO IMMEDIATE IMPACT ON THE IMPORT REGIME IS ANTICIPATED, GIVEN CURRENT BOP AND EXTERNAL DEBT PROBLEMS, GREATER EASE OF ACCESS FOR IMPORTS IS ANTICI-

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: SAN JOSE

Country: EL SALVADOR

EL SALVADOR'S ECONOMY HAS DONE WELL OVER THE LAST SEVERAL YEARS, REGISTERING POSITIVE, IF MODEST, GROWTH EACH YEAR SINCE 1983. 1988, HOWEVER, IS PROVED TO BE A DIFFICULT YEAR. A SEVERE DROUGHT IN THE FIRST HALF OF THE YEAR, AND AN INTENSIVE CAMPAIGN BY THE FMLN GUERRILLA ARMY TO SABOTAGE KEY ECONOMIC INFRASTRUCTURE (MOSTLY IN ELECTRICITY GENERATION AND TRANSMISSION), HAVE CONTRIBUTED TO A DECLINE IN AGRICULTURAL PRODUCTION, PARTICULARLY COFFEE, AND CREATED DIFFICULTIES IN THE ELECTRICITY-DEPENDENT MANUFACTURING SECTOR. PRESIDENTIAL ELECTIONS IN 1989, FOLLOWING ON THE NATIONAL ASSEMBLY AND MUNICIPAL ELECTIONS IN 1988, WILL LIKELY INJECT A DEGREE OF UNCERTAINTY INTO THE ECONOMIC SCENE.

PROSPECTS FOR CANADIAN EXPORTERS:

EL SALVADOR'S ECONOMY IS PRIMARILY AGRICULTURE-BASED (COFFEE, COTTON AND SUGAR ARE LEADING CROPS), ALTHOUGH THE MANUFACTURING SECTOR, AND ESPECIALLY TEXTILES, IS RELATIVELY STRONG BY CENTRAL AMERICAN STANDARDS. CANADIAN EXPORTS TO EL SALVADOR (\$ 16 MILLION IN 1987; \$ 23 MILLION IN 1988) HAVE BOTH EXPANDED AND DIVERSIFIED IN THE LAST FEW YEARS. MAJOR EXPORT ITEMS ARE INDUSTRIAL RAW MATERIALS, INCLUDING CHEMICALS AND PLASTICS, NEWPRINT, AND PARTS FOR MACHINERY. IN ADDITION TO THESE PRODUCT AREAS, IT IS CONSIDERED THAT GOLD, BUT LARGELY UNEXPLOITED, OPPORTUNITIES EXIST FOR THE EXPORT OF AGRICULTURAL INPUTS, INCLUDING AGROCHEMICALS, GENETIC MATERIAL, AND VETERINARY MEDICINES/EQUIPMENT.

OF THE MULTI-LATERAL DEVELOPMENT BANKS, THE INTER-AMERICAN BANK IS THE MORE ACTIVE IN EL SALVADOR. THE PIPELINE OF PROJECTS FOR 1989 AND BEYOND, HOWEVER, IS RELATIVELY SMALL. THE MAIN AREAS OF IADB ACTIVITY ARE ELECTRICITY, WATER SUPPLY AND HEALTH PROJECTS. LINES OF CREDIT TO INDUSTRY HAVE RECENTLY BEEN ESTABLISHED, AND MAY FORM A MORE IMPORTANT COMPONENT OF FUTURE LENDING.

GOVERNMENT PROCUREMENT AND GOVERNMENT INITIATED CAPITAL PROJECTS ARE FEW, LARGELY BECAUSE OF EL SALVADOR'S DIFFICULTY IN OBTAINING FINANCING FOR THESE. THERE ARE, HOWEVER, INDICATIONS OF A POSSIBLE LARGE ACQUISITION OF NEW LINES AND SWITCHING EQUIPMENT BY ANTEL, THE NATIONAL TELEPHONE COMPANY.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: SAN JOSE

Country: HONDURAS

HONDURAS IS AMONG THE POOREST AND LEAST DEVELOPED OF LATIN AMERICAN COUNTRIES. THE ECONOMY IS LARGELY AGRICULTURAL (ACCOUNTING FOR 25% OF GDP), THE PRINCIPAL EXPORT CROPS BEING BANANAS AND COFFEE (PROVIDING 30% AND 25% OF FOREIGN EXCHANGE EARNINGS, RESPECTIVELY). THE USA DOMINATES HONDURAN TRADE, TAKING APPROXIMATELY 45% OF HONDURAN EXPORTS AND SUPPLYING THE SAME PROPORTION OF IMPORTS. CANADIAN EXPORTS TO HONDURAS WERE VALUED AT \$14 MILLION IN 1987, AND REACHED \$ 20 MILLION IN 1988. THE LEADING CANADIAN EXPORTS ARE PAPER PRODUCTS (PRINCIPALLY NEWSPRINT), FOOD PRODUCTS, AND CHEMICAL PRODUCTS AND PLASTICS FOR INDUSTRIAL USE.

PROSPECTS FOR CANADIAN EXPORTERS:

HONDURAS IS, AND WILL REMAIN, FOR THE NEAR FUTURE AT LEAST, A DIFFICULT MARKET FOR CANADIAN EXPORTERS. HONDURAS IS IN ARREARS IN PAYMENTS ON ITS EXTERNAL DEBT, AND IN DEFICIT ON ITS COMMERCIAL BALANCE. IMPORTS, ACCORDINGLY, ARE NECESSARILY RESTRICTED. NEVERTHELESS, IT IS CONSIDERED THAT GOOD OPPORTUNITIES DO EXIST FOR PATIENT AND PERSISTENT EXPORTERS. IN ADDITION TO THE PRODUCTS NOTED ABOVE AS AMONG CURRENT CANADIAN EXPORTS TO HONDURAS, POSSIBILITIES EXIST FOR SUPPLY OF AGRICULTURAL INPUTS, INCLUDING AGRO-CHEMICALS, FERTILIZERS, AND BREEDING STOCK. PROSPECTS ALSO EXIST FOR SUPPLY OF AUTOPARTS.

GOVERNMENT PROCUREMENT IN HONDURAS OFFERS LIMITED OPPORTUNITIES FOR CANADIAN EXPORTERS AS FEW CAPITAL PROJECTS ARE UNDERTAKEN OTHER THAN WITH CONCESSIONAL FINANCING. IN THE CURRENT FINANCIAL SITUATION, COMMERCIAL OR EXPORT CREDIT FINANCE IS LARGELY UNAVAILABLE. EDC IS PRESENTLY OFF-COVER. THE MOST ACTIVE MULTI-LATERAL BANK IN HONDURAS IS THE INTER-AMERICAN BANK. ITS PRESENT SECTORS OF CONCENTRATION - RURAL DEVELOPMENT, EDUCATION AND HEALTH - HAVE, HOWEVER, OFFERED FEW INTERESTING OPPORTUNITIES FOR CANADIAN EXPORTERS.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: SAN JOSE

Country: NICARAGUA

NICARAGUA CONTINUES TO EXPERIENCE SEVERE ECONOMIC DIFFICULTIES. GDP FELL IN EACH OF 1984, 85 AND 86, BEFORE RISING ABOUT 1.7% (NICARAGUA GOV'T FIGURES) IN 1987. ANNUAL IMPORTS OF ABOUT \$850 MILLION GREATLY EXCEED EXPORT EARNINGS OF ABOUT \$300 MILLION. THE GOVERNMENT IS WELL IN ARREARS ON PAYMENTS OF BOTH INTEREST AND PRINCIPAL ON THE EXTERNAL PUBLIC DEBT OF ABOUT \$7 BILLION. ALTHOUGH A PROGRAM OF FISCAL AUSTERITY AND ECONOMY REFORM WAS UNDERTAKEN IN MID-1988, IT IS NOT EXPECTED THAT SIGNIFICANT POSITIVE RESULTS, IN TERMS OF EXPANDED IMPORT CAPACITY, CAN BE EXPECTED IN THE MEDIUM FUTURE. AS A RESULT, THE NICARAGUAN MARKET FOR CANADIAN GOODS WILL REMAIN LIMITED. DISCOUNTING GOODS SUPPLIED BY CIDA AS PART OF THE CANADIAN DEVELOPMENT ASSISTANCE PROGRAM, CANADIAN EXPORTS ARE IN THE RANGE OF \$10 TO 15 MILLION PER YEAR.

BECAUSE OF ITS SERIOUS ARREARS ON PAYMENTS TO CREDITORS, INCLUDING THE MULTI-LATERAL DEVELOPMENT BANKS, NICARAGUA IS ABLE TO OBTAIN LITTLE EXTERNAL FINANCE, OTHER THAN THAT PROVIDED UNDER BILATERAL DEVELOPMENT ASSISTANCE PROGRAMS. THIS SITUATION IS NOT EXPECTED TO CHANGE IN THE NEAR FUTURE.

PROSPECTS FOR CANADIAN EXPORTERS:

NICARAGUA OFFERS LIMITED PROSPECTS FOR CANADIAN EXPORTERS AT PRESENT, THE GOVERNMENT HAVING BEEN FORCED BY ECONOMIC CIRCUMSTANCES TO LIMIT FOREIGN CURRENCY EXPENDITURES TO ESSENTIALS. CANADIAN EXPORTERS HAVE HAD MODEST SUCCESS IN SUPPLYING ELECTRICAL EQUIPMENT (MOSTLY LOW VOLTAGE) AND PARTS FOR MACHINERY. THE AGRICULTURAL SECTOR OFFERS SOME OPPORTUNITIES FOR SUPPLY OF INPUTS (AGROCHEMICALS, VETERINARY PRODUCTS, MACHINERY). NICARAGUA HAS INDICATED A DESIRE TO EXPAND ITS FISHERIES PRODUCTION, AND SOME OPPORTUNITIES ARE CONSIDERED TO EXIST FOR SUPPLY OF RELATED EQUIPMENT. MINING EQUIPMENT, GENERAL HARDWARE AND CONSTRUCTION MATERIALS MAY ALSO FIND MODEST MARKETS.

NO OPPORTUNITIES ARE CONSIDERED TO EXIST, IN THE NEAR TERM AT LEAST, FOR LARGE CAPITAL PROJECTS.

EXPORTERS SHOULD TAKE NOTE OF THE FACT THAT THE NICARAGUAN CENTRAL BANK HAS DEVELOPED, OVER THE PAST YEAR, A LENGTHENING DELAY IN SETTLEMENT OF LETTERS OF CREDIT. MOST PAYMENTS ARE NOW BEING MADE 4 MONTHS OR MORE BEYOND DUE DATES. EXPORTERS UNWILLING TO ACCEPT THE FINANCIAL COST AND RISK OF SUCH A PAYMENT DELAY SHOULD CONSULT WITH THEIR BANKERS ABOUT MORE SECURE PAYMENT ARRANGEMENTS, INCLUDING CONFIRMED LETTERS OF CREDIT.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: SAN JOSE

Country: PANAMA

PANAMA'S ECONOMY HAS BEEN DOMINATED THROUGH 1988 BY THE EFFECTS OF THE POLITICAL CRISIS WHICH BEGAN IN JUNE, 1987 AND WHICH, AT TIME OF WRITING (OCTOBER, 1988), SHOWS NO SIGN OF EARLY RESOLUTION. THE MAIN ECONOMIC EFFECTS OF THE CRISIS HAVE BEEN: A SERIOUS LOSS OF BUSINESS AND INVESTOR CONFIDENCE, RESULTING IN LARGE SCALE FLIGHT OF CAPITAL AND A NEAR TOTAL HALT TO NEW INVESTMENT; SEVERE PROBLEMS IN THE BANKING SECTOR, INCLUDING A CLOSURE OF BANKS FOR ABOUT TWO MONTHS IN 1988, UNAVAILABILITY OF WORKING CAPITAL FINANCE FOR BUSINESS AND, UNTIL RECENTLY, UNAVAILABILITY FROM WITHIN PANAMA OF LETTERS OF CREDIT IN SUPPORT OF NORMAL TRADE TRANSACTIONS, AND; A DRASTIC DECREASE IN GOVERNMENT REVENUES, BOTH AS A RESULT OF THE DECREASE IN ECONOMIC ACTIVITY AND BECAUSE OF US ECONOMIC SANCTIONS. IT IS ESTIMATED THAT PANAMA'S GDP WILL FALL BY 15-20% IN 1988. ACTIVITY IN ALL SECTORS OF THE ECONOMY IS DOWN GREATLY, WITH CONSTRUCTION AND SERVICES, BOTH IMPORTANT COMPONENTS OF PANAMA'S ECONOMY, PARTICULARLY AFFECTED. AGRICULTURAL PRODUCTION, ALSO TRADITIONALLY A MAJOR CONTRIBUTOR TO GDP, HAS ALSO FALLEN IN 1988, MAINLY DUE TO THE CREDIT SQUEEZE. WITH REVENUES DRASTICALLY DOWN, PANAMA HAS FALLEN SERIOUSLY BEHIND ON ITS EXTERNAL DEBT PAYMENTS, INCLUDING THOSE TO THE MULTI-LATERAL BANKS. THESE, AS WELL AS BILATERAL EXPORT CREDIT AGENCIES, INCLUDING EDC, ARE NOT PRESENTLY LENDING TO PANAMA.

PROSPECTS FOR CANADIAN EXPORTERS: PANAMA HAS TRADITIONALLY BEEN A GOOD MARKET FOR CANADIAN PRODUCTS. 1987 EXPORTS WERE VALUED AT \$34 MILLION. EXPORTS IN THE FIRST 6 MONTHS OF 1988 WERE \$16 MILLION, INDICATING A CONTINUED GOOD MARKET FOR CANADIAN EXPORTS DESPITE ECONOMIC DIFFICULTIES. PANAMA'S ECONOMY HAS TO SOME EXTENT ADJUSTED TO ITS NEW CIRCUMSTANCES, AND A GRADUAL RETURN TO MORE NORMAL ECONOMIC ACTIVITY NOW SEEMS UNDERWAY. IN ADDITION, THERE APPEARS TO BE A GENERAL FEELING THAT "THE DECK HAS BEEN SHUFFLED" ECONOMICALLY, AND IMPORTERS APPEAR MORE WILLING TO CONSIDER NEW SOURCES OF SUPPLY THAN IN THE PAST. CANADIAN PRODUCTS, SIMILAR TO THOSE OF PANAMA'S TRADITIONAL US SUPPLIERS, ARE PARTICULARLY WELCOME. ACCORDINGLY, THE NEXT YEAR OR TWO WILL OFFER AN UNUSUALLY GOOD OPPORTUNITY FOR NEW SUPPLIERS TO ESTABLISH THEMSELVES. GOOD OPPORTUNITIES EXIST FOR AGRICULTURAL INPUTS, FOODSTUFFS, CONSTRUCTION MATERIALS, AUTOPARTS AND CONSUMER GOODS. FEW LARGE CAPITAL PROJECTS HOWEVER, WILL BE UNDERTAKEN.

IN ADDITION TO AN ATTRACTIVE DOMESTIC MARKET, PANAMA OFFERS THE ADVANTAGES OF THE COLON FREE ZONE (CFZ), THE SECOND LARGEST FREE TRADE AREA IN THE WORLD, WHICH SERVES AS AN ENTREPOT AND DISTRIBUTION CENTRE FOR HUNDREDS OF MANUFACTURERS SELLING INTO SOUTH AND CENTRAL AMERICA. OPERATING LARGELY INDEPENDENTLY OF THE PANAMANIAN ECONOMY AS AN IMPORT/RE-EXPORT OPERATION, THE CFZ APPEARS TO HAVE BEEN ONLY MINIMALLY AFFECTED BY PANAMA'S ECONOMIC DIFFICULTIES. PROBLEMS WERE INITIALLY ENCOUNTERED BY MANY CFZ ENTERPRISES IN FINDING BANKS WILLING TO FINANCE WORKING CAPITAL AND ISSUE LETTERS OF CREDIT, BUT THESE NOW APPEAR LARGELY RESOLVED. CFZ THROUGHOUT WILL PROBABLY DECLINE, IN 1988, ONLY ABOUT 10% FROM THE 1987 LEVEL OF US\$2.1 BN. ACCORDINGLY, THE CFZ WILL REMAIN AN IMPORTANT OPTION FOR CANADIAN EXPORT-

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: SAN JOSE

Country: PANAMA

TERS INTERESTED IN THE SOUTH AND CENTRAL AMERICAN MARKETS.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: SAN JOSE

Country: COSTA RICA

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

1. AGRI & FOOD PRODUCTS & SERVICE

COSTA RICA HAS A WELL-DEVELOPED AGRICULTURAL INDUSTRY PRODUCING A BROAD RANGE OF CROPS FOR DOMESTIC CONSUMPTION AND FOR EXPORT. FOOD PROCESSING IS ALSO ADVANCED. A WIDE RANGE OF IMPORTED INPUTS ARE REQUIRED FOR THIS INDUSTRY.

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

1. FOREST PRODUCTS, EQUIP, SERVICES
2. INDUSTRIAL MACHIN, PLANTS, SERV.
3. CHEM PROD & PETROCHEM, EQP, SERV

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: SAN JOSE

Country: EL SALVADOR

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

1. AGRI & FOOD PRODUCTS & SERVICE

AGRICULTURE IS EL SALVADOR'S MOST IMPORTANT INDUSTRY. THE MARKET FOR INPUTS- AGROCHEMICALS, VETERINARY PRODUCTS, GENETICS MATERIAL, MACHINERY AND EQUIPMENT - IS SUBSTANTIAL AND IS LARGELY UNTAPPED BY CANADIAN EXPORTERS.

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

1. FOREST PRODUCTS, EQUIP, SERVICES
2. CHEM PROD & PETROCHEM, EQP, SERV

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: SAN JOSE

Country: PANAMA

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

1. AGRI & FOOD PRODUCTS & SERVICE

PANAMA'S AGRICULTURAL PRODUCTIN IS SMALL BUT EXPANDING. CANADIAN AGRICULTURAL INPUTS-AGROCHEMICALS, VETERINARY PRODUCTS, GENETIC MATERIAL, MACHINERY AND EQUIPMENT-HAVE A FIRM, BUT UNDERDEVELOPED PLACE IN THE MARKET.

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

1. FOREST PRODUCTS, EQUIP, SERVICES
2. AGRI & FOOD PRODUCTS & SERVICE
3. AGRI & FOOD PRODUCTS & SERVICE

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAN JOSE

Market: COSTA RICA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	300.00 \$M	310.00 \$M	310.00 \$M	325.00 \$M
Canadian Exports	5.00 \$M	6.00 \$M	6.00 \$M	8.00 \$M
Canadian Share of Market	1.60 %	1.90 %	1.90 %	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	70.00 %
LATIN AMERICA	15.00 %
OTHER COUNTRIES	10.00 %

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

Products/services for which there are good market prospects:

1. FERTILIZERS/AGROCHEMICALS
2. BREEDSTOCK AND SEMEN
3. VETERINARY PRODUCTS

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAN JOSE

Market: COSTA RICA

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

Activity: MARKET STUDY TO BE COMPLETED BY MARCH/89
Expected Results: BETTER INFO FOR EXPORTERS

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

Activity: FIAGA 89-AGRICULTURAL FAIR IN PANAMA WITH REGIONAL IMPACT
Expected Results: EXHIBIT CANADIAN PRODUCTS

Activity: TECHNICAL SEMINAR ON CATTLE BREEDING-02/90
Expected Results: EXPOSE CANADIAN TECHNOLOGY

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

Activity: CATALOGUE SHOW-AGRICULTURAL INPUTS-MARCH/89
Expected Results: EXHIBIT CANADIAN PRODUCTS

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAN JOSE

Market: EL SALVADOR

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	100.00 \$M	100.00 \$M	100.00 \$M	100.00 \$M
Canadian Exports	4.00 \$M	4.00 \$M	8.00 \$M	10.00 \$M
Canadian Share of Market	4.00 %	4.00 %	8.00 %	10.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	50.00 %
LATIN AMERICA	20.00 %
OTHER COUNTRIES	10.00 %
EUROPEAN COMMON MARKET C	10.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. FERTILIZERS
2. AGROCHEMICALS
3. BREEDING STOCK AND SEMEN
4. MACHINERY

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Provincial export promotion
- CIDA programs
- Strong sectoral capability in Canada

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAN JOSE

Market: EL SALVADOR

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

Activity: MARKET STUDY TO BE COMPLETED BY MARCH, 1989
Expected Results: BETTER INFO FOR EXPORTERS

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

Activity: FIAGA 89-AGRICULTURAL FAIR IN PANAMA WITH REGIONAL IMPACT.
Expected Results: EXHIBIT CANADIAN PRODUCTS

Activity: TECHNICAL SEMINAR ON CATTLE BREEDING-02/90
Expected Results: EXPOSE CANADIAN TECHNOLOGY

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

Activity: CATALOGUE SHOW ON AGRICULTURAL INPUTS-6/89
Expected Results: EXHIBIT CANADIAN PRODUCTS

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAN JOSE

Market: PANAMA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	210.00 \$M	220.00 \$M	210.00 \$M	220.00 \$M
Canadian Exports	5.70 \$M	6.50 \$M	6.50 \$M	7.50 \$M
Canadian Share of Market	2.70 %	3.00 %	3.10 %	3.40 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	65.00 %
EUROPEAN COMMON MARKET C	20.00 %
LATIN AMERICA	5.00 %
OTHER COUNTRIES	5.00 %

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

Products/services for which there are good market prospects:

1. FOODS AND BEVERAGES
2. FERTILIZERS/AGROCHEMICALS
3. BREEDSTOCK AND SEMEN
4. VETERINARY PRODUCTS

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAN JOSE

Market: PANAMA

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

Activity: MARKET STUDY TO BE COMPLETED BY MARCH 1989.
Expected Results: BETTER INFO FOR EXPORTERS

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

Activity: FIAGA 89-AGRICULTURE AND FOOD PRODUCTS FAIR
Expected Results: EXHIBIT CANADIAN PRODUCTS

Activity: TECHNICAL SEMINAR ON CATTLE BREEDING-02/90
Expected Results: EXPOSE CANADIAN TECHNOLOGY

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

Activity: CATALOGUE SHOW-AGRICULTURAL INPUTS-SPRING/89
Expected Results: EXHIBIT CANADIAN PRODUCTS

Post : SAN JOSE

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Post/Contact</u>
89/04/14	INDUSTRIAL TRADE FAIR, SAN JUAN PUERTO RICO FAIR, NATIONAL STAND	SERVICE INDUSTRIES C. MUNANTE
89/06/00	SWINE BREEDING STOCK BUYERS MISSION FROM CENTRAL AMERICA MISSION IN, TO INDUSTRY	AGRI & FOOD PRODUCTS & SERVICE
89/06/05	AGRI INDUSTRY CATALOGUE SHOW, SAN SALVADOR, EL SALVADOR FAIR, NATIONAL STAND	AGRI & FOOD PRODUCTS & SERVICE E. KELSO
89/11/24	EXPUFORMA 89 PANAMA CITY INFO BOOTH, ONLY	EDUCATION, MEDICAL, HEALTH PROD E. KELSO
90/02/00	LIVESTOCK IMPROVEMENT SEMINARS PANAMA, COSTA RICA, EL SALVADOR SEMINAR, ABROAD	AGRI & FOOD PRODUCTS & SERVICE
90/03/00	EXPOCUMER'90 - GENERAL EXHIBIT PANAMA FAIR, NATIONAL STAND	GENERAL OR UNASSIGNED ISB

RPT81

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: BOGOTA

Country: COLOMBIA

COLOMBIA CONTINUES TO BE THE ONLY COUNTRY IN LATIN AMERICA NOT TO HAVE MISSED PAYMENTS ON ITS FOREIGN DEBT AND IT HAS ONE OF THE HEALTHIEST ECONOMIES IN THE REGION. THIS IS DUE TO SEVERAL FACTORS, THE MOST IMPORTANT BEING A RELATIVELY STABLE INTERNATIONAL COFFEE PRICE AND AN INCREASE IN EXPORTS OF OIL AND OTHER NON TRADITIONAL PRODUCTS. INFLATION HOWEVER IS STILL RUNNING AT ABOUT 28%, WITH DEVALUATION AGAINST THE US DOLLAR AT ABOUT 30% PER ANNUM.

THE CONTINUED DRUG-RELATED AND GUERRILLA VIOLENCE IN THE COUNTRY IS AFFECTING THE GOOD PERFORMANCE OF SOME IMPORTANT SECTORS OF THE ECONOMY WHICH GENERATE FOREIGN EXCHANGE. BOMBINGS OF THE MAIN OIL EXPORT PIPELINE HAVE SIGNIFICANTLY REDUCED EXPORT REVENUES BY SEVERAL HUNDRED MILLION DOLLARS IN 1988. SABOTAGE OF THE ELECTRICAL TRANSMISSION SYSTEM IS BEGINNING TO AFFECT THE MANUFACTURING SECTOR AND THE RECENT DISCOVERIES OF HIDDEN DRUGS IN COLOMBIAN FLOWER SHIPMENTS AND SUBSEQUENT AIR CARGO FLIGHTS CANCELLATIONS HAS ALSO DIMINISHED THE GROWTH IN THAT SECTOR. IT IS EXPECTED THAT MILITARY EXPENSES WILL INCREASE TO THE DETRIMENT OF EXPORT GENERATING SECTORS WHICH WILL RECEIVE LESS FUNDING. BOTH THE ELECTRICAL AND THE MINING SECTORS (COAL AND NICKEL) ARE AFFECTED BY A VERY HEAVY DEBT BURDEN WHICH ABSORBS INCREASINGLY LARGE AMOUNTS OF COLOMBIAN FOREIGN RESERVES. TO SERVICE THESE AND OTHER PUBLIC AND PRIVATE SECTORS DEBTS, AND TO FINANCE THE GOVERNMENT'S AMBITIOUS SOCIAL PROGRAMME INVESTMENTS, COLOMBIA IS TRYING TO OBTAIN FOR 1989-90 AN INTERNATIONAL COMMERCIAL BANK LOAN OF US\$1.8 BILLION. ANY RELUCTANCY ON THE PART OF FOREIGN COMMERCIAL BANKS TO PROVIDE THE FULL AMOUNTS OF FINANCING ON THE TERMS DEMANDED BY THE COLOMBIAN GOVERNMENT WOULD INEVITABLY LEAD TO A DRAWING DOWN OF FOREIGN RESERVES AND/OR A SCALING BACK OF GOVERNMENT SPENDING AND THUS A GENERAL SLOW-DOWN OF THE ECONOMY WHICH WILL LIKELY HAVE DELETERIOUS EFFECT UPON OUR TRADE WITH COLOMBIA.

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RPTBL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: BOGOTA

Country: ECUADOR

THE ECONOMIC SITUATION IN ECUADOR IS STILL IN A BAD STATE AS A RESULT OF THE EARTHQUAKE OF MARCH '87 AND A CONTINUED LOW PRICE FOR OIL WHICH REPRESENTED IN 1988 MORE THAN 40% OF ECUADOR'S ECONOMY. INFLATION RAN AT ABOUT 90% DURING 1988, WITH A DEVALUATION AGAINST THE US DOLLAR OF CLOSE TO 100% ON THE FREE MARKET.

AS A RESULT OF THIS SITUATION, THE NEW GOVERNMENT ELECTED IN AUGUST 1988 HAS TAKEN DRASTIC MEASURES TO RESTRICT IMPORTS AND HAS NOT BEEN ABLE TO COMPLY WITH ITS RESCHEDULING ARRANGEMENTS. THIS BEING THE CASE, EDC HAS IN EFFECT PUT ECUADOR OFF COVER FOR THE TIME BEING THUS SERIOUSLY AFFECTING OUR TRADE PROMOTION PROGRAM IN THAT REGION, PARTICULARLY REGARDING LARGE PROJECTS.

RPT82

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: BOGOTA

Country: COLOMBIA

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

1. TRANSPORT SYS, EQUIP, COMP, SERV.
NATIONAL RAILWAY SYSTEM PRESENTLY UNDER REVIEW WITH POSSIBILITIES FOR COMPLETE REHABILITATION AT COST OVER \$500 MILLION. SAME APPLIES FOR MARINE PORTS AND NATIONAL AIRPORTS. COA COULD STILL BE INVOLVED IN THE CONSTRUCTION OF BOGOTA AND BUCARAMANGA TRANSIT SYSTEMS.
2. MINE, METAL, MINERAL PROD & SRV
FURTHER DEVELOPMENT OF THE EL CERREJON PROJECT AND OPENING OF LA LOMA AND POSSIBLY EL DESCANSO COAL MINES SHOULD OFFER GOOD OPPORTUNITIES. THE DEVELOPMENT OF THE GUAINIA GOLD PROJECT WILL BRING OPPORTUNITIES FOR EQUIPMENT, SERVICES AND JOINT VENTURES.
3. OIL & GAS EQUIPMENT, SERVICES
COLOMBIA IS A NET EXPORTER OF OIL WITH PLANS TO INCREASE EXPLORATION AND PRODUCTION THUS OPENING NEW OPPORTUNITIES FOR CANADA. DEVELOPMENT OF THE GAS SECTOR AND EXPANDED RESEARCH AND TRAINING ARE ALSO AMONG THE PRIORITIES OF THE COL GOVT.
4. ADVANCED TECH. PROD. & SERV
TELECOM (THE COL COMMUNICATION ENTITY) IS UNDERTAKING AN AMBITIOUS PROGRAM TO EXPAND ITS RURAL TELEPHONE NETWORK. THE CONDOR SATELLITE PROJECT IS PROCEEDING AND THE RECENTLY SIGNED M.O.U. ON INFORMATICS SHOULD OPEN THE WAY TO SALES OF COMPUTER EQUIPMENT, SOFTWARE AND SERVICES.
5. AGRI & FOOD PRODUCTS & SERVICE
IMPORTS OF GRAINS, LIVE ANIMALS AND POULTRY WILL CONTINUE TO OFFER GOOD OPPORTUNITIES FOR CANADA. THE FOOD PROCESSING SECTOR IS ALSO DEVELOPING THUS PROVIDING GOOD SALES POTENTIAL.

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

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

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: BOGOTA

Country: ECUADOR

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

1. OIL & GAS EQUIPMENT, SERVICES
EXPORT OF OIL REPRESENT 41% OF FOREIGN CURRENCY INCOME AND INCREASE PRODUCTION IS THUS A PRIORITY FOR THE GOVERNMENT. THERE ARE GOOD OPPORTUNITIES FOR CDN COMPANIES IN THAT SECTOR.
2. MINE, METAL, MINERAL PROD & SRV
THE GOV. HAS DECIDED TO PUT PRIORITY IN THE DEVELOPMENT OF THE MINING SECTOR, PRIMARILY GOLD, THUS PROVIDING OPPORTUNITIES FOR SALE OF EQUIPMENT, CONSULTING SERVICES AND JOINT VENTURES.

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

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BOGOTA

Market: COLOMBIA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	100.00 \$M	115.00 \$M	124.00 \$M	130.00 \$M
Canadian Exports	5.00 \$M	6.40 \$M	8.00 \$M	12.00 \$M
Canadian Share of Market	5.00 %	5.50 %	6.40 %	9.20 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	30.00 %
GERMANY WEST	10.00 %
JAPAN	25.00 %

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

Products/services for which there are good market prospects:

1. DAIRY/BEEF CATTLE
2. SEED POTATOES
3. FOOD PROCESSING EQUIPMENT
4. AGRICULTURE MACHINERY

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are low
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Competitive pricing
- Strong sectoral capability in Canada
- willingness of exporters to invest/joint venture in territory

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RPTCL TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUGOTA

Market: COLOMBIA

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
- PROMO'L EFFORTS TO BE MADE TO DIS-
- PLACE TRAD'L SPLR FOOD PROCES.EQPT.

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

Activity: AGROEXPD 88.
Expected Results: GREATER AWARENESS OF CDN EXPERTISE.

Activity: FOOD PROCESSING EQUIPMENT MISSION.
Expected Results: GREATER AWARENESS OF CDN EXPERTISE.

Activity: COL ATTENDANCE AT ROYAL WINTER FAIR.
Expected Results: GREATER AWARENESS OF CDN EXPERTISE.

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

Activity: INCREASED CONTACTS W/AGENTS OF FOOD PROCES.EQPT.AGRIC.EQPT.
Expected Results: INCREASED AWARENESS OF CDN EXPERTISE.

Activity: INCREASED PARTICIPATION AT REGIONAL CATTLE FAIRS.
Expected Results: INCREASED AWARENESS OF CDN EXPERTISE.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BOGOTA

Market: COLOMBIA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	70.00 \$M	100.00 \$M	140.00 \$M	200.00 \$M
Canadian Exports	4.00 \$M	1.50 \$M	2.00 \$M	4.24 \$M
Canadian Share of Market	5.70 %	1.50 %	1.40 %	2.12 %

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

Major Competing Countries	Market Share
JAPAN	35.00 %
GERMANY WEST	25.00 %
FRANCE	17.00 %
UNITED STATES OF AMERICA	15.00 %
OTHER COUNTRIES	8.00 %

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

Products/services for which there are good market prospects:

1. RURAL TELECOM EQUIPMENT.
2. METEOROLOGICAL EQUIPMENT.
3. TELEVISION AND CABLE TV EQUIPMENT.
4. TELEPHONE FAULT FINDING SYSTEM.
5. TELECOM TRAINING EQUIPMENT.
6. REMOTE SENSING SERVICES.
7. EDUCATIONAL SOFTWARE.

Factors contributing to current successful Canadian exports:

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

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BOGOTA

Market: COLOMBIA

Factors for Canadian exports not reaching market potential:

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

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

Activity: PROMOTE CDN SUPPLIERS IN RURAL TELECOM PROJECTS.
Expected Results: WIN BUSINESS ON ONE OR MORE OF TURNKEY PROJECTS.

Activity: "CONDOR" SATELLITE PROJECT.
Expected Results: WIN ALL OR PART OF CONTRACT.

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

Activity: HITECH.
Expected Results: GREATER AWARENESS OF CDN CAPABILITIES.

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

Activity: DEVELOP NEW SECTORAL STRATEGY.
Expected Results: PROVIDE BULLEPRINT TO GUIDE FEDERAL SUPPORT.

Activity: DEVELOP NEW INFORMATICS PROJECTS UNDER M.O.U. ON INFORMATICS
Expected Results: INCREASE OUR MARKET SHARE.

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BOGOTA

Market: COLOMBIA

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

RURAL TELECOMMUNICATIONS TURN- Approximate Value: 200 M\$
KEY PROJECT. Financing Source : B.C. - Buyer Credits required
Contact : CDN EMBASSY/BOGOTA

ANDEAN PACT "CONDOR" SATELLITE Approximate Value: 300 M\$
PROJECT. Financing Source : B.C. - Buyer Credits required
Contact : CDN EMBASSY/BOGOTA

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BOGOTA

Market: COLOMBIA

Sector : TRANSPORT SYS,EQUIP,COMP,SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	268.00 \$M	290.00 \$M	350.00 \$M	400.00 \$M
Canadian Exports	58.00 \$M	58.20 \$M	35.00 \$M	50.00 \$M
Canadian Share of Market	21.60 %	20.10 %	10.00 %	12.50 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	32.00 %
JAPAN	29.00 %
GERMANY WEST	15.00 %

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

Products/services for which there are good market prospects:

1. RAILWAY LOCOMOTIVE SPARE PARTS.
2. CL-215 RECONNAISSANCE AIRCRAFT.
3. CIVILIAN HELICOPTERS.
4. AIRPORT RADAR.
5. AIRPORT LANDING AIDS
6. AIRPORT COMMUNICATION EQUIPMENT.
7. AUTOMOTIVE SPARE PARTS.

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BOGOTA

Market: COLOMBIA

Factors for Canadian exports not reaching market potential:

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

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

Activity: THE BOGOTA METRO PROJECT.
Expected Results: OPPORTUNITY FOR CANADA TO BID AGAIN.

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

Activity: ONTARIO GOVERNMENT MISSION
Expected Results: GREATER AWARENESS OF CDN EXPERTISE.

Activity: INTERNATIONAL BOGOTA FAIR.
Expected Results: GREATER AWARENESS OF CDN EXPERTISE.

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 SUPPLIERS WITH GOVERNMENT AGENCIES.
Expected Results: ENSURE CDN SUPPLIERS ARE INVITED TO BID.

Activity: PREPARE SECTORAL REPORT.
Expected Results: BETTER MARKET PENETRATION.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BOGOTA

Market: COLOMBIA

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

COLOMBIAN NAT'L RAILWAYS REHA- BILITATION	Approximate Value: 600 M\$ Financing Source : B.C. - Buyer Credits required IBRD - World Bank Contact : CDN EMBASSY/BOGOTA
COLOMBIA PORTS REHABILITATION	Approximate Value: 120 M\$ Financing Source : IBRD - World Bank Contact : CDN EMBASSY/BOGOTA
AIRPORT DEVELOPMENT PLAN	Approximate Value: 120 M\$ Financing Source : OTHER Contact : CDN EMBASSY/BOGOTA
BUARAMANGA MASS TRANSIT PROJECT	Approximate Value: 30 M\$ Financing Source : B.C. - Buyer Credits required Contact : CDN EMBASSY/BOGOTA

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BOGOTA

Market: COLOMBIA

Sector : MINE, METAL, MINERAL PROD & SRV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	130.00 \$M	150.00 \$M	160.00 \$M	180.00 \$M
Canadian Exports	3.00 \$M	15.00 \$M	18.00 \$M	20.00 \$M
Canadian Share of Market	2.30 %	10.00 %	11.25 %	11.11 %

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 %

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

Products/services for which there are good market prospects:

1. TRUCKS (100 TONS)
2. OPEN PIT EQUIPMENT.
3. UNDERGROUND EQUIPMENT.
4. CONSULTING SERVICES.
5. GEOPHYSICAL SURVEY.

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BOGOTA

Market: COLOMBIA

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

Activity: INTERNATIONAL MINING FAIR IN BOGOTA.
Expected Results: GREATER AWARENESS OF CDN CAPABILITIES.

Activity: PROVINCIAL MINING EQUIPMENT MISSION.
Expected Results: GREATER AWARENESS OF CDN CAPABILITIES.

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

Activity: UPDATE OF REPORT ON MINING SECTOR INCLUDING GOLD.
Expected Results: BETTER AWARENESS OF OPPORTUNITIES.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BOGOTA

Market: COLOMBIA

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

EL DESCANSO MINE

Approximate Value: 200 Ms
Financing Source : OTHER
Contact : CDN EMBASSY/BOGOTA

GUAINIA GOLD PROJECT

Approximate Value: 200 Ms
Financing Source : OTHER
Contact : CDN EMBASSY/BOGOTA

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BOGOTA

Market: COLOMBIA

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	185.00 \$M	190.00 \$M	220.00 \$M	305.00 \$M
Canadian Exports	16.58 \$M	1.28 \$M	7.00 \$M	8.30 \$M
Canadian Share of Market	8.97 %	0.67 %	3.18 %	2.72 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	55.00 %
JAPAN	10.00 %
GERMANY WEST	8.00 %
BRAZIL	6.00 %
VENEZUELA	4.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

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

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BOGOTA

Market: COLOMBIA

Factors for Canadian exports not reaching market potential:

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

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

Activity: FOLLOW UP ON EXISTING PROJECTS.
Expected Results: INCREASED CANADIAN PARTICIPATION.

Activity: PUT IN PLACE NEW MARKETING STRATEGY.
Expected Results: FOCUSING ON RESOURCES.

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

Activity: NATIONAL PETROLEUM SHOW, CALGARY.
Expected Results: GREATER AWARENESS OF CDN EXPERTISE.

Activity: ALBERTA OIL AND GAS MISSIONS.
Expected Results: GREATER AWARENESS OF CDN EXPERTISE.

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 EXPANDED SECTORAL OVERVIEW.
Expected Results: BETTER AWARENESS OF OPPORTUNITIES.

Activity: PROMOTION OF KEY CANADIAN SUPPLIERS.
Expected Results: MORE CDN SUPPLIERS INVITED TO BID.

Activity: PROMOTE CDN INTERESTS IN POLYETHYLENE PLANT.
Expected Results: WIN CONTRACT.

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BOGOTA

Market: COLOMBIA

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

POLYETHYLENE PLANT

Approximate Value: 110 M\$
Financing Source : OTHER
Contact : CDN EMBASSY/BOGOTA

NEW CRUDE OIL REFINERY

Approximate Value: 900 M\$
Financing Source : OTHER
Contact : CDN EMBASSY/BOGOTA

NATURAL GAS PIPELINE

Approximate Value: 500 M\$
Financing Source : OTHER
Contact : CDN EMBASSY/BOGOTA

PETROLEUM TRAINING INSTITUTE
EQUIPMENT AND SERVICES

Approximate Value: 4 M\$
Financing Source : DDM - Domestically funded
Contact : CDN EMBASSY/BOGOTA

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BOGOTA

Market: ECUADOR

Sector : MINE, METAL, MINERAL PROD & SRV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	125.00 \$M	80.00 \$M	95.00 \$M	120.00 \$M
Canadian Exports	14.00 \$M	6.00 \$M	12.00 \$M	18.00 \$M
Canadian Share of Market	11.20 %	7.50 %	12.60 %	15.00 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA 0.00 %

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

Products/services for which there are good market prospects:

1. ASBESTOS
2. ZINC
3. MINING EQUIPMENT
4. MINING LABORATORY EQUIPMENT

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BOGOTA

Market: ECUADOR

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

Activity: MINING EQUIPMENT MISSION (PROVINCIAL)
Expected Results: INCREASES AWARENESS OF CANADIAN EXPERTISE.

Activity: ATTENDANCE AT CANADIAN MINING SHOW BY ECUADORIANS.
Expected Results: BETTER KNOWLEDGE OF CANADIAN EQUIPMENT.

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

Activity: REPORT ON MINING SECTOR.
Expected Results: PROVIDE EARLY INFORMATION TO CDN EXPORTERS.

Activity: SEMINAR ON CANADIAN MINING EXPERIENCE.
Expected Results: CREATE AWARENESS ON CANADIAN EXPERTISE.

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BOGOTA

Market: ECUADOR

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

NAMBIJA GOLD

Approximate Value: 50 M\$

Financing Source : OTHER

Contact : CDN EMBASSY/BOGOTA

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BOGOTA

Market: ECUADOR

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	17.00 \$M	22.00 \$M	28.00 \$M
Canadian Exports	0.00 \$M	0.10 \$M	1.20 \$M	2.00 \$M
Canadian Share of Market	0.00 %	0.59 %	5.45 %	7.14 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	45.00 %

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

Products/services for which there are good market prospects:

1. SEISMIC INTERPRETATION
2. CONSULTING SERVICES
3. COMPUTER SOFTWARE
4. DRILLING EQUIPMENT

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Import duties are low
- Aggressive marketing
- Fairs and missions support
- Provincial export promotion
- 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: BUGOTA

Market: ECUADOR

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
- LACK OF PROPER FOLLOW-UP.

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

Activity: LIBERTADOR GAZ PLANT.
Expected Results: COULD WIN IF FINANCING AVAILABLE.

Activity: COMPUTER SOFTWARE.
Expected Results: POTENTIAL SALE.

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

Activity: ALBERTA OIL AND GAS MISSION.
Expected Results: GREATER AWARENESS OF CDN EXPERTISE.

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

Activity: INCREASE CONTACTS WITH PRIVATE PETROLEUM INDUSTRY.
Expected Results: GREATER AWARENESS OF CDN EXPERTISE.

Activity: REPORT ON OIL/GAS SECTOR ACTIVITY FOR NEXT 3 YEARS.
Expected Results: PROVIDE "EARLY WARNING" INFORMATION.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BOGOTA

Market: ECUADOR

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

NEW PIPELINE

Approximate Value: 50 M\$
Financing Source : OTHER
Contact : CDN EMBASSY/BOGOTA

NEW REFINERY PLANNED

Approximate Value: 100 M\$
Financing Source : OTHER
Contact : CDN EMBASSY/BOGOTA

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RPTDL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 INVESTMENT PROMOTION PROFILE

Mission: BOGOTA

Country: COLOMBIA

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

THERE IS LITTLE INTEREST ON THE PART OF COLOMBIANS OR ECUADORIANS TO INVEST IN CANADA. ONLY REAL POSSIBILITIES ARE THROUGH THE ENTREPRENEURIALS IMMIGRANT PROGRAM. FOREIGN INVESTMENT, IF ANY, FROM OUR TERRITORY WILL GO TO THE U.S.A.

89/06/12 RP-A10 PEMD - Government Initiated Activities 1989

149A)

Post : BOGOTA

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Post/Contact</u>
89/07/13	AGRDEXPO'89, BOGOTA, COLUMBIA INFO BOOTH, WITH GROUP	AGRI & FOOD PRODUCTS & SERVICE C.MUNANTE

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: BUENOS AIRES

Country: ARGENTINA

MOINS D'UNE ANNEE APRES L'ANNONCE D'UN IMPORTANT PLAN DE REDRESSEMENT ECONOMIQUE EN OCTOBRE 87 QUI, ON SE SOUVIENDRA, VISAIT ENTRE AUTRES A SOLUTIONNER DEFINITIVEMENT DEUX DES PROBLEMES CHRONIQUES DE L'ECONOMIE ARGENTINE, LE DEFICIT FISCAL ET L'INFLATION, LE GOUVERNEMENT ARGENTIN A DU ANNONCER UNE FOIS DE PLUS, DEBUT AOUT 88, DE NOUVELLES MESURES VISANT ESSENTIELLEMENT A SOLUTIONNER LES MEMES PROBLEMES. FIN JUILLET 88, LES INDICES ECONOMIQUES, CONTRAIREMENT AUX OBJECTIFS D'OCTOBRE 87, LAISSAIENT ENTREVOIR LA POSSIBILITE D'UN DEFICIT FISCAL SUPERIEUR A L'ANNEE ANTERIEURE (PLUS 9% EN 88 VS 7.5% EN 87) ET UNE INFLATION ANNUELLE DE L'ORDRE DE 380% COMPARATIVEMENT A L'OBJECTIF DE 70% QUE LE GOUVERNEMENT S'ETAIT FIXE. QUANT A LA CROISSANCE DU PNB, CONTRAIREMENT AU 4% PREVUS, ELLE SE DIRIGEAIT AVEC DIFICULTE VERS UN MAIGRE 2%. AU PLAN EXTERNE, LA SITUATION ETAIT TOUT AUSSI INQUIETANTE MALGRE UNE AUGMENTATION SUBSTANTIELLE DES EXPORTATIONS. L'ARGENTINE ACCUSAIT DE SERIEUX RETARDS DANS SES ENGAGEMENTS AVEC LES CREANCIERS ETRANGERS. IL EST EVIDENT QU'A MOINS D'UNE ANNEE DES PROCHAINES ELECTIONS PRESIDENTIELLES, AU MOMENT OU LES SONDAGES D'OPINION FAVORISAIENT L'OPPOSITION JUSTICIALISTE, LE GOUVERNEMENT N'AVAIT QUE PEU DE MARGE DE MANOEUVRE, ET AU RISQUE D'AVOUEUR SON ECHEC, SE DEVAIT DE DONNER UN AUTRE SERIEUX COUP DE BARRE POUR ASSAINIR LA SITUATION ECONOMIQUE. SI LES NOUVELLES MESURES VISENT ENCORE UNE FOIS A REDUIRE LE DEFICIT FISCAL ET LA POUSSEE INFLATIONISTE, LES METHODES SONT CETTE FOIS-CI DIFFERENTES. LE TRADITIONNEL GEL TEMPORAIRE DES PRIX ET DES SALAIRES A ETE REMPLACE PAR UN MECANISME DE CONCERTATION, ET AU-DELA DES MOTS, DES MESURES CONCRETES ONT DEJA ETE MISES EN PLACE POUR REDUIRE LES DEPENSES DE L'APPAREIL GOUVERNEMENTAL ET PARA-GOUVERNEMENTAL. LES PREMIERS RESULTATS ONT ETE ENCOURAGEANTS. L'INFLA'N EST REVENU A UN NIVEAU MENSUEL COMPARABLE A CELUI DE L'ANNEE ANTERIEURE, LES TAUX D'INTERET ON FONDU DE PRESQUE LA MOITIE ET LA VALEUR DE LA DEVISE LOCALE S'EST ENFIN STABILISEE. LE GOUVERNEMENT A EGALEMENT REAFFIRME SA DECISION D'OUVRIRE L'ECONOMIE DE MANIERE A LA RENDRE PLUS COMPETITIVE, ET DE REFORMER L'ETAT ET SES SERVICES, EN FAVORISANT L'OPTION DE LA PRIVATISATION. LA DE-MONOPOLISATION DES SERVICES PUBLICS EST DEJA EN VOIE DE REALISATION, ET D'ICI FIN 88, LES IMPORTATIONS, SAUF POUR UNE LISTE TRES LIMITEE, POURRONT SE REALISER LIBREMENT. DE LA MEME MANIERE, LE GOUVERNEMENT A REAFFIRME SA VOLONTE DE FAVORISER L'INVESTISSEMENT ETRANGER A VOCATION EXPORTATRICE.

LE PROGRAMME ECONOMIQUE D'AOUT 88 IMPOSE NECESSAIREMENT DES LIMITES QUANT AUX POSSIBILITES DE CROISSANCE DU SECTEUR PUBLIC ET PARA-PUBLIC. SI LES POSSIBILITES DE CROISSANCE DE L'APPAREIL GOUVERNEMENTAL SE VOIENT SERIEUSEMENT HYPOTHEQUEES SUITE A LA DECISION DU GOUVERNEMENT DE MIEUX CONTROLER LE DEFICIT FISCAL, LE SECTEUR PRIVE ARGENTIN QUANT A LUI DEMEURE TOUJOURS UNE EXCELLENTE ALTERNATIVE POUR LES EXPORTATEURS CANADIENS. LA VOLONTE AFFIRMEE DU GOUVERNEMENT D'ENCOURAGER L'INVESTISSEMENT MANUFACTURIER EN VUE DES MARCHES D'EXPORTATION ET LA

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RPT81

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: BUENOS AIRES

Country: ARGENTINA

LIBERALISATION DES IMPORTATIONS DEVRAIENT OFFRIR DES POSSIBILITES INTERESSANTES POUR L'INDUSTRIE CANADIENNE: VENTES D'EQUIPEMENTS, DE COMPOSANTES, DE MATIERES PREMIERES; TRANSFERT DE TECHNOLOGIES, PRODUCTION CONJOINTE ET ASSISTANCE TECHNIQUE. SI L'ENSEMBLE DE L'INDUSTRIE A ATTENTION PARTICULIERE DEVRAIT ETRE ACCORDEE AUX SECTEURS SUIVANTS: ENERGIE, MINES, AGRO-INDUSTRIE, FORET ET PETRO-CHIMIE. EN CE MOMENT, LA SEE N'ACCEPTE PAS DE FINANCER DES EXPORTATIONS ADDITIONNELLES DIRIGEEES VERS L'ARGENTINE. CETTE SITUATION NE DEVRAIT PAS CHANGER AVANT QUE LES CONDITIONS ECONOMIQUES S'AMELIORENT ET QU'IL Y AIT DU PROGRES DANS LE REMBOURSEMENT DE LA DETTE. LES EXPORTATEURS PROSPECTIFS DEVRAIENT DONC SE RENSEIGNER AUPRES DES AGENTS DU MINISTERE DES AFFAIRES EXTERIEURES OU DE LA SEE A L'EGARD DE LA DISPONIBILITE COURANTE DU FINANCEMENT A L'EXPORTATION.

RPT82

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: BUENOS AIRES

Country: ARGENTINA

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

1. ADVANCED TECH. PROD. & SERV
OPENING OF THE PUBLIC SECTOR THROUGH DEREGULATION AND PRIVATIZATION SHOULD OFFER NEW OPPORTUNITIES FOR CANADIAN EXPORTERS.
2. MINE, METAL, MINERAL PROD & SRV
NEW TRENDS IN MINING INDUSTRY AIMING AT ATTRACTING FOREIGN RISK INVESTMENTS AND POSITIVE REACTION OF CANADIAN MINING INDUSTRY SHOULD LEAD TO A GREATER INVOLVEMENT OF CANADA IN THIS SECTOR.
3. CHEM PROD & PETROCHEM, EQP, SERV
THE LIBERALIZATION OF PETROCHEMICAL AND CHEMICAL IMPORTS SHOULD OFFER NEW OPPORTUNITIES FOR CANADIAN EXPORTERS.
4. FOREST PRODUCTS, EQUIP, SERVICES
LIBERALIZATION OF PULP AND PAPER PRODUCT IMPORTS SHOULD OFFER NEW OPPORTUNITIES FOR CANADIAN EXPORTERS. FURTHERMORE GOVERNMENT POLICIES AIMING AT INDUSTRIALIZATION OF FOREST SECTOR SHOULD OFFER POTENTIAL FOR CANADIAN INVOLVEMENT.
5. POWER & ENERGY EQUIP. & SERV.
CANADIAN COMPANIES ARE ALREADY INVOLVED IN TWO MAJOR PROJECTS (YACYRETA AND PIEDRA DEL AGUILAA) AND FURTHER OPPORTUNITIES HAVE ALREADY BEEN IDENTIFIED.
6. OIL & GAS EQUIPMENT, SERVICES
IMPROVED CONDITIONS OFFERED TO INVESTORS SHOULD LEAD TO GREATER ACTIVITY IN THIS SECTOR. FURTHERMORE, THE GUTA PROJECT (GAS UTILIZATION TECHNICAL ASSISTANCE) WILL OFFER GOOD POTENTIAL FOR CANADIAN COMPANIES.

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

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

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: BUENOS AIRES

Country: URUGUAY

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

- 1. AGRI & FOOD PRODUCTS & SERVICE
CANADIAN COMPANIES HAVE ALREADY MADE HEADWAY IN ASSISTING URUGUAY IN STUDYING SUCH AREAS AS SEED POTATO STORAGE AND IRRIGATION, AND THIS SECTOR WILL CONTINUE TO EXPAND IN THE MEDIUM TERM.
- 2. INDUSTRIAL MACHIN,PLANTS,SERV.
CIDA - SPONSORED STUDY TO ASSIST CANADIAN COMPANIES IN JOINT-VENTURES OR TECHNOLOGY TRANSFER TO INCREASE THE INDUSTRIAL BASE OF URUGUAY WILL MEAN MORE ACTIVITY IN THIS AREA.
- 3. OIL & GAS EQUIPMENT,SERVICES
LA TEJA REFINERY MODERNIZATION PROJECT SHOULD OFFER POSSIBILITIES FOR CANADIAN EXPORT OF GOODS AND SERVICES.
- 4. POWER & ENERGY EQUIP. & SERV.
REHABILITATION OF AT LEAST ONE HYDRO-ELECTRIC STATION IN URUGUAY COULD OPEN POSSIBILITIES FOR CANADIAN EXPORT OF GOODS AND SERVICES.
- 5. ADVANCED TECH. PROD. & SERV
THE URUGUAYAN STAT TELEPHONE COMPANY IS COMMITTED TO EXPAND ITS RURAL TELECOMMUNICATIONS SYSTEM AND WILL BE IN NEED OF EQUIPMENT AND TECHNICAL SERVICES TO COMPLETE THE EXPANSION.

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

- 1. AGRI & FOOD PRODUCTS & SERVICE
- 2. ADVANCED TECH. PROD. & SERV
- 3. OIL & GAS EQUIPMENT,SERVICES
- 4. POWER & ENERGY EQUIP. & SERV.
- 5. INDUSTRIAL MACHIN,PLANTS,SERV.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ANIMAL, POULTRY BREEDING STOCK

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	4.00 \$M	4.00 \$M	3.50 \$M	4.50 \$M
Canadian Exports	0.60 \$M	0.50 \$M	0.40 \$M	0.50 \$M
Canadian Share of Market	15.00 %	12.50 %	11.50 %	11.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	60.00 %
EUROPEAN COMMON MARKET C	30.00 %

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

Products/services for which there are good market prospects:

1. HOLSTEIN SEMEN
2. POULTRY

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

Activity: EXCHANGE TECH WITH OFFICIAL DELEGATION DURING J.E.C. MTG
Expected Results: TRANSFER OF TECHNOLOGY AND INTEREST LOCAL IMPORTERS IN CDN GENETIC MATERIAL

Activity: OUTGOING EMBRYD TRANSFER TECHNOLOGY MISSION

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

Activity: PARTICIPATION IN THE RAFAELA FAIR
Expected Results: INCREASE OUR PRESENT PROFILE TO GENERATED INCREASED SALES

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: SEEDS & SPECIAL CROPS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	7.00 \$M	6.50 \$M	6.00 \$M	7.00 \$M
Canadian Exports	0.20 \$M	0.20 \$M	0.30 \$M	0.50 \$M
Canadian Share of Market	3.00 %	3.00 %	5.00 %	7.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	50.00 %
EUROPEAN COMMON MARKET C	25.00 %

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

Products/services for which there are good market prospects:

1. FORRAGE SEEDS
2. SPECIAL SEEDS
3. PULSES

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

Activity: SECTORAL STUDY, SEEDS AND SPECIAL CROPS
Expected Results: A)I.D. REQUIREMENTS AND MARKETING CHANNELS B)INCREASE NUMBER OF REPS OF CDN COYS IN MARKET PLACE

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 CDN COY IN JOINT VENTURE WITH LOCAL PARTNER
Expected Results: DIRECT SEED EXPORTS FOR REMULTIPLICATION

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: SEMI & PROCESSED FOOD & DRINK

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	130.00 \$M	110.00 \$M	100.00 \$M	100.00 \$M
Canadian Exports	2.00 \$M	6.00 \$M	3.00 \$M	3.00 \$M
Canadian Share of Market	1.50 %	5.50 %	3.00 %	3.00 %

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

Major Competing Countries

Market Share

BRAZIL	65.00 %
CHILE	15.00 %
URUGUAY	5.00 %
MEXICO	3.00 %

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

Products/services for which there are good market prospects:

1. DAIRY PRODUCTS

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- ARGENTINA IS ALMOST SELF-SUFF. IN
- THIS SECTOR & MAJOR EXPORTER

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

Activity: SEMI PROCESSED AND PROCESSED FOOD MARKET
Expected Results: A) I.D. NEEDS & MARKET CHANNELS B) INCREASE CDN COYS AND REPS 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: SUPPORT POSSIBILITY OF JOINT VENTURES/TRANSFER OF TECHNOLOGY

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: FEED, FERTILIZER & VET PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	10.00 \$M	10.00 \$M	8.00 \$M	6.00 \$M
Canadian Exports	0.00 \$M	0.10 \$M	0.10 \$M	0.10 \$M
Canadian Share of Market	0.00 %	1.00 %	1.20 %	1.60 %

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

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

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

Products/services for which there are good market prospects:

1. ANIMAL FEED ADDITIVES

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Limited Canadian capabilities

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

Activity: ANIMAL FEED ADDITIVE SECTORIAL STUDY
Expected Results: A)I.D. REQUIREMENTS & MARKETING CHANNELS B)INCREASE # OF CDN
COYS ACTIVE IN MARKET C)INCREASE NUMBER OF REPS

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. NEW IND. PROJECTS & POSSIBILITY WITH IND COOP PROGRAMS
Expected Results: TO INVOLVE CDN COMPANIES

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : DEFENCE PROGRAMS, PRODUCTS, SERV

Sub-Sector: ELECTRICAL & ELECTRONIC

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1.50 \$M	2.00 \$M	2.50 \$M	3.00 \$M
Canadian Exports	0.10 \$M	0.20 \$M	0.20 \$M	0.80 \$M
Canadian Share of Market	0.00 %	0.00 %	0.01 %	0.02 %

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

Major Competing Countries	Market Share
GERMANY WEST	40.00 %
FRANCE	15.00 %
ITALY	8.00 %
UNITED STATES OF AMERICA	5.00 %
ISRAEL	2.00 %

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

Products/services for which there are good market prospects:

1. AERONAVAL ELECTRONIC COMPONENTS
2. MARINE SYSTEMS
3. RADAR SYSTEMS
4. SONOBUOYS

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- Fairs and Missions support
- Competitive pricing

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Non-competitive financing
- Market prospects have not been adequately explored
- LACK OF INTEREST BY CDN EXPORTERS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

Activity: SURVEY OF AIR & MARINE AIDS REQUIREMENTS & I.D. CHANNELS
Expected Results: OBTAIN INFO ON FUTURE INDUSTRY NEEDS TO ASSIST CDN EXPORTERS TO ENTER MARKET

Activity: SURVEY OF FABRICACIONES MILITARES ELECTRONIC PRODUCTS
Expected Results: OBTAIN INFO ON FUTURE INDUSTRY NEEDS TO ASSIST CDN EXPORTERS TO ENTER 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: COMPILE LIST OF PROSP. AGENTS/IMPORTERS OF ELECTRONIC EQPT.
Expected Results: ASSIST CDN EXPORTERS TO MAKE CONTACT WITH MAJOR IMPORTERS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

PROVISION OF ELECTRONICS
COMPONENTS IN 2 HELICOPTERS

Approximate Value: 4 M\$
Financing Source : OTHER
Contact : D. HARD, CDN EMBASSY, BUENOS
AIRES, TLX:021383 CANAD AR

OVERHAUL OF TURBOTRACKER
AIRCRAFT

Approximate Value: 10 M\$
Financing Source : OTHER
Contact :

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	330.00 \$M	320.00 \$M	300.00 \$M	320.00 \$M
Canadian Exports	0.50 \$M	0.50 \$M	1.00 \$M	2.00 \$M
Canadian Share of Market	0.15 %	0.16 %	0.30 %	0.60 %

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

Major Competing Countries	Market Share
GERMANY WEST	30.00 %
JAPAN	30.00 %
UNITED STATES OF AMERICA	10.00 %
ITALY	9.00 %
BRAZIL	8.00 %
FRANCE	6.00 %

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

Products/services for which there are good market prospects:

1. HIGH AND LOW CAPACITY SWITCHING SYSTEMS
2. RURAL TELEPHONY SWITCHES AND EQUIPMENT
3. DOMESTIC COMMUNICATIONS SATELLITE
4. DIGITAL MULTIPLEXERS

Factors contributing, to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Non-competitive financing

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

Activity: JOINT VENTURES FOR RURAL TELECOM EQUIPMENT-CDN MANUFACTURERS
Expected Results: INCREASE MEDIUM TERM SALES OF EQUIPMENT

Activity: TRAINING IN CDA COMM. SPECIALISTS IN SPECTRUM MGMT, SATELLITE
Expected Results: PROVIDE SECRETARIAT DECISION-MAKERS WITH OVERVIEW OF CDN CAPABILITIES

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

Activity: COMPILE LIST OF IMPORT./JOINT-VENTURE PARTNERS-TELECOM EQPT.
Expected Results: ASSIST CDN MANUFACTURERS TO MAKE CONTACT WITH POTENTIAL ARGENTINE PARTNERS.

Activity: SURVEY-I.D. PROVINCES WHERE ACTIVITY HIGH IN DEVT TELECOMS
Expected Results: PROVIDE NECESSARY INFO TO CDN EXPORTERS AND PREPARE FOR POSSIBLE MISSION 1989

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

RURAL TELECOMS EXPANSION

Approximate Value: 200 Ms

Financing Source : IBRD - World Bank

IADB - Inter-American Dev Bank

Contact

: D. HARD, CDN EMBASSY

BUENOS AIRES, TLX:021383 CANAD

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	200.00 \$M	200.00 \$M	200.00 \$M	300.00 \$M
Canadian Exports	2.00 \$M	0.50 \$M	0.20 \$M	15.00 \$M
Canadian Share of Market	1.00 %	0.40 %	0.10 %	5.00 %

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

Major Competing Countries

Market Share

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

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

Products/services for which there are good market prospects:

1. HYDRO TURBINES
2. HYDRO GENERATORS
3. LARGE ELECTRICAL TRANSFORMERS
4. MATERIALS FOR TRANSMISSION LINES
5. ELECTRICAL CAPACITIVE COUPLING SYSTEMS

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

Factors for Canadian exports not reaching market potential:

- CDN RESTRICT. ON EXPORTS OF NUCLEAR
- TECH. TO COUNT. NOT RATIFIED

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

Activity: REP OF MAJOR HYDRO TO PART. IN SEMINAR-IFI FINAN. POWER PROJ
Expected Results: GREATER AWARENESS AND COMPETENCE BY CDN SUPPLIERS TO PARTI.
IN TENDERS FOR MAJOR POWER PROJECTS

Activity: REPORT ON TENDERS BEING CALLED FOR MATERIAL/EQPT POWER PROJ.

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

Activity: VISIT "HIDRONOR" TO IMPROVE PERSONAL CONTACTS WITH SR. STAFF
Expected Results: BE ABLE TO BETTER ASSIST CDN SUPPLIERS COMPETING IN FORTH-
COMING TENDERS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

YACYRETA HYDRO

Approximate Value: 12000 M\$
Financing Source : IBRD - World Bank
IADB - Inter-American Dev Bank
EDC - Export Dev Corporation
Contact : B. PERKINS 312-9081/8
BUENOS AIRES TLX 021383 CANAD

PEIDRA DEL AGUILA HYDRO

Approximate Value: 3000 M\$
Financing Source : IADB - Inter-American Dev Bank
Contact : B. PERKINS 312-9081/8
BUENOS AIRES TLX 021383 CANAD

SEGBA POWER DISTRIBUTION

Approximate Value: 700 M\$
Financing Source : IBRD - World Bank
Contact : B. PERKINS 312-9081/8
BUENOS AIRES TLX 021383 CANAD

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : TRANSPORT SYS,EQUIP,COMP,SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	290.00 \$M	320.00 \$M	300.00 \$M	350.00 \$M
Canadian Exports	18.10 \$M	16.00 \$M	15.00 \$M	20.00 \$M
Canadian Share of Market	6.20 %	5.00 %	5.00 %	5.70 %

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

Major Competing Countries

Market Share

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

Current Status of Canadian

exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. RAILWAY LOCOMOTIVE PARTS, COMPONENTS & LICENSES
2. OEM PARTS FOR LOCALLY MANUFACTURED LIGHT TRUCKS
3. REPLACEMENT AIRCRAFT TURBINES AND PARTS
4. WATER BOMBING AIRCRAFT
5. URBAN TRAFFIC CONTROL SERVICES AND SYSTEMS
6. TRANSPORTATION ADVISORY SERVICES

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

Activity: RAILWAYS REORGANIZATION BEING MONITORED & REPORTED
Expected Results: IDENTIFY AND REPORT ON OPPORTUNITIES FOR CDN SUPPLIERS TO PROSPECTIVE, PRIV. CONSORTIA WHICH MAY OPERATE RAILWAY SERV.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : FOREST PRODUCTS,EQUIP,SERVICES

Sub-Sector: PULP AND PAPER PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	40.00 \$M	47.00 \$M	50.00 \$M	55.00 \$M
Canadian Exports	6.00 \$M	7.00 \$M	7.00 \$M	8.00 \$M
Canadian Share of Market	15.00 %	15.00 %	14.00 %	14.50 %

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

Major Competing Countries

Market Share

SWEDEN	20.00 %
BRAZIL	20.00 %
NORWAY	10.00 %

Current Status of Canadian

exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. NEWSPRINT
2. SPECIAL PAPERS

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

Activity: MARKET SURVEY, PULP & PAPER PROD. TAKE ADV OF IMPORTS LIBER.
Expected Results: A) I.D. NEEDS & MARKETING CHANNELS B) INCREASE # OF CDN COYS ACTIVE IN MARKET & # OF REPRESENTATIVES

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 IMPORTS LIBERALIZATION WITH CDN EXPORT SECTOR
Expected Results: INCREASE NUMBER OF CDN COYS ACTIVE IN MARKET

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : FOREST PRODUCTS,EQUIP,SERVICES

Sub-Sector: EQUIPMENT AND MACHINERY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	20.00 \$M	25.00 \$M	25.00 \$M	30.00 \$M
Canadian Exports	0.50 \$M	1.00 \$M	1.00 \$M	2.00 \$M
Canadian Share of Market	2.50 %	4.00 %	4.00 %	6.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	30.00 %
BRAZIL	30.00 %

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

Products/services for which there are good market prospects:

1. PULP & PAPER PRODUCTION EQUIPMENT
2. BOARD MANUFACTURING EQUIPMENT

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

Activity: CATALOGUE SHOW IN CORRIENTES OF CDN FORESTRY EQUIPMENT
Expected Results: INCREASE NUMBER OF REPS OF CDN COYS 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: PARTICIPATE TO FAO/IFONA SEMINAR IN CORRIENTES NOV 88
Expected Results: IDENTIFY NEW PROJECT AND GET CDN COY INVOLVED

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : MINE,METAL,MINERAL PROD & SRV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	600.00 \$M	700.00 \$M	750.00 \$M	800.00 \$M
Canadian Exports	22.00 \$M	19.00 \$M	25.00 \$M	28.00 \$M
Canadian Share of Market	3.70 %	2.70 %	3.30 %	3.50 %

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

Major Competing Countries

Market Share

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

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

Products/services for which there are good market prospects:

1. SULPHUR
2. ASBESTOS
3. NON-FERROUS METALS
4. TIN PLATE
5. HEAVY WATER
6. SERVICES FOR MINING INDUSTRY
7. MINING/GEOLOGICAL EQPT.

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

Activity: STUDY OF KAOLIN DEPOSITS IN CHUBUT PROVINCE
Expected Results: OPEN OPPORTUNITIES FOR JOINT VENTURE

Activity: SURVEY OF MINERAL RESOURCES OF SAN JUAN PROVINCE
Expected Results: IDENTIFY POTENTIAL FOR INVESTMENT AND SUPPLY OF SERVICES/
EQUIPMENT

Activity: ASSISTANCE TO CDN COYS INTERESTED IN DEV. GOLD RESOURCES
Expected Results: JOINT VENTURES IN GOLD MINING

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

Activity: DEVELOP CONTACTS ON MINING DEV. PROPOSED BY INDIV. PROV.
Expected Results: I.D. REQUIREMENTS AND OPPORTUNITIES FOR CDN COYS TO PARTICI-
PATE IN DEVELOPMENT OF MINING INDUSTRY

Activity: VISIT PROPOSED MINING CONGRESS IN JUJUY IN MAY '89

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	500.00 \$M	1250.00 \$M	1000.00 \$M	1500.00 \$M
Canadian Exports	1.50 \$M	1.25 \$M	1.00 \$M	1.50 \$M
Canadian Share of Market	0.30 %	0.10 %	0.10 %	0.10 %

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

Major Competing Countries Market Share

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

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

Products/services for which there are good market prospects:

1. SERVICES FOR OIL/GAS EXPLORATION/PRODUCTION
2. EQUIPMENT FOR HANDLING/PROCESSING NATURAL GAS
3. OILFIELD EQUIPMENT

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Market prospects have not been adequately explored

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

Activity: MAINTAIN CONTACT WITH MAJOR OIL CO.-REPORT DEV. & OPPORT.
Expected Results: DEV. BUSINESS CONNECTIONS BETWEEN CDA ALN LOCAL OIL CO. IN-
CREASE AWARENESS OF CDN CAPABILITY TO SUPPLY EQPT/SERVICES

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

HOUSTON PLAN TO AWARD CONCESSIONS FOR OIL/GAS PROS. Approximate Value: 0 MS
Financing Source : OTHER
Contact : B. PERKIN 312-9081/8
BUENOS AIRES TLX: 021383 CANAD

PETROPLAN TO AWARD CONCESSIONS FOR ENHANCED OIL PRODUCTION Approximate Value: 0 MS
Financing Source : OTHER
Contact :

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : CHEM PROD & PETROCHEM,EOP,SERV

Sub-Sector: PLASTICS PRODUCTS,EQUIP,SERVIC

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	73.50 \$M	75.00 \$M	80.00 \$M	83.00 \$M
Canadian Exports	2.40 \$M	20.50 \$M	25.00 \$M	27.00 \$M
Canadian Share of Market	3.30 %	27.30 %	31.30 %	32.50 %

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 %
BRAZIL	32.00 %

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

Products/services for which there are good market prospects:

1. POLYETHYLENE RESINS
2. PHENOLIC RESINS

Factors contributing to current successful Canadian exports:

- 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:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

Activity:

MARKET STUDY ON PLASTICS SECTOR

Expected Results: A) I.D. REQUIREMENTS & MARKETING CHANNELS B) INCREASE # OF
CDN COMPANIES ACTIVE IN SECTOR C) INCREASE NUMBER OF REPS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : CHEM PROD & PETROCHEM,EQP,SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	325.00 \$M	300.00 \$M	350.00 \$M	300.00 \$M
Canadian Exports	2.00 \$M	4.30 \$M	5.00 \$M	6.00 \$M
Canadian Share of Market	0.60 %	1.40 %	1.40 %	2.00 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	30.00 %
EUROPEAN COMMON MARKET C	30.00 %
BRAZIL	20.00 %

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

Products/services for which there are good market prospects:

1. PETROCHEMICAL PRIMARY PRODUCTION
2. PLASTIC RAW MATERIAL
3. RADIOACTIVE MATERIALS

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- LACK OF INTEREST BY CDN EXPORTERS

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : CONSUMER PRODUCTS & SERVICES

Sub-Sector: CULTURE INDUSTRIES

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	7.70 \$M	8.10 \$M	8.20 \$M	5.80 \$M
Canadian Exports	0.50 \$M	5.80 \$M	2.50 \$M	1.50 \$M
Canadian Share of Market	6.50 %	71.60 %	30.50 %	25.00 %

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

Major Competing Countries

Market Share

ARGENTINA	50.00 %
UNITED STATES OF AMERICA	25.00 %
ITALY	10.00 %
SPAIN	9.00 %

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

Products/services for which there are good market prospects:

1. MAGAZINES
2. BOOKS

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

Activity: MARKET SURVEY ON SECTOR

Expected Results: A) I.D. MARKET POTENTIAL & MARKETING CHANNELS. B) INCREASE # OF AGENTS/REPS INVOLVED WITH CANADIAN COMPANIES

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: ARGENTINA

Sector : EDUCATION, MEDICAL, HEALTH PROD

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	132.00 \$M	150.00 \$M	160.00 \$M	160.00 \$M
Canadian Exports	1.60 \$M	1.80 \$M	2.50 \$M	2.80 \$M
Canadian Share of Market	1.30 %	1.20 %	1.60 %	1.80 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	38.00 %
GERMANY WEST	18.00 %
JAPAN	14.00 %
PAKISTAN	6.00 %

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

Products/services for which there are good market prospects:

1. BIOLOGICAL PRODUCTS
2. ANTIBIOTICS
3. DISPOSABLE MEDICAL ELEMENTS
4. HOSPITAL EQUIPMENT
5. COBALT BOMB
6. TEACHING AIDS

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

Factors for Canadian exports not reaching market potential:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: ARGENTINA

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

Activity: ORGANIZATION OF MEDICAL EQUIPMENT CATALOGUE SHOW
Expected Results: INCREASE NUMBER OF REPRESENTATIONS IN THE MARKET

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

Activity: COORDINATE ACTION BETWEEN SUP. & BILATERAL FINANCING SOURCES
Expected Results: TO PACKAGE SUPPLY TO ENABLE CANADIAN PARTICIPATION

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

HEALTH INFRASTRUCTION
REHABILITATION

Approximate Value: 300 M\$
Financing Source : IADB - Inter-American Dev Bank
EDC - Export Dev Corporation
Contact : E. MASCIARELLI 312-9081/88
BUENOS AIRES TLX 21383

COBALT BOMB

Approximate Value: 0 M\$
Financing Source : OTHER
Contact : E. MASCIARELLI 312-9081/88
BUENOS AIRES TLX 21383

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: URUGUAY

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ANIMAL,POULTRY BREEDING STOCK

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.10 \$M	0.12 \$M	0.10 \$M	0.12 \$M
Canadian Exports	0.02 \$M	0.03 \$M	0.04 \$M	0.04 \$M
Canadian Share of Market	20.00 %	25.00 %	40.00 %	33.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	20.00 %
ARGENTINA	20.00 %

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

Products/services for which there are good market prospects:

1. HOLSTEIN SEMEN

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: URUGUAY

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

Activity: OUTGOING TECHICAL EMBRYO TRANSFER MISSION
Expected Results: TRANSFER OF CDN TECHNOLOGY

Activity: OUTGOING TECHICAL BEEF CATTLE & GENETIC MATERIAL MISSION
Expected Results: BETTER UNDERSTANDING OF LOCAL IMPORTERS ON CDN GENETICS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: URUGUAY

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: SEEDS & SPECIAL CROPS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	7.00 \$M	705.00 \$M	6.00 \$M	6.00 \$M
Canadian Exports	7.00 \$M	7.30 \$M	6.00 \$M	6.00 \$M
Canadian Share of Market	100.00 %	97.00 %	100.00 %	100.00 %

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

Major Competing Countries Market Share

NETHERLANDS 1.00 %

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

Products/services for which there are good market prospects:

1. SEED POTATOES

Factors contributing to current successful Canadian exports:

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

30/05/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: URUGUAY

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

Activity: FOLLOW-UP ON IRRIGATION AND STORAGE PROJECTS
Expected Results: GET CDN COYS INVOLVED IN IMPLEMENTATION PHASE

Activity: IDENTIFY AND PROMOTE INDUSTRIAL PROJECTS RELATED TO PROCESS.
Expected Results: INCREASE DEMAND AND CDN EXPORTS OF SEED POTATOES

30/05/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: URUGUAY

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	4.00 \$M	2.50 \$M	4.20 \$M	4.50 \$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 %	0.00 %

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

Major Competing Countries Market Share

ITALY	45.00 %
SPAIN	10.00 %
FRANCE	9.00 %

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

Products/services for which there are good market prospects:

1. RURAL TELECOMS SWITCHING EQPT

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

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

30/05/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: URUGUAY

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

Activity: SURVEY/OVERVIEW OF SERVICES/EQPT NEEDED IN RURAL TELECOMMUN.
Expected Results: PREPARE GROUND WORK FOR PLANNED MARKET IDENTIFICATION
MISSION EARLY 1989

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

EXPANSION OF RURAL TELECOMMUNICATIONS - URAGUAY	Approximate Value: 3 Ms Financing Source : IADB - Inter-American Dev Bank Contact : D. HARO, CDN EMBASSY BUENOS AIRES, TLX:021383 CANAD
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30/05/89

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUENOS AIRES

Market: URUGUAY

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	8.70 \$M	9.20 \$M	9.20 \$M	9.50 \$M
Canadian Exports	0.20 \$M	0.07 \$M	0.20 \$M	0.25 \$M
Canadian Share of Market	2.30 %	0.80 %	2.20 %	2.60 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	35.00 %
JAPAN	17.00 %
GERMANY WEST	10.00 %

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

Products/services for which there are good market prospects:

1. BIOLOGICAL PRODUCTS
2. MEDICAL PRODUCTS

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

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

30/05/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUENOS AIRES

Market: URUGUAY

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

Activity: MARKET SURVEY BIOLOGICAL PRODUCTS
Expected Results: IDENTIFY NEEDS & MARKETING CHANNELS B) INCREASE THE NUMBER OF
CDN CO. IN MARKET & REPRESENTATIVES

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 MEDICAL EQUIPMENT CATALOGUE SHOW
Expected Results: A) PROMOTE CDN PRODUCTS IN THE URUGUAYAN MARKET B) IDENTIFY
MORE AGENTS/REPRESENTATIVES

89/06/12 RP-A10 PEMD - Government Initiated Activities 1989 196A)

Post : BUENOS AIRES

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Post/Contact</u>
89/05/01	RAFAELA CATTLE SHOW, RAFAELA, ARGENTINA INFO BOOTH, ONLY	AGRI & FOOD PRODUCTS & SERVICE E.KELSO

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: CARACAS

Country: VENEZUELA

THE NEW GOVERNMENT WILL CONTINUE THE POLICY OF MOVING VENEZUELA AWAY FROM SOLE RELIANCE ON CRUDE PETROLEUM AS THE SOLE SOURCE OF EXPORT EARNINGS. IT WILL CONTINUE TO ENCOURAGE FOREIGN INVESTMENT IN OTHER RESOURCE SECTORS - PETROCHEMICALS, PULP AND PAPER, PRIMARY ALUMINIUM, COAL, PHOSPHATES, AND TOURISM. THESE INVESTMENTS WILL HAVE LITTLE IMPACT DURING THE NEXT THREE YEARS BUT BEGINNING IN THE MID 1990'S THEY WILL MAKE AN INCREASINGLY IMPORTANT CONTRIBUTION TO VENEZUELA'S BOP PAYMENTS. GIVEN THE PREDICTED CONTINUING SOFTNESS IN INTERNATIONAL OIL MARKETS DURING THE NEXT FIVE YEARS, VENEZUELAN GOVERNMENT WILL FACE GREAT DIFFICULTY IN MANAGING THE ECONOMY. IMPORT DEMANDS WILL REMAIN HIGH WITH NO CORRESPONDING INCREASE IN EXPORT REVENUES. CURRENT INTERNATIONAL RESERVES ARE \$7.3 BILLION WITH OPERATING RESERVES AT \$ 2.3 BILLION PERILOUSLY CLOSE TO THE \$2.0 BILLION WHICH IN THE REFINANCING AGREEMENTS IS CLOSE TO THE CRITICAL LEVEL. IT IS LIKELY IN THESE CIRCUMSTANCES THAT VENEZUELA WILL HAVE TO SEEK A FURTHER RESCHEDULING OF ITS PUBLIC AND PRIVATE DEBT IN 1989. THE NEW GOVERNMENT SEEMS PREPARED TO UNDERTAKE SOME TOUGH FISCAL AND MONETARY MEASURES TO SATISFY OFFICIAL CREDITORS AND PRIVATE BANKS THAT ITS ECONOMIC HOUSE IS IN ORDER. IN RETURN IT WILL EXPECT NEW BALANCE OF PAYMENT SUPPORT. IT IS LIKELY THEREFORE THAT 1989 WILL BE A TIME OF DEVALUING CURRENCY, INCREASED AUSTERITY, RATHER HIGHER INFLATION, WITH SOME POSSIBILITY OF A RECESSION. HOWEVER CANADIAN EXPORTS ARE UNLIKELY TO BE SERIOUSLY ADVERSELY AFFECTED BY THESE MEASURES AS THEY TEND TO BE IN SECTORS WHICH WILL BE UNAFFECTED BY A DOWNTURN IN THE ECONOMY OR ARE BASIC INDUSTRIAL OR FOOD STUFFS WHICH MUST BE IMPORTED REGARDLESS OF LARGE PRICE INCREASES. IT IS POSSIBLE THAT WITH A DEVALUATION AND A UNIFICATION OF EXCHANGE RATES (MUCH DISCUSSED BUT NOT YET A FIRM POLICY OF NEW GOVERNMENT) SOME CANADIAN EXPORTS COULD BE ELIMINATED OR REDUCED UNTIL IMPROVED CASH FLOWS ARE OBTAINED BY INDUSTRY.

THE DOMINICAN REPUBLIC CONTINUES TO EXPERIENCE CHRONIC UNEMPLOYMENT AND A SLUGGISH ECONOMY DESPITE ITS ATTEMPTS TO ATTRACT NEW INVESTMENT TO ITS FREE TRADE ZONES. TOURISM REMAINS BOUYANT AND SOME EXPORT SUCCESS HAS BEEN OBTAINED BY NEW INDUSTRY BUT THE ECONOMY IS TOO SMALL TO CREATE SUFFICIENT INTERNAL DEMAND FOR MANUFACTURERS. CONTINUED DEVALUATION OF THE PESO WILL ASSIST NEW EXPORTERS AND ASSIST TOURISM. THE GOVERNMENT REMAINS CONSCIOUS OF BREAD RIOTS RESULTING FROM PREVIOUS PRICE INCREASES AND WILL MANAGE ECONOMY IN ORDER TO AVOID INFLATIONARY TENDENCIES. PROJECTS IN WHICH CANADIAN FIRMS ARE INVOLVED - ONTARIO HYDRO, ACRES ENGINEERING, AND FALCONBRIDGE SHOULD PROCEED AND PRODUCE INCREASED CANADIAN EXPORTS. THIS YEAR DESPITE SLUGGISH ECONOMY BROAD RANGE OF CANADIAN EXPORTS CONTINUED TO INCREASE. WE EXPECT TO SEE MUCH SAME TENDENCIES NEXT YEAR.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTDR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ANIMAL,POULTRY BREEDING STOCK

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	16.20 \$M	39.30 \$M	40.00 \$M	40.00 \$M
Canadian Exports	3.70 \$M	15.30 \$M	18.00 \$M	18.00 \$M
Canadian Share of Market	23.00 %	39.00 %	45.00 %	45.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	42.00 %
NEW ZEALAND	15.00 %
OTHER COUNTRIES	4.00 %

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

Products/services for which there are good market prospects:

1. LIVE CATTLE
2. ANIMAL SEMEN
3. SEMEN
4. GOATS
5. BABY CHICKS

Factors contributing to current successful Canadian exports:

- Import duties are low
- Aggressive marketing
- 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
- Limited appreciation/understanding of distribution system

30/05/89

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

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

Activity: DAIRY CATTLE MGT WORKSHOPS

Expected Results: INCREASE MKT SHARE

Activity: 2 PER YEAR

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: SEEDS & SPECIAL CROPS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	67.50 \$M	38.10 \$M	38.00 \$M	38.00 \$M
Canadian Exports	19.60 \$M	14.70 \$M	12.00 \$M	13.00 \$M
Canadian Share of Market	20.00 %	38.00 %	31.00 %	34.00 %

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

Major Competing Countries Market Share

CHILE	22.00 %
UNITED STATES OF AMERICA	17.00 %
OTHER COUNTRIES	23.00 %

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

Products/services for which there are good market prospects:

1. SEED POTATOES
2. LENTILS
3. PEAS
4. BIRD SEEDS

Factors contributing to current successful Canadian exports:

- Import duties are low
- 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

30/05/89

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

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

Activity: MARKET EVALUATION OF SEED POTATO SALES OPPORT IN ANDEAN REG.
Expected Results: INCREASE IN MARKET SHARE TO 90%

30/05/89

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : GRAINS AND OILSEEDS

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	257.40 \$M	204.00 \$M	215.00 \$M	215.00 \$M
Canadian Exports	98.60 \$M	23.10 \$M	32.00 \$M	35.00 \$M
Canadian Share of Market	38.00 %	12.00 %	15.00 %	17.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	87.00 %
ARGENTINA	0.01 %

Products/services for which there are good market prospects:

1. WHEAT
2. CANOLA
3. SUNFLOWER
4. MUSTARD SEED
5. FLEX SEED

Factors contributing to current successful Canadian exports:

- Import duties are low
- Aggressive marketing
- Provincial export promotion
- Competitive pricing
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector

30/05/89

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

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

Activity: POSSIBLE VISIT OF CANADIAN WHEAT BOARD

30/05/89

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : ADVANCED TECH. PRODD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	58.00 \$M	65.50 \$M	61.00 \$M	62.50 \$M
Canadian Exports	0.96 \$M	0.90 \$M	0.75 \$M	0.75 \$M
Canadian Share of Market	1.70 %	1.37 %	1.23 %	1.20 %

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

Major Competing Countries

Market Share

JAPAN	30.00 %
SWEDEN	18.00 %
UNITED STATES OF AMERICA	15.00 %
SPAIN	9.00 %
GERMANY WEST	7.00 %
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. RADIO-TRANSMITTERS & RECEIVERS
2. CARRIER APPARATUS FOR TELCOM.
3. RURAL & MOBILE TELEPHONE SYSTEMS

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

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

30/05/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

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

Activity: FINDING ADDITIONAL QUALIFIED AGENTS TO REPRESENT CDN COS.
Expected Results: INCREASED NUMBER OF CDN COMPANIES REPRESENTED LOCALLY

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

Activity: COMEXPO 1989 - MAY
Expected Results: CREATE GREATER AWARENESS OF CDN TECHNOLOGY & EXPERTISE

30/05/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPTCI

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: COMPUTERS HARD/SOFTWARE & COMP

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	252921.00 \$M	160000.00 \$M	140500.00 \$M	150000.00 \$M
Canadian Exports	9.61 \$M	2.50 \$M	2.40 \$M	2.20 \$M
Canadian Share of Market	3.80 %	7.56 %	1.45 %	1.47 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	79.00 %
FRANCE	4.30 %
BRAZIL	3.30 %
ARGENTINA	1.50 %
GERMANY WEST	1.30 %

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

Products/services for which there are good market prospects:

1. SOFTWARE - ADVANCED CAM/CAD, ETC
2. PERIPHERALS
3. ANALOG COMPUTER EQUIPMENT

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Willingness of exporters to invest/joint venture in territory

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

30/05/89

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

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

Activity: CONTACT VENEZ INFORMATICS COS TO PROMOTE POSSIBLE JOINT VENT
Expected Results: OFFSET FUTURE IMPORT RESTRICTIONS IN FIELD OF INFORMATICS -
ASSURE CDN EXPANSION IN LOCAL MARKET

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

Activity: INFROVEN'89
Expected Results: CREATE GREATER AWARENESS ON PART OF VENEZUELAN INFORMATICS
USERS OF CDN EXPERTISE, ESPECIALLY IN SOFT & PEROPHERAL EQPT

30/05/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	65.00 \$M	69.00 \$M	54.00 \$M	87.00 \$M
Canadian Exports	12.00 \$M	4.50 \$M	4.00 \$M	7.00 \$M
Canadian Share of Market	18.00 %	6.50 %	7.40 %	8.00 %

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 %
FRANCE	24.00 %
JAPAN	18.00 %
GERMANY WEST	18.00 %

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

Products/services for which there are good market prospects:

1. GAS TURBINES
2. ELECTRONIC CONTROL SYSTEMS
3. COMPUTERS AND SOFTWARE SYSTEMS
4. TURBINES AND GENERATORS

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
- 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
- Performance of local agent or representative

30/05/89

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

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

Activity: OUTGOING MISSION OF 6-8 COS PRODUCING GENERATING EQUIPMENT
Expected Results: SIGNIFICANTLY INCREASED 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: OBTAIN ON REGULAR BASIS EDELCA & CADAFE REQ ON EQPT & SERV.
Expected Results: MAKE CON COS. AWARE OF FUTURE POSSIBILITIES

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

MACAGUA II DAM	Approximate Value: 300 M\$
	Financing Source : IADB - Inter-American Dev Bank DOM - Domestically funded B.C. - Buyer Credits required
	Contact : POST
EDELCA TRANSMISSION PROJECT	Approximate Value: 75 M\$
	Financing Source : IADB - Inter-American Dev Bank DOM - Domestically funded B.C. - Buyer Credits required
	Contact : POST

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : TRANSPORT SYS,EQUIP,COMP,SERV.

Sub-Sector: AUTOMOTIVE

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1247.00 \$M	865.00 \$M	1046.00 \$M	945.00 \$M
Canadian Exports	120.00 \$M	70.00 \$M	84.00 \$M	75.60 \$M
Canadian Share of Market	9.62 %	8.09 %	8.03 %	8.00 %

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 %
JAPAN	17.10 %
ITALY	15.00 %
BRAZIL	14.00 %
FRANCE	5.50 %

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

Products/services for which there are good market prospects:

1. AFTER MARKET PARTS
2. CKD'S FOR TRUCKS
3. CKD'S FOR PASSENGERS
4. VEHICLES

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- LACK OF INTEREST ON PART OF CDN COS
- REGARDING STRONG JOINT VENTURE

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

Activity: CONTINUED PROMOTION OF JOINT VENTURES AND LICENSE AGREEMENT
Expected Results: INCREASE NUMBER OF JOINT VENTURE BETWEEN CDN LOCAL AUTOPARTS

Activity: CONTINUED PROMOTION OF CDN AFTER MARKET PARTS
Expected Results: MANUFACTURERS GUARANTEE OF CDN MKT SHARE ON MORE PERMANENT BASIS. OBTAIN MORE CDN AUTOPARTS REPS. IN VENEZUELA

30/05/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : FOREST PRODUCTS,EQUIP,SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	450.00 \$M	430.00 \$M	462.00 \$M	400.00 \$M
Canadian Exports	84.00 \$M	88.00 \$M	85.00 \$M	0.00 \$M
Canadian Share of Market	18.00 %	20.00 %	19.00 %	21.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	43.00 %
CHILE	12.00 %
FINLAND	0.00 %
SWEDEN	5.00 %
BRAZIL	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. NEWSPRINT
2. PULP
3. MACHINERY
4. ENGINEERING SERVICES

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- CDN EXPORTERS HAVE BEEN
- VERY PROFESSIONAL AND
- AGGRESSIVE IN THIS MARKET

30/05/89

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- REGIONAL TRADE
- AGREEMENTS

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

Activity: CONT TO ASSIST & PROM CDN BIDDERS ON ORINOCO PULP PAPER PROJ
Expected Results: STRONG CDN PARTICIPATION

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

Activity: FOREST EQUIPMENT SERVICES MISSION
Expected Results: OBTAIN CONTRACTS AND AGENTS FOR CDN 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: NEWSPRINT AND PULP MARKET SURVEY
Expected Results: MAINTAIN KNOWLEDGE OF MARKET AND REPORT CHANGES AND SITUATION

Activity: VISIT CONARE PLANTATION
Expected Results: OBTAIN AND UPDATE TENERD INFO.

Activity: CONT CDN EQUIP MANUFACTURERS & ADVISE ON TRADE OPPORTUNITIES
Expected Results: NEW AGENTS AND SALES.

Activity: MONITOR ORINOCO NEWSPRINT PROJECT
Expected Results: ADVISE CDN COS. OF TRADE OPPORTUNITIES.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

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

ORINOCO NEWSPRINT AND PULP
MILL

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

CONARE FOREST PLANTATION

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : MINE,METAL,MINERAL PROD & SRV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1100.00 \$M	810.00 \$M	710.00 \$M	620.00 \$M
Canadian Exports	33.00 \$M	35.00 \$M	48.00 \$M	40.00 \$M
Canadian Share of Market	3.00 %	4.30 %	6.60 %	6.40 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	53.00 %
BRAZIL	10.00 %
JAPAN	9.00 %
GERMANY WEST	9.00 %
BELGIUM	4.00 %
SURINAM	3.00 %

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

Products/services for which there are good market prospects:

1. WIRE ROD
2. SCRAP IRON
3. ASBESTOS
4. ZINC
5. IRON/STEEL TUBING
6. DRILLING EQUIPMENT
7. ENGINEERING SERVICES

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

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
- VENEZUELA REGIONAL
- TRADE AGREEMENT

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

Activity: FOLLOW UP TO 1988 MINING MISSION

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

Activity: INCOMING MISSION TO MINTEC-89
Expected Results: INCREASED AWARENESS OF CDN CAPABILITIES TRANS. AND TECH. OPPORTUNITIES

Activity: TO CONDUCT AN ASBESTOS MARKET SURVEY
Expected Results: REPORT ON MARKET SITUATION

Activity: CONT CDN MINING EQPT MFGRS & ADVISE ON MARKET OPPORTUNITIES
Expected Results: NEW COMPANIES AND NEW AGENTS

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

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

CVG GOLD MINING

Approximate Value: 45 M\$
Financing Source : DDM - Domestically funded
B.C. - Buyer Credits required
Contact : POST EXTOTT/LST

CARBOZULIA COAL PROJECT

Approximate Value: 300 M\$
Financing Source : DDM - Domestically funded
B.C. - Buyer Credits required
Contact : POST

TACHIRA COAL PROJECT

Approximate Value: 55 M\$
Financing Source : DDM - Domestically funded
B.C. - Buyer Credits required
Contact : POST

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	575.00 \$M	552.00 \$M	612.00 \$M	545.00 \$M
Canadian Exports	12.00 \$M	10.00 \$M	11.00 \$M	15.00 \$M
Canadian Share of Market	2.00 %	1.90 %	1.90 %	2.75 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	67.00 %
JAPAN	10.00 %
GERMANY WEST	5.00 %
ITALY	5.00 %
UNITED KINGDOM	4.00 %
BELGIUM	3.00 %

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

Products/services for which there are good market prospects:

1. GAS TURBINES
2. SCADA SYSTEM AND COMPONENTS
3. COMPUTER/SOFT
4. CORROSION PREV.
5. GAS PRODUCTION MACHINERY.
6. DRILLING EQUIPMENT

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

Factors for Canadian exports not reaching market potential:

- Non-competitive 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
- PRIVATE TENDERS
- COS MUST DO A PROPER FOLLOW UP IN
- A VERY COMPETITIVE MARKET

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

Activity: A NEW CDN OIL & GAS MKTG STRATEGY FOR VENEZUELA
Expected Results: INCREASED OUR MARKET SHARE

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

Activity: CANADIAN OIL AND GAS MISSION IN APRIL-MAY 1989
Expected Results: INCREASED CANADIAN PARTICIPATION AND NUMBER OF AGENTS

Activity: PARTICIPATION AT LA OIL SHOW IN MARACAIBO

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 VENEZUELA OIL IND TO BE GIVEN IN ALBERTA 1989
Expected Results: HAVE MORE CANADIAN COS INTERESTED IN LOCAL MARKET

Activity: INDUSTRIAL SEMINARS ON NEW PRODUCTS OR TECHNOLOGIES
Expected Results: INCREASED JOINT VENTURES.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

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

OIL INDUSTRY EXPLORATION PROGRAM	Approximate Value:	35 M\$
	Financing Source :	DOM - Domestically funded
	Contact :	POST

OIL INDUSTRY COMPONENTS AND SOFTWARE PROGRAM	Approximate Value:	25 M\$
	Financing Source :	DOM - Domestically funded
	Contact :	POST

NURGAS PROJECT - SECOND PHASE	Approximate Value:	55 M\$
	Financing Source :	DOM - Domestically funded
	Contact :	POST

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CARACAS

Market: VENEZUELA

Sector : INDUSTRIAL MACHIN, PLANTS, SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	2050.00 \$M	1950.00 \$M	2010.00 \$M	1809.00 \$M
Canadian Exports	6.04 \$M	10.03 \$M	5.10 \$M	4.50 \$M
Canadian Share of Market	0.26 %	0.51 %	0.25 %	24.80 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	51.00 %
GERMANY WEST	15.50 %
JAPAN	12.00 %
ITALY	9.50 %
FRANCE	8.30 %
SPAIN	3.70 %

Products/services for which there are good market prospects:

1. BOTTLING-PACKAGING EQUIPMENT
2. MOULD & DIES FOR METAL & PLASTIC INDUSTRY
3. PLASTIC-RUBBER INDUSTRY MACHINERY

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Performance of local agent or representative

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CARACAS

Market: VENEZUELA

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

Activity: CONT'D PROM OF CDN TECHNOLOGY & EXPERTISE IN THE MACH & TOOL
Expected Results: INCREASE AWARENESS IN CANADIAN CAPABILITIES IN MACHINERY TOOLING INDUSTRY.

Activity: CONT'D MKT ANALYSIS & STUDY OF POTENTIAL CDN TECHN IN ORDER
Expected Results: CONTINUE TO SEARCH FOR GOOD JOINT VENTURE PARTNER FOR TECHNOLOGY TRANSFER & LIENSING AGREEMENTS W/LOCAL MANUFACTURERS

Post : CARACAS

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Post/Contact</u>
89/04/03	PETROLEUM EQUIPMENT/SERVICES MISSION TO VENEZUELA MISSION OUT, INDUSTRY	OIL & GAS EQUIPMENT, SERVICES E.KELSO
89/05/09	VENEZUELA COMEXPO'89, CARACAS, VENEZUELA INFO BOOTH, WITH GROUP	ADVANCED TECH. PROD. & SERV C.MUNANTE
89/06/04	GOAT BUYERS MISSION FROM VENEZUELA MISSION IN, TO INDUSTRY	AGRI & FOOD PRODUCTS & SERVICE P.SCHUTTE
89/09/00	LIVESTOCK IMPROVEMENT SEMINARS PERU/CHILE/VENEZUELA SEMINAR, ABROAD	AGRI & FOOD PRODUCTS & SERVICE
89/09/26	INFORVEN'89, CARACAS, VENEZUELA INFO BOOTH, ONLY	ADVANCED TECH. PROD. & SERV J.DUNDON

30/05/89

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RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: LIMA

Country: BOLIVIA

THE BOLIVIAN ECONOMY IS CURRENTLY ENJOYING EXCEPTIONAL STABILITY AS A RESULT OF THE CURRENT GOVERNMENT'S COHERENT OPEN-MARKET ECONOMIC POLICIES. ANNUAL ECONOMIC GROWTH IS NOW STEADY AT APPROXIMATELY 3 PER CENT. GOVERNMENT DEFICITS HAVE BEEN SLASHED AND INFLATION IN 1987 WAS HELD TO 11 PER CENT, ALTHOUGH IN 1988, WITH IMPENDING ELECTIONS, IT IS EXPECTED TO RISE TO 18 PER CENT. BOLIVIA'S SERIOUS ADJUSTMENT PROGRAM IS ATTRACTING CONSIDERABLE SUPPORT FROM THE IFI'S AND FROM BILATERAL DONORS. IF 1989 ELECTIONS BRING IN A GOVERNMENT WHICH WILL PURSUE CURRENT POLICIES (WHICH MANY OBSERVERS BELIEVE LIKELY) INVESTMENTS IN MINING AND AGRICULTURE COULD EXPAND RAPIDLY. SIMILARLY ANY CONCRETE AGREEMENT TO SELL GAS OR PETROLEUM PRODUCTS TO BRAZIL WOULD RECEIVE STRONG INTERNATIONAL SUPPORT AND PRESENT VERY INTERESTING OPPORTUNITIES FOR CANADIAN SUPPLIERS. CANADIAN EXPORTS TO BOLIVIA WHICH TOTALLED \$4.5 MILLION IN 1987 WILL ALSO BENEFIT IN THE COMING YEARS FROM THE INITIATION OF A CIDA BILATERAL PROGRAM WITH THAT COUNTRY.

RPT81

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: LIMA

Country: PERU

DESPITE THE FACT THAT PERU IS CURRENTLY IN AN ECONOMIC CRISIS UNEQUALLED IN ITS HISTORY THERE CONTINUE TO BE SELECTED OPPORTUNITIES IN THIS COUNTRY FOR CANADIAN EXPORTS. IN 1988, PERU'S GDP WILL DECLINE BY AT LEAST 6 PER CENT, INFLATION WILL LIKELY REACH AN UNPRECEDENTED 1400 PER CENT AND FOREIGN RESERVES EXHAUSTED. IN THE LATTER MONTHS OF 1988, THERE HAVE BEEN SOME INDICATIONS THAT THE PERUVIAN GOVERNMENT MAY TAKE READJUSTMENT MEASURES AND MOVE TOWARDS ESTABLISHING COHERENT ECONOMIC AND TRADE POLICIES IN COORDINATION WITH INTERNATIONAL FINANCIAL INSTITUTIONS. IT IS STILL TOO EARLY TO PREDICT THE EVENTUAL SUCCESS OF THESE INITIATIVES AND ECONOMIC CONDITIONS ARE UNLIKELY TO STABILIZE OVER THE NEXT 18 MONTHS PRIOR TO THE SCHEDULED PRESIDENTIAL ELECTIONS IN MAY 1990. AS PERU IS RECEIVING NO COMMERCIAL CREDIT FROM PRIVATE BANKS, INTERNATIONAL FINANCIAL INSTITUTIONS (IFI'S) OR FROM BILATERAL GOVERNMENTAL SOURCES (INCLUDING EDC), ALL EXPORTS TO PERU MUST BE MADE ON A CASH BASIS OR USING COUNTER-TRADE, A MECHANISM CURRENTLY IN FAVOUR WITH THE PERUVIAN GOVERNMENT. CURRENT ECONOMIC DIFFICULTIES HAVE LED TO ACUTE COMPETITION FOR THE AVAILABLE FOREIGN CURRENTLY GENERATED BY PERUVIAN EXPORTS. AS A RESULT, PERU'S IMPORTS WHICH TOTALLED USD 3.1 BILLION IN 1987 ARE EXPECTED TO DECLINE TO USD 2.6 BILLION IN 1988. CANADA'S CAN \$ 120.5 MILLION OF EXPORTS TO PERU IN 1987 WERE LED BY AGRICULTURE AND FOOD PRODUCTS (WHEAT \$48 MILLION, MILK POWDER \$17 MILLION, LIVESTOCK \$1.6 MILLION, RAPESEED OIL \$1.6 MILLION AND LENTILS \$1.5 MILLION) FOLLOWED BY PAPER AND NEWSPRINT \$9.2 MILLION, ASBESTOS \$5.6 MILLION, TIRE FABRICS \$4.6 MILLION, POLYETHYLENE RESINS \$2.4 MILLION AND A VERY WIDE RANGE OF FABRICATED MATERIALS AND END PRODUCTS MAINLY FOR INDUSTRIAL USE (E.G. MINING AND TELECOMMUNICATIONS EQUIPMENT). REFLECTING THE IMPERATIVE OF FEEDING ITS POPULATION AND PERU'S GROWING NEED FOR FOOD IMPORTS, AGRICULTURAL PRODUCTS WILL CONTINUE TO LEAD CANADIAN EXPORTS TO PERU. OTHER SECTORS WHICH CAN BE EXPECTED TO RECEIVE ALLOCATIONS OF FOREIGN CURRENCY ARE HEALTH (PHARMACEUTICALS) AND THOSE INDUSTRIES THAT GENERATE EXPORTS, NOTABLY MINING, PETROLEUM AND FISHERIES. SECURITY CONTINUES TO BE A MAJOR INTERNAL PROBLEM AND INCREASING SALES WILL BE MADE IN THIS SECTOR, INITIALLY IN LARGE PART AS A RESULT OF A MULTI-MILLION DOLLAR PROJECT RECENTLY SIGNED WITH PERU'S AIRPORT AUTHORITY. CANADIAN EXPORT POSSIBILITIES WILL ALSO REMAIN STRONG FOR NEWSPRINT AND A VARIETY OF INPUTS VITAL TO THE FUNCTIONING OF THE PERUVIAN ECONOMY, SUCH AS CHEMICAL PRODUCTS, ALUMINUM, STEEL AND TRANSPORTATION PARTS AND EQUIPMENT.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: LIMA

Country: PERU

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

1. MINE, METAL, MINERAL PROD & SRV
AS MINING IS MAJOR SOURCE OF FOREIGN EXCHANGE IN PERU (HALF) AND BOLIVIA, BOTH GVTS WILL LOOK TO SECTOR TO PROVIDE BADLY NEEDED EXPORTS. FAVOURABLE INVESTMENT CLIMATE IN BOLIVIA COULD LEAD TO SUBSTANTIAL NEW INVESTMENT IN BOLIVIAN MINING SECTOR.
2. FISHERIES, SEA PRODUCTS & SERV.
FISHING SECTOR ALSO MAJOR SOURCE OF FOREIGN EXCHANGE FOR PERU. INDUSTRY HAS BEEN DECIMATED BY FORMER GVT POLICIES & NINO. FISHMEAL PRICES CURRENTLY AT ALL-TIME HIGH & PROFITS OF PRIVATE SECTOR ARE SOARING. SHORT-TERM (AT LEAST) MKT POTENTIAL IS CONSIDERABLE & DEPENDING ON CANADA'S ABILITY TO SUPPLY NEEDED EQUIPMENT.
3. DEFENCE PROGRAMS, PRODUCTS, SERV
PERUVIAN SECURITY SITUATION HAS DETERIORATED CONSIDERABLY, AND APPROPRIATE SECURITY SYSTEMS ARE BECOMING PREREQUISITE FOR SENSITIVE GOVT INSTALLATIONS AND BUSINESS. EVEN ECONOMIC CRISIS WILL NOT STOP NEEDED EXPENDURES.
4. OIL & GAS EQUIPMENT, SERVICES
PETROLEUM PRODUCTION VITAL TO ECONOMICS OF BOTH PERU AND BOLIVIA. LONG TERM POTENTIAL IS EXCELLENT. IN BOLIVIA SECTOR IS RECEIVING CONSIDERABLE IFI SUPPORT. BOLIVIA/BRAZIL EXPORT AGREEMENT WOULD LEAD TO LARGE SCALE IFI FINANCING AND MULTILATERAL INVESTMENT.

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

1. GRAINS AND OILSEEDS
2. AGRI & FOOD PRODUCTS & SERVICE
3. MINE, METAL, MINERAL PROD & SRV
4. FOREST PRODUCTS, EQUIP, SERVICES

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: LIMA

Market: PERU

Sector : FISHERIES, SEA PRODUCTS & SERV.

Sub-Sector: MARINE HARV, PROC MACH & EQUIP

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	16.00 \$M	14.00 \$M	12.00 \$M	20.00 \$M
Canadian Exports	0.08 \$M	0.05 \$M	0.06 \$M	0.25 \$M
Canadian Share of Market	0.50 %	0.36 %	0.50 %	1.20 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	40.00 %
PERU	30.00 %
NETHERLANDS	15.00 %
ENGLAND	5.00 %
NORWAY	5.00 %
BRAZIL	5.00 %

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

Products/services for which there are good market prospects:

1. NEW & USED 150 MT FISHING BOATS
2. FISHING NETS
3. FISHMEAL PLANTS & EQPT
4. WINCHES FOR TRAWLING/HOISTING
5. MARINE DIESEL ENGINE/PARTS
6. MOTOR COMPRESSORS/PARTS
7. REFRIGERATION PLANTS
8. ROTARY PUMPS/PARTS
9. CABLES/ROPE/CORDAGE
10. ELECTRONIC EQPT (RADARS/SONARS)
11. COMMUNICATIONS EQPT

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: LIMA

Market: PERU

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Limited Canadian capabilities
- Market prospects have not been adequately explored
- Performance of local agent or representative
- LACK OF HARD CURREN-
- CY AVAILABILITY
- FEW INCOMING MISSIONS/VISITORS

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

Activity: DEV LIST OF CDN FISHING EQPT MANUF WHICH COULD HAVE A MKT
Expected Results: EXPANDED EXPORTS OF CANADIAN FISHING EQPT

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

Activity: PROM CAMPAIGN TO ASSOC OF PERU'S NATL FISHERIES ASSN(GUIDES
Expected Results: BETTER KNOWLEDGE OF CDN CAPABILITY IN THIS SECTOR

Activity: ADEQUATE/PROMPT SOURC OF VESSELS & EQPT NEEDED BY LOC FISH.
Expected Results: SALES COULD REACH THE 3 TO 4 MILLION DOLLAR MARK

Activity: SOLIC INT & PROM LITERATURE FROM CDN MFRS BY WAY OF MAIL CAM
Expected Results: INCREASE ACTIVITY OF CDN EXPORTERS IN MARKET

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: LIMA

Market: PERU

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

300 NEW/USED FISHING BOATS
(150-300 MT)

Approximate Value: 150 M\$
Financing Source : OTHER
Contact : LIMA MISSION - TLX 25323 PE
DOMCAN

FISHING INFRASTRUCTURE AND
SUPPORT FACILITIES

Approximate Value: 15 M\$
Financing Source : OTHER
Contact : LIMA MISSION - TLX 25323 PE
DOMCAN

ARTISAN FISHING BOATS W/SMALL
DIESEL ENG.OR OUTBOARD MOTORS

Approximate Value: 1 M\$
Financing Source : OTHER
Contact : LIMA MISSION - TLX 25323 PE
DOMCAN

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: LIMA

Market: PERU

Sector : DEFENCE PROGRAMS, PRODUCTS, SERV

Sub-Sector: SECURITY PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	100.00 \$M	150.00 \$M	200.00 \$M	250.00 \$M
Canadian Exports	0.00 \$M	0.15 \$M	4.50 \$M	12.50 \$M
Canadian Share of Market	0.00 %	0.10 %	2.25 %	5.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	50.00 %
UNITED KINGDOM	20.00 %
GERMANY WEST	20.00 %
OTHER COUNTRIES	10.00 %

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

Products/services for which there are good market prospects:

1. PERIMETER PROTECTIVE SYSTEMS
2. INTRUDER DETECTION SYSTEMS
3. BULLET PROOF VESTS
4. BOMB DEACTIVATING SUITS
5. ALL TYPES OF ALARMS
6. EXPLOSIVES VAPOUR DETECTORS
7. KIDNAPPING PROTECTION EQUIPMENT
8. BULLET PROFF GLASS
9. BOMB CIRCUIT DISRUPTORS
10. EXPLOSIVE DETECTOR DOGS
11. ARMOURED AUTOMOBILES
12. ARMOURED CASH TRANSFER TRUCKS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: LIMA

Market: PERU

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- CIDA programs
- Competitive pricing
- 1)COUNTERTRADE 2)CCC AC-
- TING AS PROCUREMENT AGEN-
- CY

Factors for Canadian exports not reaching market potential:

- LACK OF AVAILABILITY
- OF HARD CURRENCY

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

Activity: PROMOTION IN CANADA OF FOLLOWING PROJECTS:

Activity: AERO-NAVAL BASE SECURITY PROTECTION,
Expected Results: SALES OF CDN \$ 20⁸ OVER 4 YEARS

Activity: BOMB DEACTIVATING EQUIPMENT FOR ARMY AND POLICE

Activity: SECURITY SYSTEMS FOR OTHER GOVERNMENT AND PRIVATE FIRMS

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

Activity: LOCAL CAMP.PROM.SECU.SERV.EQUIP.TO PROV.SECT.,NOTAB.MINING
Expected Results: ENHANCE SALES.POSSIBILITIES

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: LIMA

Market: PERU

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

ARMY'S AMMUNITION DEPOT

Approximate Value: 30 M\$
Financing Source : OTHER
Contact : EMBASSY - LIMA

TRANSMISSION TOWERS PROTECTION SYSTEM

Approximate Value: 20 M\$
Financing Source : OTHER
Contact : EMBASSY - LIMA

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: LIMA

Market: PERU

Sector : MINE,METAL,MINERAL PROD & SRV

Sub-Sector: EQUIPMENT AND MACHINERY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	70.00 \$M	40.00 \$M	60.00 \$M	60.00 \$M
Canadian Exports	4.20 \$M	3.70 \$M	4.00 \$M	4.00 \$M
Canadian Share of Market	6.00 %	9.25 %	6.66 %	6.66 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	50.00 %
BRAZIL	20.00 %
SWEDEN	15.00 %

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

Products/services for which there are good market prospects:

1. LHD AND EXCAVATING EQPT.
2. DRILLING EQPT
3. FRONT LOADERS AND DUMP CARS
4. BATTERIES FOR LOCOMOTIVES
5. EXPLOSIVES
6. DRILLS AND BITS
7. SERVICES
8. PERSONNEL TRANSPORTATION EQPT
9. MINING EQPT SPARE PARTS
10. TRUCK ORE HAULING
11. CONVEYORS
12. HYDRAULIC PARTS/EQPT

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DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: LIMA

Market: PERU

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Performance of local agent or representative
- UNSTABLE INVESTMENT CLIMATE IN PERU

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

Activity: EVALUATION OF WORLD BANK MINING LINE OF CREDIT TO BOLIVIA
Expected Results: \$ 4 MILLION IN SALES

Activity: CAPITALIZE ON NEW MINING INVESTMENTS IN BOLIVIA
Expected Results: \$ 8 MILLION SALES

Activity: COLL W/PERUVIAN MINING SECT & CIDA W/REGARD TO CREDIT FACIL.
Expected Results: \$ 14 MILLION SALES

Activity: PRG OF INFO DISTRIBUTION THROUGH SPECIALIZED PUBLICATIONS
Expected Results: CIRCULATION 1000 KEY INDUSTRY REPS

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DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: LIMA

Market: PERU

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

Activity: INCOMING TRADE MISSION, SUDBURY, SEPT. 1989
Expected Results: ATTENDANCE BY 15 INCOMING BUYERS

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

Activity: MAILING CAMP TO DISTRIB NEW EDITION OF CDN MINING EQPT/SERV.
Expected Results: DISTRIBUTION TO 400 KEY MGMT, PLANNERS; BUYERS

Activity: MINI-SEM FOR SMALL IND GROUPS IN CONJ W/CDN BUSINESS TRAVEL
Expected Results: IMPROVED PRODUCT KNOWLEDGE BY PERUVIAN INDUSTRY

Activity: PREPARE REPORT/ANALYSIS OF BOLIVIAN MINING SECT & POSSIBIL.
Expected Results: INFORM CDN SUPPLIERS OF MARKET POTENTIAL

Activity: COLL WITH CDN PRIV SECT ON INVEST SEM FOR CDN FIN/MEDIA REPS
Expected Results: INCREASE CDN AWARENESS OF DEVELOPMENTS IN BOLIVIA MINING SECTOR

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: LIMA

Market: PERU

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

ORCOPAMPA EXPANSION(BUENAVENTURA)	Approximate Value: 36 M\$ Financing Source : OTHER Contact : EMBASSY LIMA
	IADB - Inter-American Dev Bank
ISCAY CRUZ (MINEROPERU)	Approximate Value: 46 M\$ Financing Source : OTHER Contact : EMBASSY LIMA
SAN VICENTE (SIMSA)	Approximate Value: 108 M\$ Financing Source : OTHER Contact : EMBASSY LIMA
COMIBOL-REHABILITATION OF 15 MINES	Approximate Value: 65 M\$ Financing Source : IBRD - World Bank OTHER Contact : EMBASSY LIMA\

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: LIMA

Market: PERU

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	41.00 \$M	25.00 \$M	35.00 \$M	35.00 \$M
Canadian Exports	0.50 \$M	3.75 \$M	6.00 \$M	7.00 \$M
Canadian Share of Market	1.20 %	15.00 %	17.00 %	20.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	52.00 %
EUROPEAN COMMON MARKET C	17.00 %

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

Products/services for which there are good market prospects:

1. DRILLING EQPT AND SPARE PARTS
2. CATERPILLAR'S SPARE PARTS
3. POWER TRANSMISSION EQPT
4. GAS ENGINES
5. MEASURE CONTROLLING EQPT
6. AIR COMPRESSORS
7. PUMPS
8. TURBINES
9. NATURAL GAS COMPRESSORS
10. CHEMICALS
11. DIESEL ENGINES
12. HEAT EXCHANGERS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: LIMA

Market: PERU

Factors contributing to current successful Canadian exports:

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

- Import duties are high
- Non-competitive pricing
- Performance of local agent or representative
- UNSTABLE INVESTMENT CLIMATE IN PERU

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

Activity: IMPROV CONT W/PETROPERU & PETROMAR, NOTAB W/FIELD TECHNICIANS
Expected Results: INCREASE AWARENESS OF CDN CAPABILITIES; AND CDN COS ON ELLI-
GIBLE BIDDERS LIST

Activity: DEV BROADER RANGE OF REL WITH REPS/AGENTS INVOLVES IN PETRO
Expected Results: INCREASE AWARENESS OF CDN CAPABILITIES IN THE OIL AND GAS
SECTOR

Activity: FOLLOW-UP WITH PAST PARTICIPANTS OF NATL PETROLEUM SHOW
Expected Results: CONTRACT(S) RELATED TO NORTHERN PIPELINE MAINTENANCE (\$3 MIL-
LION)

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: LIMA

Market: PERU

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

Activity: UPDATE PETROLEUM SECTOR REPORT FOR PERU
Expected Results: INCREASE CDN AWARENESS OF DEVELOPMENTS IN PERUVIAN OIL SECTOR.

Activity: PREPARE PETROLEUM SECTOR REPORT FOR BOLIVIA
Expected Results: INFORM CDN SUPPLIERS OF MARKET POTENTIAL

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

AQUAYTIA/PUCALLPA GAS PIPELINE Approximate Value: 54 M\$
Financing Source : OTHER
Contact : EMBASSY LIMA

CAMISEA GAS FIELD EXPLOITATION Approximate Value: 0 M\$
Financing Source : OTHER
Contact : EMBASSY LIMA

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RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 INVESTMENT PROMOTION PROFILE

Mission: LIMA

Country: PERU

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

SIX ENTREPRENEURIAL INVESTMENTS (ESTABLISHING NEW MANUFACTURING COMPANIES) CONSIDERABLE PORTFOLIO, REAL ESTATE, ETC INVESTMENT.

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

- U.S.A.
- CHILE
- OTHER LATIN AMERICAN COUNTRIES

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

- NONE FOR POLITICAL REASONS

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

- GATEWAY TO US MKT.(2) PERCEPT.OF LESS VIOLENCE,MORE HUMANI-
- GATEWAY TO US MKT.(2) PERCEPT.OF LESS VIOLENCE,MORE HUMANI-
- GATEWAY TO US MKT.(2) PERCEPT.OF LESS VIOLENCE,MORE HUMANI-

the following constraints:

- SEVERE CLIMATIC CONDITIONS.

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

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

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RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 INVESTMENT PROMOTION PROFILE

Mission: LIMA

Country: PERU

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
Resource Processing	2
Machinery and Equipment	3
Consumer Products	5
Aerospace and Defence	4
Strategic Technologies	1

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: SANTIAGO

Country: CHILE

LES CHIFFRES PARLENT D'EUX-MEMES: CROISSANCE MOYENNE DU PDB DE PLUS DE 5% LES 4 DERNIERES ANNEES, TAUX D'INFLATION EN BAISSSE CONSTANTE ET DE 10% EN 1988, CHOMAGE EN REDUCTION ET INFERIEUR A 10% EN 1988, BALANCE DU COMMERCE EXTERIEUR FAVORABLE EN 1988 DE US 2 MLDS, HAUSSE DES RESERVES MONETAIRES ETRANGERES, BALANCE DE PAIEMENTS FAVORABLE POUR LA PREMIERE FOIS EN 5 ANS, REDUCTION DE LA DETTE ETRANGERE DE US 5 MLDS EN 3 ANS ET ACCROISSEMENT IMPORTANT DES INVESTISSEMENTS ETRANGERS (US 2 MLDS LES 2 DERNIERES ANNEES). LA LISTE POURRAIT S'ALLONGER MAIS L'IMPORTANT EST DE NOTER QUE TOUS LES INDICATEURS ECONOMIQUES SONT A LA HAUSSE ET QU'EN DEPIT DE LEGERE FLOTTEMENTS AU NIVEAU DE LA BOURSE ET DU PESO AVANT LE PLEBISCITE, LES CHILIENS ONT GARDE LA TETE FROIDE ET ONT DEMONTE QU'ILS POUVAIENT TRAYER- SER DES DIFFICULTES POLITIQUES SANS QUE L'ECONOMIE N'EN SOUFFRE TROP. IL EST NECESSAIRE DE NOTER CEPENDANT QUE LA HAUSSE PHENOMENALE DU PRIX DU CUIVRE A FORTEMENT EPAULE CETTE CROISSANCE ECONOMIQUE. SI LES PRIX SE MAINTIENNENT EN 89/90 ET SE STABILISENT A UN NIVEAU SUPERIEUR A 1.25 \$ US JUSQU'A LA FIN DE CE SIECLE, PLUSIEURS ECONOMISTES S'ACCORDENT A DIRE QUE LE CHILI POURRAIT ETRE LE PREMIER PAYS EN VOIE DE DEVELOPPEMENT A FAIRE SON ENTREE DANS LE CERCLE SELECT DES PAYS INDUSTRIALISES EN TANT PARTE- NAIRE JUNIOR. CEPENDANT LA MANNE DE \$ APPORTEE PAR LA HAUSSE DES PRIX DU CUIVRE PEUT S'AYERER DANGEREUSE CAR LE CHILI EN 1989 SERA EN PERIODE ELECTORALE ET DEJA LE GOUVERNEMENT PINOCHET VEUT UTILISER CES FONDS SUP- PLEMENTAIRES NON PAS POUR ACCELERER LE PAIEMENT DE LA DETTE, MAIS POUR FINANCER DES DEPENSES PRE-ELECTORALES DANS DES SECTEURS NON PRODUCTIFS MAIS HAUTEMENT VISIBLES. SI C'EST LE CAS, IL EST POSSIBLE QUE CES DEPENSES PRE-ELECTORALES ET LE COUT DES PROMESSES ELECTORALES (QUELQUE SOIT LA FACTION GAGNANTE AUX ELECTIONS) RETARDENT ET MEME METTENT EN DANGER LA CROISSANCE ECONOMIQUE ACTUELLE. SUR LE PLAN COMMERCIAL LE CANADA VERRA PROBABLEMENT SES EXPORTATIONS MONTER EN FLECHE DANS LE SECTEUR FORESTIER CAR LA CONSTRUCTION DES 2 PROJETS D'USINE DE PATE A PAPIER DEBUTERA EN 1990. LE MARCHE POUR LE CANADA EST EVALUE A PLUS DE US 150 MILLIONS. JE SERAIS PLUS SPECIFIQUE AVEC LE CENTRE CANADIEN DE TRANSFERT DE TECHNOLOGIE FORESTIERE A CONCEPCION EN OPERATION A PARTIR DE LA MI-89, LES EXPORTA- TEURS CANADIENS POURRONT BENEFICIER D'UN SERVICE ACCRU ET VERRONT LEURS VENTES EN HAUSSE D'AUTANT PLUS QUE LA CONSTRUCTION DES USINES DE PATE A PAPIER CREERA UNE DEMANDE SUPPLEMENTAIRE AU NIVEAU DE L'EXPLOITATION FORESTIERE. LE SECTEUR MINIER SERA EGALEMENT TRES ACTIF AVEC LA MISE EN OPERATION DE LA MINE ESCONDIDA, ET DES NOMBREUSES CONCESSIONS MINIERES (OR) CONTROLEES PAR DES INTERETS CANADIENS. SI LE GOUVERNEMENT CHILIEN DECIDE D'ALLER DE L'AVANT, LE SECTEUR TRANSPORT POURRAIT VOIR LA MISE EN MARCHE DE LA FAMEUSE 3E LIGNE DE METRO, LA REFECTION DU SYSTEME DE TRANS- PORT URBAIN DE VALPARAISO, LA CONSTRUCTION D'UN NOUVEL AEROPORT ET, SI LA BANQUE MONDIALE ET LA SOCIETE DES CHEMINS DE FER CHILIENS REUSSISENT A S'ENTENDRE, LA REMISE EN ETAT DU RESEAU FERROVIAIRE. LA PRIVATISATION ETANT TOUJOURS A L'HONNEUR, CES PROJETS NE JOUIRONT PAS TOUS DE LA GARAN- TIE GOUVERNEMENTALE AU NIVEAU DU FINANCEMENT. D'AILLEURS EN 1990, LA SEULE

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RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: SANTIAGO

Country: CHILE

SOCIETE D'ETAT RISQUE D'ETRE CODELCO. LA COMPAGNIE DE TELEPHONE DU CHILI A ETE ACHETEE RECEMMENT PAR LE GROUPE AUSTRALIEN BOND QUI A ANNONCE QU'ELLE INVESTIRAIT US 1.2 MILLIARDS POUR AMELIORER LE SYSTEME DE COMMUNICATION CHILIEN. BIEN QUE LA MAJORITE DES EQUIPEMENTS SERONT JAPONAIS, CAR CERTAINS EQUIPEMENTS PERIPHERIQUES POURRAIENT ETRE SELECTIONNES EN PROVENANCE DU CANADA, ENTRE AUTRE DANS LE DOMAINE DE LA TELEPHONIE CELLULAIRE. A NOTER: LE 13 MARS 1989 ON ANNONCAIT UN SEQUESTRE SUR LES FRUITS ET LEGUMES PROVENANT DU CHILI ET DESTINE AU MARCHÉ NORD-AMERICAIN A CAUSE DE MENACES QUE CERTAIN DE CES PRODUITS AGRICOLES AVAIENT ETE CONTAMINES DE CYANURE. LE JAPON ET LA CEE ONT SUIVI L'EXEMPLE DES ETATS-UNIS ET DU CANADA ET ILS ONT EUX AUSSI BLOQUER L'IMPORTATION DE FRUITS ET LEGUMES PROVENANT DU CHILI. QUOIQUE LE SEQUESTRE EST MAINTENANT ENLEVE (24 MARS 1989) L'ECONOMIE CHILIENNE A ETE PORTE UN COUP IROLENT DONT LES REPERCUSSIONS NE SONT PAS TOUS FAITES RESSENTIR. SANS DOUTE IL Y AURA DES CONSEQUENCES NEFASTES, INDIRECTES SUR LE COMMERCE ENTRE LE CANADA ET LE CHILI, QUITE A VOIR, SI IL Y EN AURA AUSSI DES CONSEQUENCES NEFASTES, DIRECTES.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: SANTIAGO

Country: CHILE

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

1. FOREST PRODUCTS, EQUIP, SERVICES

LE CHILI TRIPLERA SA PRODUCTION DANS LE SECTEUR FORESTIER D'ICI 5 ANS. 2 USINES DE PATES A PAPIER SERAIENT CONSTRUITES A PARTIR DE '90. MARCHE POTENTIEL POUR EQUIPEMENTS CDNS EVALUE A US 200 M - SOCIETE CANADIENNE RETENUE POUR INGENIERIE. OUVERTURE DU CENTRE DE TRANSFERT DE TECHNOLOGIE FORESTIERE A CONCEPCION EN MAI 1989.

2. MINE, METAL, MINERAL PROD & SRV

CODELCO A PLUSIEURS PROJETS D'AMELIORATION ET D'ADDITION DANS SES 4 DIVISIONS. ESCONDIDA MINE: LES TRAVAUX COMMENCENT. PLUSIEURS SOCIETES CANADIENNES INVESTISSENT DANS DES MINES D'OR.

3. ADVANCED TECH. PROD. & SERV

CTC INVESTIRA US 1.2 MILLIARDS DANS LES 5 PROCHAINES ANNEES. MEME SI LE CONTRAT PRINCIPAL SEMBLE AVOIR ETE ACCORDE A NEC DU JAPON, IL Y A AUSSI LE MARCHE POUR TOUS LES SYSTEMES PERIPHERIQUES.

4. TRANSPORT SYS, EQUIP, COMP, SERV.

SUITE AUX ETUDES EFFECTUEES PAR SNC/BOMBARDIER/SERPI POUR LE METRO DE SANTIAGO ET L'ETUDE EFFECTUEE PAR TRANSPORT URBAIN POUR VALPARAISO, IL Y AURA UN MARCHE POUR SERVICES ET EQUIPEMENTS DE METRO ET DE TRANSPORT URBAIN LEGER.

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

1. MINE, METAL, MINERAL PROD & SRV
2. INDUSTRIAL MACHIN, PLANTS, SERV.
3. MINE, METAL, MINERAL PROD & SRV

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SANTIAGO

Market: CHILE

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ANIMAL, POULTRY BREEDING STOCK

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1.00 \$M	1.50 \$M	2.00 \$M	3.00 \$M
Canadian Exports	0.00 \$M	0.10 \$M	0.50 \$M	1.50 \$M
Canadian Share of Market	0.00 %	6.60 %	25.00 %	50.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	70.00 %
EUROPEAN COMMON MARKET C	25.00 %

Products/services for which there are good market prospects:

1. FROZEN SEMEN
2. EMBRYOS

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
- Bilateral economic trade agreement

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

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

Activity: SUPPORT CDN CO PARTICIPATING IN LOCAL FAIR
Expected Results: CAPTURE 50 PC OF SEMEN MARKET

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

Activity: FINALIZE EMBRYO EXPORT AGREEMENT WITH CHILE
Expected Results: CAPTURE ALL EMBRYO MARKET

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SANTIAGO

Market: CHILE

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	25.00 \$M	50.00 \$M	100.00 \$M	400.00 \$M
Canadian Exports	0.50 \$M	1.00 \$M	1.00 \$M	10.00 \$M
Canadian Share of Market	2.00 %	2.00 %	1.00 %	2.50 %

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

Major Competing Countries	Market Share
JAPAN	30.00 %
FRANCE	25.00 %
UNITED STATES OF AMERICA	25.00 %
GERMANY WEST	10.00 %
OTHER COUNTRIES	10.00 %

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

Products/services for which there are good market prospects:

1. RADIO TELEPHONE
2. CELLULAR TELEPHONE
3. SWITCHING EQUIPMENT
4. MICROWAVE EQUIPMENT
5. EARTH STATION
6. TV CABLE TECHNOLOGY

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
- Willingness of exporters to invest/joint venture in territory

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- 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: MONITORING OF MAJOR CHANGES IN TELECOM STRUCTURE IN CHILE
Expected Results: PROVIDE INFORMATION TO CDN CO TO ALLOW THEM TO BENEFIT FROM AN EARLY WARNING

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

Activity: PROMOTE CREATION OF CDN CONSORTIUM TO BID ON TURN KEY PROJ.
Expected Results: PENETRATE ON LONG-TERM BASIS CHILEAN TELECOMMUNICATIONS MARKET.

Activity: ENSURE THAT CDN CORP ARE WELL REPRESENTED IN THE CELLULAR TEL
Expected Results: SALES OF CELLULAR TELEPHONE EQUIPMENT

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

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

CTC 5 YEAR EXPANSION PLAN

Approximate Value: 350 M\$

Financing Source : OTHER

Contact : MISSION: TEL:696-2256 TELEX:
240341 DMCAN CL EXTOTT/TPE/LST

CNT EXPANSION PLAN

Approximate Value: 30 M\$

Financing Source : OTHER

Contact : MISSION: TEL:696-2256 TELEX:
240341 DMCAN CL EXTOTT/TPE/LST

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SANTIAGO

Market: CHILE

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: INSTRUMENTA & PROCESS CONTROLS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	40.00 \$M	40.00 \$M	80.00 \$M
Canadian Exports	0.00 \$M	0.50 \$M	1.00 \$M	8.00 \$M
Canadian Share of Market	0.00 %	1.25 %	2.50 %	10.00 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	40.00 %
JAPAN	30.00 %
GERMANY WEST	10.00 %
OTHER COUNTRIES	20.00 %

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

Products/services for which there are good market prospects:

1. CONTROL PANEL INSTRUMENTATION (SERVICES)
2. PROCESS CONTROL FOR PULP & PAPER
3. COMPUTER AIDED MANUFACTURING EQPT.

Factors contributing to current successful Canadian exports:

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

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

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

Activity: HIGH TECH MISSION TO VISIT CHILE PRESENTLY
Expected Results: SELECTION OF REPRESENTATIVE

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

CELCO - ARAUCO	Approximate Value: 200 M\$
	Financing Source : B.C. - Buyer Credits required EDC - Export Dev Corporation
	Contact : MISSION:TEL:696-2256 TELEX:240341 DMCAN CL
CMPC	Approximate Value: 200 M\$
	Financing Source : B.C. - Buyer Credits required EDC - Export Dev Corporation
	Contact : MISSION: TEL:696-2256 TELEX:240341 DMCAN CL
CELCO - CONSTITUTION	Approximate Value: 50 M\$
	Financing Source : B.C. - Buyer Credits required EDC - Export Dev Corporation
	Contact : MISSION:TEL:696-2256 TELEX:240341 DMCAN CL

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SANTIAGO

Market: CHILE

Sector : TRANSPORT SYS,EQUIP,COMP,SERV.

Sub-Sector: URBAN TRANSIT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	4.30 \$M	6.00 \$M	5.00 \$M	5.00 \$M
Canadian Exports	0.10 \$M	0.20 \$M	0.10 \$M	0.10 \$M
Canadian Share of Market	2.30 %	3.30 %	2.00 %	2.00 %

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

Major Competing Countries	Market Share
FRANCE	85.00 %

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

Products/services for which there are good market prospects:

1. METRO WAGONS
2. CONSULTANT SERVICES
3. CONSTRUCTION OF METRO LINE

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- CIDA programs
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

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

Activity: FEASIBILITY STUDY ON URBAN TRANSPORT BY SNC/BOMBARDIER/SERPI
Expected Results: PROJECT TO BE IMPLEMENTED BY CANADIAN CONSORTIUM

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

Activity: FEASIBILITY STUDY BY TRANSURB OF URBAN SYSTEM OF VALPARAISO
Expected Results: IMPROVEMENTS OF SYSTEM TO BE MADE BY TRANSURB

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SANTIAGO

Market: CHILE

Sector : FOREST PRODUCTS,EQUIP,SERVICES

Sub-Sector: PULP AND PAPER PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	75.00 \$M	75.00 \$M	100.00 \$M	350.00 \$M
Canadian Exports	3.00 \$M	3.00 \$M	10.00 \$M	100.00 \$M
Canadian Share of Market	4.00 %	4.00 %	10.00 %	28.50 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	0.00 %
FINLAND	0.00 %
GERMANY WEST	0.00 %
OTHER COUNTRIES	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. ALL CANADIAN PROD.AVAILABLE IN PULP & PAPER EQUIP.

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
- LONG-TERM COMMITMENT

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

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

Activity: MONIT.OF DEV.OF NEW PULP & PAPER MILLS BY ARAUCO & CMPC
Expected Results: 100 MILLION IN SALES OF SERVICES AND EQUIPMENT

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

ARAUCO	Approximate Value: 200 M\$ Financing Source : B.C. - Buyer Credits required EDC - Export Dev Corporation Contact : MISSION:TEL:696-2256 TELEX:240341 DMCAN CL
CMPC	Approximate Value: 200 M\$ Financing Source : B.C. - Buyer Credits required EDC - Export Dev Corporation Contact : MISSION: TEL: 696-2256 TELEX:240341 DMCAN CL
CELCO - CONSTITUTION	Approximate Value: 50 M\$ Financing Source : B.C. - Buyer Credits required EDC - Export Dev Corporation Contact : MISSION: TEL: 696-2256 TELEX: 240341 DMCAN CL

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SANTIAGO

Market: CHILE

Sector : FOREST PRODUCTS,EQUIP,SERVICES

Sub-Sector: EQUIPMENT AND MACHINERY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	20.00 \$M	25.00 \$M	35.00 \$M	50.00 \$M
Canadian Exports	3.00 \$M	2.00 \$M	5.00 \$M	8.00 \$M
Canadian Share of Market	15.00 %	8.00 %	14.30 %	16.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	30.00 %
JAPAN	20.00 %
GERMANY WEST	25.00 %
OTHER COUNTRIES	25.00 %

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

Products/services for which there are good market prospects:

1. LOGGING EQUIPMENT
2. SAWMILLING EQUIPMENT

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

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

Activity: TRANSF.OF CDN FOREST TECHN.PROJ.THROUGH ESTABL.OF FOREST.CTR
Expected Results: ACTIVE REPRESENTATION OF 15-20 CANADIAN COMPANIES IN THE HEART OF CHILE'S FOREST LAND.

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

Activity: FISRT PARTICIPATION IN EXPO CORMA, A PROF FAIR FOR FOREST IND
Expected Results: REACH MEDIUM-& SMALL-SIZE MILLS THAT WE HAVE NOT BEEN ABLE TO INFORM SUFFICIENTLY ABOUT CANADIAN CAPABILITIES

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

Activity: FIND JR. PARTNER FOR CAMSAL TO START PROD.OF PORTAB.SAWMILLS
Expected Results: SALES OF 15-25 PORTABLE SAWMILLS EACH YEAR.

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

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

DEV.OF MAJ PULP & PAPER PROJ
WILL CREATE A BIG DEMAND FOR

Approximate Value: 40 M\$
Financing Source : OTHER
Contact : MISSION: TEL: 696-2256
TELEX: 240341 DMCAN CL

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SANTIAGO

Market: CHILE

Sector : MINE, METAL, MINERAL PROD & SRV

Sub-Sector: METALS, PRIMARY & FABRICATED

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	110.00 \$M	120.00 \$M	125.00 \$M	135.00 \$M
Canadian Exports	40.00 \$M	40.00 \$M	45.00 \$M	40.00 \$M
Canadian Share of Market	36.40 %	33.30 %	36.00 %	29.60 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	10.00 %
SOUTH AFRICA	10.00 %
AUSTRALIA	8.00 %
BOLIVIA	0.00 %

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

Products/services for which there are good market prospects:

1. SULFUR
2. ASBESTOS
3. MOLYBDENUM
4. COAL (COKE)
5. STEEL BAR, TUBES, CHAINS, ETC.
6. ALUMINUM PRODUCTS

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

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

Activity: CONTINUE OUR SUPPORT TO CANADIAN ASBESTOS INSTITUTE
Expected Results: PROTECT EXPORT OF ASBESTOS TO CHILE

Activity: MONITOR IMPORT OF SULFUR FROM BOLIVIA (INCREASING)
Expected Results: CANADIAN EXPORTERS TO KEEP THEIR SHARE OF 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: INVESTIGATE MARKET FOR CDN METAL PROD. (I.E. BARS, CHAINS, TUBE)
Expected Results: FIND DISTRIBUTORS FOR CANADIAN COMPANIES AND INITIATE FIRST SALES.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SANTIAGO

Market: CHILE

Sector : MINE, METAL, MINERAL PROD & SRV

Sub-Sector: EQUIPMENT AND MACHINERY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	375.00 \$M	400.00 \$M	550.00 \$M	700.00 \$M
Canadian Exports	24.00 \$M	25.00 \$M	35.00 \$M	40.00 \$M
Canadian Share of Market	6.40 %	6.25 %	6.35 %	5.70 %

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	25.00 %
EUROPEAN COMMON MARKET C	15.00 %
CHILE	10.00 %

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

Products/services for which there are good market prospects:

1. SMELTERS
2. SLAG MILLS
3. POWER EQUIPMENT
4. TRUCKS
5. LHD
6. SOFTWARE

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- CIDA programs
- Competitive Canadian financing

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

Factors for Canadian exports not reaching market potential:

- Limited appreciation/understanding of distribution system
- Limited Canadian capabilities
- Performance of local agent or representative

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

Activity: CONTINUE TO PROMOTE CANADIAN EQUIPMENT TO ESCONDIDA
Expected Results: INCREASE CANADIAN EXPORTS ABOVE THE EDC 25 M.

Activity: MEET & CONV. CDN MINES INV. IN CHILE TO BUY CDN
Expected Results: CONVINCING LAC MINERAL AND ECHO BAY MGT

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

Activity: MINTEC - SEPTEMBER 1989
Expected Results: BOTH ACTIVITIES WILL INCREASE OUR CHANCES TO SELL TO 3 CDN CO NEW GOLD MINES AS WELL AS TO INCR. SALES TO COPPER MINES.

Activity: EXPOMINERIA IN MAY/JUNE 1990
Expected Results: BOTH ACTIVITIES WILL INCREASE OUR CHANCES TO SELL TO 3 CDN CO NEW GOLD MINES AS WELL AS TO INCR. SALES TO COPPER MINES.

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

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

ESCONDIDA COPPER MINE	Approximate Value: 1200 M\$ Financing Source : EDC - Export Dev Corporation Contact : MISSION; TEL: 696-2256 TELEX: 240341 DMCAN CL
LAC MINERAL GOLDMINES	Approximate Value: 10 M\$ Financing Source : OTHER Contact : MISSION; TEL: 696-2256 TELEX: 240341 DMCAN CL
MINERIA ORION PROJECTS	Approximate Value: 10 M\$ Financing Source : OTHER Contact : MISSION; TEL: 696-2256 TELEX: 240341 DMCAN CL
CONSOLIDATED TVX PROJECTS	Approximate Value: 180 M\$ Financing Source : OTHER Contact : MISSION; TEL: 696-2256 TELEX: 240341 DMCAN CL

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SANTIAGO

Market: CHILE

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	4.00 \$M	4.50 \$M	7.00 \$M	25.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.30 \$M	12.00 \$M
Canadian Share of Market	0.00 %	0.00 %	4.30 %	48.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	50.00 %

Products/services for which there are good market prospects:

1. LABORATORY INSTRUMENTS
2. CONSULTING SERVICES FOR LABORATORY INSTALLATION

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Fairs and Missions support
- CIDA programs
- Strong sectoral capability in Canada

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

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

LABORATORY FOR RESEARCH ANIMAL HEALTH Approximate Value: 14 M\$
Financing Source : OTHER
B.C. - Buyer Credits required
Contact : MISSION: TEL: 696-2256
TELEX: 240341 DMCAN CL

LABORATORY FOR AGRICULTURAL HEALTH CONTROL Approximate Value: 40 M\$
Financing Source : OTHER
B.C. - Buyer Credits required
Contact : MISSION: TEL: 696-2256
TELEX: 240341 DMCAN CL

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SANTIAGO

Market: CHILE

Sector : CONSTRUCTION INDUSTRY

Sub-Sector: EQUIPMENT & MACHINERY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	225.00 \$M	300.00 \$M	450.00 \$M	500.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.50 \$M	10.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.10 %	2.00 %

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

Major Competing Countries	Market Share
CHILE	60.00 %
EUROPEAN COMMON MARKET C	20.00 %

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

Products/services for which there are good market prospects:

1. CONSTRUCTION SYSTEMS

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Fairs and Missions support
- Competitive pricing
- willingness of exporters to invest/joint venture in territory

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SANTIAGO

Market: CHILE

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

Activity: ANTHES EQUIP. LTD. TO SIGN JOINT VENTURE WITH CHILEAN FIRM
Expected Results: EXPORT OF EQUIPMENT + ROYALTIES TO ANTHES

Post : SANTIAGO

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Post/Contact</u>
89/04/13	AQUACULTURE SEMINAR CHILE SEMINAR, ABROAD	ADVANCED TECH. PROD. & SERV J.DUNDON
89/05/03	EXCOT'89- EXPOSICION INT'L DE COMMERCIO Y TRANSPORT,CHILE INFO BOOTH, ONLY	TRANSPORT SYS,EQUIP,COMP,SERV. C.MUNANTE
89/06/13	CHINCHILLA BREEDING MISSION TO CHILE MISSION OUT, INDUSTRY	AGRI & FOOD PRODUCTS & SERVICE
89/09/05	MISSION FROM LATIN AMERICA TO MINTEC'89 IN VAL D'OR MISSION IN, TO INDUSTRY	MINE,METAL,MINERAL PROD & SRV P.SCHUTTE
89/10/00	FISA'89 INT'L TRADE FAIR, SANTIAGO,CHILE FAIR, NATIONAL STAND	INDUSTRIAL MACHIN,PLANTS,SERV P.SCHUTTE
89/11/23	EXPOCORMA '89 CONCEPCION, CHILE FAIR, NATIONAL STAND	FOREST PRODUCTS,EQUIP,SERVICES P.SCHUTTE

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RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: BRASILIA

Country: BRAZIL

A) TRADE PROMOTION OVERVIEW: EMBASSY TERRITORY COVERS 65% OF BRAZIL AND ACCOUNTS FOR 60% OF BRAZIL'S 140M INHABITANTS. HOWEVER, LEVEL OF URBANIZATION IS LOW AND OUR TERRITORY ACCOUNTS FOR A MERE 25% OF BRAZIL'S GDP. AS A RESULT THE MAJOR INDUSTRIAL AND CONSUMER MARKETS ARE HANDLED BY OUR CONSULATE IN SAO PAULO. CONSEQUENTLY OUR TRADE PRIORITY IS CENTERED ON LOBBYING GOVERNMENT MINISTRIES AND AGENCIES. PRIORITIES IN COMING YEAR WILL BE (1) PROMOTION OF SALE OF SPARS SATELLITES. EMBASSY WILL WORK CLOSELY WITH SPAR IN ITS LOBBYING EFFORTS IN 1989-90 AS CONTRACT ACCORD IS EXPECTED DURING THIS PERIOD. (2) NEW MOU FOR SANTA ISABEL HYDRO PROJECT. WE WILL PURSUE NEW MEMORANDUM OF UNDERSTANDING WITH BRAZILIAN GOVERNMENT TO REPLACE MOU SIGNED IN 1982 AND WILL CONTINUE TO LIAISE CLOSELY WITH CGE. (3) LOBBY EBTU FOR CANADIAN PARTICIPATION IN IMPLEMENTATION OF BRAZILIAN NATIONAL MASS TRANSIT PLAN. WE WILL MOUNT MISSION TO CANADA OF MIN. OF TRANSPORT AND OF PRESIDENT OF EBTU (BRAZILIAN URBAN TRANSIT CO); WE WILL CONTINUE TO WORK CLOSELY WITH TTCL/STCUM AND ASSIST LAYALIN. (4) PROMOTION OF CANADIAN NATURAL GAS TRANSMISSION AND DISTRIBUTION TECHNOLOGY TO MINISTRY OF MINES AND ENERGY, AND NATIONAL ENERGY COMMISSION AND STATE POWER COMPANIES. (5) ASSIST CANADIAN COAL EXPORTERS IN THEIR EFFORTS TO OBTAIN INCREASED QUOTAS FROM SIDERBRAS, BY LOBBYING VARIOUS MINISTRIES IN SUPPORT OF CDN COUNTER-TRADE PROPOSALS. (6) PROMOTE CDN PARTICIPATION IN HEALTH CARE PROJECT. (7) AECL (THERATRONICS). PROMOTE NEW SALES OF CANCER TREATMENT AND IRRADIATION EQUIPMENT TO THE MINISTRY OF HEALTH. (8) FES INTERNATIONAL SALE OF ELECTRONIC DIAGNOSTIC EQUIPMENT TO ELETRONORTE AND OTHER INTERESTED UTILITIES (CEMIG). (9) RENEWAL OF WHEAT SALES TO BRAZIL. WHILE MARKET CONDITIONS IN BOTH CANADA AND IN BRAZIL RESULTED IN NIL SALES FOR 1988, WE WILL MONITOR CLOSELY DEVELOPMENTS IN THE MARKET SO AS TO REESTABLISH SUBSTANTIAL WHEAT SHIPMENTS AS SOON AS POSSIBLE. WHILE GOVT-RELATED INDIRECT TRADE PROMOTION IS THE PRIMARY ACTIVITY OF THE EMBASSY THERE ARE SIGNIFICANT TRADE OPPORTUNITIES WITHIN OUR OWN TERRITORY. THESE INCLUDE URBAN TRANSIT PROJECTS IN BRASILIA, GOIANIA, FORTALEZA AND SALVADOR; MOBILE CELLULAR TELEPHONE PILOT PROJECT IN BRASILIA; A VARIETY OF OPPORTUNITIES FOR DIRECT EXPORT & BUSINESS ASSOCIATIONS IN BELO HORIZONTE; AND STRONG NEW MARKETS FOR CDN DAIRY CATTLE, SEMEN AND EMBRYOS AND OTHER LIVESTOCK PARTICULARLY IN THE STATES OF GOIAS, MINAS GERAIS, BAHIA AND PERNAMBUCO. THE EMBASSY WILL CONTINUE TO ENCOURAGE OUTGOING MISSIONS TO INCLUDE BELO HORIZONTE WHERE WE HAVE AN HONOURARY COMMERCIAL REPRESENTATIVE.

B) ECONOMIC OVERVIEW: AS THE EIGHTH LARGEST ECONOMY IN THE WESTERN WORLD, BRAZIL IS ACQUIRING A NEW STATURE IN THE WORLD ECONOMIC SCENE. THERE IS A GROWING AWARENESS OF THIS NEW REALITY IN CANADA. WE WILL CONTINUE OUR MONITORING, REPRESENTING, AND REPORTING RELATIVE TO (A) THE BRAZILIAN ECONOMY, (B) AGRICULTURAL COMMODITIES AND FARM POLICY, (C) MINERALS & MINING POLICY, (D) ARGENTINE-BRAZILIAN PROCESS OF ECONOMIC INTEGRATION, (E) VARIOUS INTERNATIONAL MINERAL STUDY GROUPS.

RPT82

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: BRASILIA

Country: BRAZIL

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

1. AGRI & FOOD PRODUCTS & SERVICE
CANADIAN LIVESTOCK ESPECIALLY DAIRY AND GOATS RECOGNIZED IN BRAZIL FOR HIGH GENETIC QUALITY. INTENSIVE MARKETING EFFORTS BY POSTS THROUGH SEMINARS, FAIRS, AND INCOMING MISSIONS HAVE FURTHER INCREASED AWARENESS OF SUPERIOR GENETIC IMPROVEMENT PROGRAMS IN CANADA.
2. ADVANCED TECH. PROD. & SERV
DUE TO VERY SUCCESSFUL BRASISAT PROGRAM (SPAR) BRAZILIAN OFFICIALS WELL-DISPOSED TOWARD CANADA FOR SECOND GENERATION SATELLITES. CELLULAR TELEPHONY OFFERS INTERESTING MARKET OPPORTUNITIES FOR SELECTED CON FIRMS WHO HAVE ADVANCED SYSTEMS OF INTEREST TO BRAZIL.
3. TRANSPORT SYS,EQUIP,COMP,SERV.
BRAZIL LOOKING FOR FOREIGN PARTNER WILLING TO DEVELOP THIRD COUNTRY OPPORTUNITIES WITH BRAZILIAN FIRMS - CANADA VIEWED AS POTENTIAL PARTNER. EBTU NATIONAL MASS TRANSIT PLAN IS A PRIORITY GOVT PROGRAM.
4. POWER & ENERGY EQUIP. & SERV.
AFTER SEVERAL YEARS HIATUS, NEW HYDRO GENERATION PROJECTS NOW BEING UNDERTAKEN. BRAZILIAN GOVT PREPARED TO RENEW MOU WITH CANADIAN GOVT AND IDENTIFY NEW PROJECTS FOR CANADIAN PARTICIPATION (CGE).
5. GRAINS AND OILSEEDS
CANADA HAS REPUTATION AS RELIABLE LONG-TERM SUPPLIER OF GOOD QUALITY GRAIN. PRESIDENT DF JUNTA DO TRIGO IS STRONG ALLY OF CANADA. LONG TERM MARKET OPPORTUNITIES FOR CANADIAN WHEAT REMAIN EXCELLENT REGARDLESS OF EXCEPTIONAL CONDITIONS WHICH PREVAILED IN 1988 BOTH IN BRAZIL AND CANADA AND LED TO NO SALE SITUATION.

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

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BRASILIA

Market: BRAZIL

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	900.00 \$M	800.00 \$M	1200.00 \$M	400.00 \$M
Canadian Exports	90.00 \$M	85.00 \$M	80.00 \$M	50.00 \$M
Canadian Share of Market	10.00 %	10.00 %	6.50 %	13.00 %

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

Major Competing Countries	Market Share
ARGENTINA	30.00 %
URUGUAY	15.00 %
UNITED STATES OF AMERICA	20.00 %
EUROPEAN COMMON MARKET C	15.00 %
COMECON	10.00 %

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

Products/services for which there are good market prospects:

1. DAIRY/BEEF BREEDING STOCK
2. SEMEN AND EMBRYOS
3. GOATS AND SHEEP AND SWINE
4. POULTRY BREEDING STOCK
5. SEED POTATOES AND PULSES
6. SAUSAGES AND MEAT CASINGS
7. DAIRY PRODUCTS
8. FERTILIZER (POTASH)
9. FROZEN BEEF/PORK
10. AGRICULTURAL MACHINERY
11. FOOD PROCESSING EQUIPMENT

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRASILIA

Market: BRAZIL

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Restrictive quotas
- 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: COOPERATION AGREE BTWN CDN HOLSTEIN ASSOC & BRAZ MIN OF AGR
Expected Results: FACILITATE APPROVAL PROCESS OF HOLSTEIN DAIRY CATTLE
SELECTED FOR IMPORT.

Activity: DELIVERY OF SEED POTATOES FOR BRAZ NAT SEED POTATO TESTING
Expected Results: PENETRATION (ESPECIALLY IN CASE OF INDUSTRIAL VARIETIES)
INTO BRAZIL SEED POTATO MARKET.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRASILIA

Market: BRAZIL

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

Activity: VISIT TO CANADA OF BRAZ MIN OFFICIAL TO INVEST CDN BEEF CATT
Expected Results: PENETRATION OF BRAZILLIAN BEEF CATTLE MARKET (PIEDMONTESE, HEREFORD, SHAVE, BEEFOLEND).

Activity: FOLLOW UP TO TECHNICAL DAIRY CATTLE SEMINARS HELD IN MAR 88
Expected Results: INCREASED SALES DAIRY CATTLE BREEDING STOCK.

Activity: MKT TRIP IN CO. OF YAKULT (SEMEX REP) TO NEW & UNTAPPED TERR
Expected Results: INCREASE SALES OF QUALITY DAIRY CATTLE BREEDING STOCK.

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BRASILIA

Market: BRAZIL

Sector : GRAINS AND OILSEEDS

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	600.00 \$M	600.00 \$M	900.00 \$M	1000.00 \$M
Canadian Exports	100.00 \$M	100.00 \$M	140.00 \$M	200.00 \$M
Canadian Share of Market	17.00 %	17.00 %	16.00 %	20.00 %

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

Major Competing Countries Market Share

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

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

Products/services for which there are good market prospects:

1. WHEAT
2. CORN
3. CANARY SEEDS
4. BARLEY

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- CIDA programs
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Bilateral economic trade agreement
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

Factors for Canadian exports not reaching market potential:

- Import duties are high
- Restrictive quotas

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRASILIA

Market: BRAZIL

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

Activity: FOCUSED & SUSTAINED LOBBYING VIS-A-VIS MFA, MIN OF FINANCE
Expected Results: RESUMPTION OF CANADIAN WHEAT SALES IN 1989.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BRASILIA

Market: BRAZIL

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	900.00 \$M	800.00 \$M	750.00 \$M	775.00 \$M
Canadian Exports	15.00 \$M	15.00 \$M	10.00 \$M	95.00 \$M
Canadian Share of Market	1.60 %	1.80 %	1.30 %	12.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	40.00 %
JAPAN	20.00 %
SWEDEN	10.00 %
FRANCE	10.00 %
GERMANY WEST	15.00 %

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

Products/services for which there are good market prospects:

1. TELECOM SATELLITES
2. LOW CAPACITY EARTH STATIONS
3. REMOTE SENSING EQUIPMENT
4. TELEPHONE SWITCHING EQUIPMENT AND COMP.
5. RADIO TRANSMIT EQUIPMENT
6. MOBILE CELLULAR TELEPHONE EQUIPMENT
7. ISDN
8. SARSAT GROUND STATIONS
9. MICROWAVE LANDING SYSTEMS
10. SCADA SYSTEM
11. SARSAT - EPIRB/ELT
12. RURAL TELEPHONY EQUIPMENT

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRASILIA

Market: BRAZIL

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Restrictive quotas

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

Activity: CIDA-FINANCED SARSAT GROUND STATION HAS BEEN INSTALLED
Expected Results: SALE OF ONE OR TWO ADDITIONAL GROUND STATIONS AND LOCATOR BEACONS.

Activity: SPAR PROPOSAL TO DEVELOP LOW COST/LOW CAP EARTH TERMINAL
Expected Results: IMPORTANT NEW PRODUCT DEVELOPMENT FOR SPAR AND SIGNIFICANT SALES IN BRAZIL AND THIRD MARKETS.

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

Activity: RENEW INVITES FOR MINISTER OF COMMUN & PRES OF EMBRATEL
Expected Results: INCREASED AWARENESS OF CANADIAN EXPERIENCE IN ADVANCED TELECOM TECH.

Activity: TELEBRAS OFFICIAL TO PARTICIPATE IN DOC ISDN TRIALS
Expected Results: FUTURE SALES OF ISDN CHIPS AND CONSULTING SERVICES.

Activity: VISITS TO STATE METEOROLOGY AGENCIES TO MKT CDN REMOTE SENSING
Expected Results: INCREASED SALES OF GREGORY GEOSCIENCE, MACDONALD DETWILER AND OTHER EQUIPMENT.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BRASILIA

Market: BRAZIL

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	550.00 \$M	525.00 \$M	500.00 \$M	500.00 \$M
Canadian Exports	8.00 \$M	5.00 \$M	4.00 \$M	3.00 \$M
Canadian Share of Market	1.50 %	1.00 %	0.80 %	0.50 %

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

Major Competing Countries Market Share

FRANCE	25.00 %
GERMANY WEST	20.00 %
UNITED STATES OF AMERICA	25.00 %
UNION OF SOVIET SOC REP	10.00 %
JAPAN	15.00 %

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

Products/services for which there are good market prospects:

1. LARGE HYDRO GENERATORS AND PARTS
2. NETWORK PROTECTORS
3. BOILER SYSTEMS
4. PDA EQUIPMENT
5. CIRCUIT BREAKER
6. INSTRUMENTATION
7. SPARE PARTS
8. THERMAL CONSULTING
9. SCADA SYSTEMS
10. HIGH VOLTAGE TRANSFORMERS
11. ENVIRONMENTAL CONSULTING

Factors contributing to current successful Canadian exports:

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

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRASILIA

Market: BRAZIL

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Restrictive quotas

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

Activity: RENEW MOU BTWN BRAZILIAN & CDN GOV RE: CDN PARTIC IN FUTURE
Expected Results: IDENTIFY EXPORT OPPORTUNITIES FOR CGE GENERATORS.

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

Activity: FOLLOW-UP W/ELETRONORTE, CEMIG, & CHESF RE: NEED FOR PDA TEC
Expected Results: EXPORTS SALES OF \$10M OVER NEXT THREE YEARS.

Activity: CONTINUE TO REPORT ON IFI-FINANCED PROCURE BY BRAZILIAN UTIL
Expected Results: ADDITIONAL SALES OF NETWORK PROTECTORS AND OTHER EQUIPMENT.

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BRASILIA

Market: BRAZIL

Sector : TRANSPORT SYS,EQUIP,COMP,SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1500.00 \$M	1400.00 \$M	1200.00 \$M	1100.00 \$M
Canadian Exports	125.00 \$M	125.00 \$M	105.00 \$M	93.00 \$M
Canadian Share of Market	8.50 %	8.00 %	8.50 %	8.50 %

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 %
GERMANY WEST	15.00 %
ITALY	15.00 %
UNITED KINGDOM	10.00 %
JAPAN	10.00 %

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

Products/services for which there are good market prospects:

1. AUTO PARTS
2. AIRCRAFT ENGINES
3. LOCOMOTIVE COMPONENTS
4. RAILWAY CONSULTING SERVICES
5. LRT SYSTEMS DESIGN & ENGINEERING EQUIPMENT
6. CARGO/RAIL TRANSPORT MANAGEMENT SYSTEMS
7. FIREFIGHTING AIRCRAFT
8. AIRCRAFT CONVERSION KITS
9. CONSULTING SERVICES
10. MARINE VESSELS EQUIPMENT
11. HELICOPTERS

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BRASILIA

Market: BRAZIL

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Restrictive quotas
- 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: FORMATION OF JOINT VENTURE BTWN CDN SUPPLIER & BRAZILIAN CON
Expected Results: ASSIST IN PACKAGING CANADIAN BID FOR PARTICIPATION IN
BRASILIA MASS TRANSIT PROJECT.

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

Activity: EMBASSY TO WORK CLOSELY W/LAVALIN TO INTRO UTDC LRT TECH
Expected Results: CANADA WILL BE BETTER POSITIONED TO MAKE SERIOUS BID FOR
BRASILIA OR OTHER MASS TRANSIT PROJECTS.

Activity: EMBASSY TO PROMOTE VISIT TO CAN OF MINISTER OF TRANSP
Expected Results: INCOMING MINISTERIAL MISSION WILL PROVIDE HIGH PROFILE
EXPOSURE TO CDN TECH.

Activity: FOLLOW UP WITH MUNICIPAL AUTH IN SALVADOR, GOIANIA, BELO HORIZ
Expected Results: INCREASE AWARENESS OF CANADIAN LRT TECHNOLOGY.

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RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 INVESTMENT PROMOTION PROFILE

Mission: BRASILIA

Country: BRAZIL

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

EXTREMELY LIMITED TO NON EXISTANT DUE TO BRAZILIAN LAWS
WHICH RESTRICT INVESTMENT ABROAD & CURRENCY CONTROL MEASURE

Post : BRASILIA

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Post/Contact</u>
89/04/22	LIVESTOCK IMPROVEMENT SEMINARS BEEF & DAIRY - BRAZIL SEMINAR, ABROAD	AGRI & FOOD PRODUCTS & SERVICE E.KELSU
89/05/00	GOIANIA/EXPOINTER'89 - AGRICULTURAL SHOW, BRAZIL INFO BOOTH, ONLY	AGRI & FOOD PRODUCTS & SERVICE
89/11/00	DAIRY CATTLE BUYERS MISSION FROM LATIN AMERICA MISSION IN, TO INDUSTRY	AGRI & FOOD PRODUCTS & SERVICE

RPT81

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 TRADE AND ECONOMIC OVERVIEW

Mission: SAO PAULO

Country: BRAZIL

THE MAIN DEVELOPMENTS AFFECTING THE ECONOMY WERE THE SIGNING OF THE IMF AND FOREIGN DEBT NEGOTIATIONS (PRIVATE BANKS & PARIS CLUB) WHICH RE-INTEGRATED BRAZIL INTO THE INTERNATIONAL FINANCIAL COMMUNITY & REOPENED THE DOORS TO INTERNATIONAL CREDITS, GREATLY NEEDED TO REVIVE THE STAGNATING ECONOMY. THE ECONOMY IS NOT PULLING OUT OF A NEAR RECESSION AND SHOULD END THE YEAR AT A MODERATE GROWTH RATE. EXPORTS ARE AT UNPRECEDENTED LEVELS AS IS THE TRADE SURPLUS (US \$18). INFLATION REMAINS HIGH, BUT MEASURES HAVE BEEN TAKEN TO REDUCE SPENDING. PROSPECTS FOR EXPORTS OF CANADIAN GOODS AND SERVICES GOOD. THE DOWNWARD TREND AFFECTING SOME OF OUR TRADITIONAL EXPORTS (WHEAT, NEWSPRINT) WILL CONTINUE AS BRZLN IMPORT SUBSTITUTION PROGRAMS REACH MATURITY. ON THE OTHER HAND, THE OBJECTIVES OF THE NEW INDUSTRIAL POLICY WHICH ARE TO (1) REDUCE PROTECTION OF MATURE INDUSTRIES AND (2) LIBERALIZE IMPORTS AND FACILITATE INFLOW OF NEW TECHNOLOGY, WILL OPEN THE DOOR GRADUALLY FOR COM COYS. ALREADY, THE LIST OF PROHIBITED ITEMS HAS BEEN CUT IN HALF, IMPORT QUOTAS FOR MANY ITEMS ELIMINATED & IMPORT AUTHORIZATION PROCEDURES SIMPLIFIED. FURTHERMORE, CUTBACKS IN GOV'T INVESTMENT PROGRAMS IN RESPONSE TO IMF PRESSURE WILL FORCE STATE ENTERPRISES SUCH AS PETROBRAS, CVRD, ELECTROBRAS & TELEBRAS - TO SEEK NEW SOURCES OF REVENUES TO MEET THEIR INVESTMENT REQUIREMENTS. THE SOLUTIONS BEING PROPOSED (DEBT/EQUITY CONVERSIONS, INCREASED USE OF OFFICIAL AND SUPPLIER CREDITS) PRESUPPOSE HEIGHTENED RECEPTIVENESS TO IMPORT OF GOODS, SERVICES AND TECHNOLOGY. AGAINST THIS OPTIMISTIC ECONOMIC SCENARIO IS THE UNCERTAINTY SURROUNDING THE NEW CONSTITUTION AND THE UPCOMING PRESIDENTIAL ELECTIONS. THE 2 MAIN OBJECTIVES OF OUR TRADE PROGRAM FOR 89-90 ARE 1. TO MAINTAIN MARKET SHARE FOR OUR TRADITIONAL EXPORTS AND 2. CONSOLIDATE OUR POSITION IN PRIORITY MARKET NICHE ALREADY IDENTIFIED. THE FIRST PHASE OF OUR DIVERSIFICATION STRATEGY FOCUSED ON IDENTIFYING NEW MARKET NICHE. WE HAVE INTRODUCED HUNDREDS OF NEW COMPANIES TO THE BRZLN MARKET & IDENTIFIED NUMEROUS OPPORTUNITIES. THE TASK NOW IS TO PRIORIZE: THAT IS, TO ALLOCATE OUR LIMITED RESOURCES TO COMPANIES AND/OR PROJECTS BEARING THE GREATEST POTENTIAL FOR SUCCESS IN THE SHORT AND MEDIUM TERM. WITHIN THE PRIORITY SECTORS LISTED BELOW IN SECTION 5-1, THE FOLLOWING TYPES OF ACTIVITIES ARE PLANNED: (1) SPECIALIZED FAIRS AND MISSIONS, WITH A PREFERENCE FOR COYS THAT ARE FAMILIAR WITH THE MARKET AND HAVE IDENTIFIED A NICHE; (2) LIMITED USE OF SEMINARS WHERE BENEFIT CAN CLEARLY BE DEMONSTRATED (SUCH AS LIVE-STOCK IMPROVEMENT); (3) GREATLY INCREASED USE OF CIDA INC. PROGRAM TO FACILITATE JOINT VENTURES; (4) INCREASED USE OF EDC CREDIT FACILITIES AND FINANCING PROGRAMS AS WELL AS DEBT/EQUITY CONVERSION AND OTHER NON-CONVENTIONAL FINANCING MECHANISMS; (5) CLOSER COORDINATIONS BETWEEN POSTS' ACTIVITIES AND GREATER REPORTING (SEE SECTION 2-1); (7) ENHANCED COVERAGE OF OTHER STATES WITHIN OUR JURISDICTION.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: SAO PAULO

Country: BRAZIL

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

1. ADVANCED TECH. PROD. & SERV
SEVERAL IMPORTANT ACTIVITIES IN COMMUNICATIONS (SATELLITE-RURAL - CELLULAR). ACTIVITY IN SOFTWARE: POSSIBLE TRANSFER OF TECHNOLOGY FOR ADVANCED TECHNOLOGY SYSTEMS FOR PROCESS CONTROL, ETC.
2. TRANSPORT SYS, EQUIP, COMP, SERV.
RAILWAYS HAVE BEEN CLASSIFIED AS A PRIORITY TO ENSURE BETTER DOMESTIC DISTRIBUTION OF AGRICULTURE PRODUCTION AND TO CONTRIBUTE TO THE COMPETITIVENESS OF BRAZILIAN EXPORTS.
3. OIL & GAS EQUIPMENT, SERVICES
PLANNED INVESTMENT IN OIL AND GAS SECTOR GREATER THAN ANY OTHER SECTOR PROSPECTS FOR CANADIAN EXPORTS EXCELLENT AS PETROBRAS OPENING UP TO EXTERNAL FINANCING AND TECHNOLOGY.
4. MINE, METAL, MINERAL PROD & SRV
NEW INVESTMENTS IN THE SECTOR, MAINLY IN GOLD, ATTRACTING LARGE AND SMALL COMPANIES. POSSIBILITIES OF SELLING TECHNOLOGY AND EQUIPMENT FOR UNDERGROUND MINING.
5. AGRI & FOOD PRODUCTS & SERVICE
AGRICULTURE SECTOR IS ONE OF GOB'S PRIORITIES IN NATIONAL DEVELOPMENT AND IS GOING THROUGH A PRODUCTION INCREASE PERIOD WHICH IS PLANNED TO BE KEPT IN THE YEARS TO COME.
6. DEFENCE PROGRAMS, PRODUCTS, SERV
BRAZIL IS THE 5TH LARGEST EXPORTER OF DEFENCE PRODUCTS IN THE WORLD AND HAS THE LARGEST DEFENCE STRUCTURE IN SOUTH AMERICA.

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

1. TRANSPORT SYS, EQUIP, COMP, SERV.
2. MINE, METAL, MINERAL PROD & SRV
3. AGRI & FOOD PRODUCTS & SERVICE
4. FOREST PRODUCTS, EQUIP, SERVICES

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAO PAULO

Market: BRAZIL

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1200.00 \$M	800.00 \$M	900.00 \$M	1000.00 \$M
Canadian Exports	80.00 \$M	85.00 \$M	90.00 \$M	100.00 \$M
Canadian Share of Market	6.50 %	10.00 %	10.00 %	10.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	30.00 %
ARGENTINA	20.00 %
EUROPEAN COMMON MARKET C	15.00 %
URUGUAY	10.00 %
COMECON	10.00 %

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

Products/services for which there are good market prospects:

1. FERTILIZER (POTASH)
2. DAIRY AND BEEF BREEDING CATTLE
3. GENETIC MATERIAL
4. SWINE, SHEEP, HORSES AND GOATS
5. POULTRY AND HATCHING EGGS
6. SEED POTATOES
7. FOOD PROCESSING EQUIPMENT
8. AGRICULTURAL MACHINERY
9. DAIRY PRODUCTS
10. FROZEN BEEF/PORK

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Restrictive quotas
- Non-competitive pricing
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Performance of local agent or representative
- IN NON-TRADITIONAL EXP., PROSPECTS
- ARE ERRATIC OR NEW AS WELL AS LIMIT

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

Activity: FOLLOW-UP TO OFFICIAL PART. IN EXPOINTER '88 AND EXPOTIBA 88
Expected Results: SALES OF LIVESTOCK AND SEMEN UP TO 3 TO 4 MILLION.

Activity: MAINTAIN/EXPAND CONTACTS W/SWINE, HORSES, POULTRY, SHEEP & GOAT
Expected Results: FIRM UP NEW REP. AGREEMENTS AND SALES OF LIVESTOCK.

Activity: MONITOR & REPORT ON VARIOUS MKT ACCESS ISSUES AFF. CDN EXPOR
Expected Results: ENSURE EQUAL ACCESS TO CANADIAN SUPPLIERS.

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

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

Activity: EXPONTER '89 - RIO GRANDE DO SUL STATE
Expected Results: MAINTAIN AND ENLARGE CDN PARTICIPATION IN PROMISING AGRIC. MARKETS.

Activity: EXPOTIBA '89 - PARANA STATE

Activity: INCOMING TECHNICAL EMBRYO TRANSFER MISSION - APRIL 89
Expected Results: PENETRATION IN DEVELOPING MKT OF EMBRYO TRANSFER-DAIRY AND BEEF.

Activity: INCOMING FOLLOW-UP MISSION ON SEED POTATO EXCHANGE AGREEMENT
Expected Results: EXPANSION OF CDN VARIETIES PARTICIPATION IN TABLE STOCK & INDUSTRIALIZATION 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: PURSUE ELABORATION OF A COOP. AGREEM. IN AGRIC. WITH STATE
Expected Results: INCREASED SALES OF GENETIC MTL FOR DAIRY CATTLE AS WELL AS SWINE, BOVINE, SHEEP AND GOATS.

Activity: ARRANGE CDN PARTI. AT CATTLE BREEDING CONV. IN PARANA, MAY 89
Expected Results: EXPAND MARKET SHARE OF A.I. MT.. AND LIVE ANIMALS.

Activity: DEV. OF CONTACTS W/AG. SECRETARIATS OF SOUTHERN STATES
Expected Results: EXPECTED SALES OPPORTUNITIES FOR CANADIAN LIVESTOCK, A.I. MATERIAL AND FOOD PRODUCTS.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

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

GRAIN STORAGE/HANDLING

Approximate Value: 0 M\$
Financing Source : IBRD - World Bank
Contact : CONGEN SAO PAULO/EMBASSY
BRASILIA

IRRIGATION PROJECTS

Approximate Value: 0 M\$
Financing Source : IBRD - World Bank
Contact : CONGEN SAO PAULO/EMBASSY
BRASILIA

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAO PAULO

Market: BRAZIL

Sector : FISHERIES, SEA PRODUCTS & SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	60.00 \$M	75.00 \$M	80.00 \$M	90.00 \$M
Canadian Exports	3.10 \$M	4.00 \$M	5.00 \$M	8.00 \$M
Canadian Share of Market	2.60 %	6.00 %	6.00 %	8.80 %

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

Major Competing Countries	Market Share
NORWAY	0.00 %
CHILE	0.00 %
ICELAND	0.00 %

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

Products/services for which there are good market prospects:

1. COD FISH
2. VARIOUS DRIED FISH
3. SMOKED SALMON
4. CANNED FISH
5. CLAMS, LOBSTERS, SCALLOPS

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

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
- TARIFFS VARY WIDELY & CAN BE AN
- IMPEDIMENT DEPENDING ON PRODUCT.

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

Activity: CONTINUE TO ASSIST VARIOUS CDN EXPORTERS OF COD.
Expected Results: INCREASE CDN MARKET SHARE TO 20% OR MORE.

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

Activity: MAINTAIN CONTACTS W/BRZLN IMPS TO IDENTIFY NEW REQ.
Expected Results: OCCASIONAL SALES AMOUNTING TO CLOSE TO 1 MILLION/YEAR.

Activity: PROMOTE LUXURY FISH ITEMS W/SPECIALIZED IMPORTERS IN BRAZIL
Expected Results: UP TO 1 MILLION PER YEAR IN SALES.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAO PAULO

Market: BRAZIL

Sector : DEFENCE PROGRAMS, PRODUCTS, SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	400.00 \$M	300.00 \$M	350.00 \$M	450.00 \$M
Canadian Exports	30.00 \$M	30.00 \$M	40.00 \$M	100.00 \$M
Canadian Share of Market	8.00 %	10.00 %	11.00 %	22.00 %

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

Major Competing Countries Market Share

UNITED KINGDOM	25.00 %
UNITED STATES OF AMERICA	25.00 %
FRANCE	15.00 %
GERMANY WEST	15.00 %

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

Products/services for which there are good market prospects:

1. AIRCRAFT ENGINES
2. GRUMMAN AIRCRAFT CONVERSION KITS
3. NAVAL ENGINEERING
4. SATELLITE COMMUNICATIONS
5. VESSEL CONTROL & COMMUNICATION SYSTEMS
6. ENGINE PARTS FOR ARMoured TANKS
7. MARINE VESSEL ENGINES/PARTS
8. AIR SEARCH RADAR
9. AVIONICS SYSTEMS
10. LANDING SYSTEMS

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- IMPORT
- PROHIBITIONS
- SENSITIVITIES OF MKTING DEFENCE
- SYSTEMS & TECH. TO NON NATO MEMBER

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

Activity: FOLLOW UP TO HITECH 88
Expected Results: IDENTIFY NEW OPPORTUNITIES: POTENTIAL APPROX. \$ 20 MM

Activity: ASSIST GROUP IN BID ON GRUMMAN CONVERSION
Expected Results: POTENTIAL SALE OF KITS \$ 50MM

Activity: PREPARE & DISTRIBUTE UPDATE ON NAVY PROGRAMS

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

Activity: REVISE DEFENSE SECTOR REPORT & PREPARE STRATEGY
Expected Results: IDENTIFY OPPORTUNITIES, RECOMMEND PLAN OF ACTION FOR FOLLOWING YEARS.

Activity: RESUME CONTACTS W/NAVY & CTA PARTICULARLY, ABANDONED SINCE
Expected Results: IMPROVE NETWORKING IN DEFENCE IND. AND CHANCES FOR INCREASED SALES.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

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

MARINE VESSEL PROGRAM	Approximate Value: 30 M\$
	Financing Source : DOM - Domestically funded
	B.C. - Buyer Credits required
	Contact : CONGEN
AIRCRAFT CARRIER MODERNIZATION	Approximate Value: 50 M\$
50	Financing Source : DOM - Domestically funded
	B.C. - Buyer Credits required
	Contact : CONGEN
GRUMMAN AIRCRAFT CONVERSION	Approximate Value: 50 M\$
	Financing Source : DOM - Domestically funded
	B.C. - Buyer Credits required
	Contact : CONGEN

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAO PAULO

Market: BRAZIL

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1400.00 \$M	1000.00 \$M	2000.00 \$M	2500.00 \$M
Canadian Exports	16.00 \$M	38.00 \$M	50.00 \$M	70.00 \$M
Canadian Share of Market	1.10 %	3.80 %	2.50 %	2.80 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	30.00 %
GERMANY WEST	5.00 %
JAPAN	10.00 %
FRANCE	5.00 %

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

Products/services for which there are good market prospects:

1. DIGITAL SWITCHES
2. SATELLITE COMMUNICATIONS SYSTEMS
3. REMOTE SENSING EQPT. SYSTEMS & SERVICES
4. RURAL TELEPHONE SYSTEMS
5. MOBILE CELLULAR TELEPHONE SYSTEMS
6. INSTRUMENTATION
7. SOFTWARE
8. COMPONENTS
9. SATELLITE RECEIVERS
10. LAZER EQUIPMENTS
11. NON DESTRUCTIVE TESTING EQPT.
12. INFORMATION SYSTEMS

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Non-competitive pricing
- Lack of promotion and advertising
- Performance of local agent or representative
- LAW OF NATIONAL
- SIMILARS
- COMPLICATED MKT. REGULATIONS SHY
- CDNS AWAY FM BRZLN. MKT.

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

Activity: MOBILE CELLULAR TELEPHONE SYSTEMS
Expected Results: SPECIFICATIONS READY; TENDER EARLY 89 RESULTS MID 89;
INSTALLATION 1990.

Activity: COMMUN. SATEL: PHASE II OF BRZLN COMM. SAT. PROG. "BRASILSAT"
Expected Results: TECHNICAL SPECIFICATIONS ALMOST READY TENDER EARLY 89,
RESULTS MID 89, DEL. 93.

Activity: CONT. SUPPORT TO CDN SOFTWARE CO. ENVISAGEING FINDING BRAZ.
Expected Results: 4/5 FORMAL REPRESENTATION AND/OR TRANSFER OF TECHNOLOGY
AGREEMENTS.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

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

Activity: INFORMATICA 89 PARTICI. 10/20 CO. 18-22 SET 89 SAO PAULO
Expected Results: JOINT VENTURES/TRANSFERS TECHNOLOGY INCREMENT OF SALES.

Activity: SATELITE 89 TO BE ANNOUNCED
Expected Results: INCREASE AWARENESS TO CDN. TECHNOLOGIES.

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

Activity: CONTINUED PART. IN TECH SEMINARS PROMOTED BY RNT & OTHERS
Expected Results: INCREASE AWARENESS TO CDN. TECHNOLOGIES.

Activity: REPORTS ON SECTORS AND SUBSECTORS
Expected Results: FACILITATE MARKET OPPORTUNITY RECOGNITION.

Activity: CONTIN. ASSIT. TO CDN CO. TRYING TO EST. PRESENCE IN MKT VIA
Expected Results: AGENCY AGREEMENTS BUYING CONNECTIONS

Activity: INTENSIFY CONTACTS WITH ASSOCIATIONS/COMPANIES
Expected Results: IDENTIFY SPECIFIC OPPORTUNITIES (NICHE) INTRODUCING NEW CDN. SUPPLIERS.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

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

MOBILE CELLULAR TELEPHONE	Approximate Value: 5 M\$
	Financing Source : EDC - Export Dev Corporation CIDA - Cdn Int'l Dev Agency IBRD - World Bank
	Contact : CONGEN SAO PAULO
COMMUNICATIONS SATELLITES AND RELATED EQUIPMENTS.	Approximate Value: 300 M\$
	Financing Source : EDC - Export Dev Corporation CIDA - Cdn Int'l Dev Agency
	Contact : CONGEN SAO PAULO
SOFTWARE AND SYSTEMS	Approximate Value: 0 M\$
	Financing Source : DOM - Domestically funded
	Contact : CONGEN SAO PAULO
SCADA SYSTEMS	Approximate Value: 0 M\$
	Financing Source : EDC - Export Dev Corporation DOM - Domestically funded
	Contact : CONGEN SAO PAULO

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAD PAULO

Market: BRAZIL

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	500.00 \$M	725.00 \$M	400.00 \$M	600.00 \$M
Canadian Exports	4.00 \$M	2.00 \$M	4.00 \$M	6.00 \$M
Canadian Share of Market	0.80 %	0.30 %	1.00 %	1.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	30.00 %
FRANCE	5.00 %
GERMANY WEST	10.00 %
JAPAN	20.00 %
ITALY	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. GENERATORS/TURBINES
2. INSTRUMENTATION
3. NETWORK PROTECTORS
4. P D A EQUIPMENT
5. CIRCUIT BREAKERS
6. SCADA SYSTEMS
7. HIGH VOLTAGE TRANSFORMERS
8. CONSULTING SERVICES
9. SPARE PARTS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- LAW OF NATIONAL
- SIMILARS
- MOST MULTINAT. PROD. SIMILAR EQPT.
- IN BRAZIL W/COMPETITIVE PRICING.

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

Activity: CONT. SUPPORT OF CDN CO. MARKETING ACTIVITIES
Expected Results: INCREMENT IN SALES OF INSTRUMENT. NETWORK PROTECTORS ETC.

Activity: ASSITANCE TO FES INTERNATIONAL TOGETHER WITH AGENT.
Expected Results: SALES OF PDA EQPT TO UTILITIES.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

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

Activity: CONTINUED REPORTING TO HQ OF IFI FUNDED PROCUREMENT BY BRAZ
Expected Results: MARGINAL INCREMENT OF SALES.

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

IBRD FUNDED PROJECTS

Approximate Value: 0 M\$
Financing Source : IBRD - World Bank
Contact : CONGEN SPALO

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAO PAULO

Market: BRAZIL

Sector : TRANSPORT SYS,EQUIP,COMP,SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	643.00 \$M	979.00 \$M	1048.00 \$M	1120.00 \$M
Canadian Exports	72.00 \$M	111.00 \$M	119.00 \$M	132.00 \$M
Canadian Share of Market	11.10 %	11.30 %	11.40 %	11.80 %

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 %
JAPAN	10.00 %
ITALY	15.00 %
FRANCE	15.00 %
UNITED KINGDOM	10.00 %

Products/services for which there are good market prospects:

1. AIRCRAFT ENGINES
2. CARGO/RAIL TRANSPORT MANAGEMENT SYSTEMS/SERVICES
3. AUTOMOTIVE PARTS
4. AIRCRAFTS
5. SHIPS DESIGN/ENGINEERING
6. MARINE VESSELS EQUIPMENT
7. MLS-LANDING SYSTEMS
8. CONSULTING SERVICES
9. LOCOMOTIVES & SPARE PARTS
10. RAIL CARS
11. SIGNALING EQUIPMENT
12. COMMUNICATION EQUIPMENT

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- Fairs and Missions support
- CIDA programs
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- LOCAL MANUFACTURING CAPABILITY

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

Activity: FOLLOW UP ON FERROESTE - RAILWAY PROJECT
Expected Results: IDENTIFY FUTURE OPPS. FOR RAILWAY EQUIPMENT.

Activity: FOLLOW UP ON FEPASA - REHABILITATION PROJECT
Expected Results: SUPPORT CANAC PARTICIPATION IN THE CONSULTING/MGMT TENDERS

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

Activity: RAIL MISSION TO BRAZIL
Expected Results: CONSOLIDATE CANADA'S IMAGE AS A SUPPLIER OF EQUIPT. & SERVICES.

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 REPPORT ON ACTIVITIES/PROJS. IN THE RAIL SECTOR
Expected Results: SUPPORT FORTHCOMING RAIL MISSION.

Activity: FOLLOW UP ON FERRONORTE
Expected Results: ESTABLISH ADEQUATE SOURCES OF INFO & RELATIONSHIPS TO ASSIST CDN COS. IN FUTURE SALES.

Activity: FOLLOW UP ON DRIE AUTOMOTIVE STUDY
Expected Results: IDENTIFY OPPS. FOR TRANSF. OF TECHN. & JOINT VENTURES.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

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

FERROESTE - RAILWAY PROJECT	Approximate Value: 475 M\$
	Financing Source : IBRD - World Bank DOM - Domestically funded B.C. - Buyer Credits required
	Contact : CONGEN
FEPASA REHABILITATION PROJECT	Approximate Value: 225 M\$
	Financing Source : IBRD - World Bank DOM - Domestically funded B.C. - Buyer Credits required
	Contact : CONGEN
EXPORT CORRIDOR PROJECT	Approximate Value: 400 M\$
	Financing Source : IBRD - World Bank DOM - Domestically funded
	Contact : CONGEN
CBTU SUBURBAN TRAINS	Approximate Value: 650 M\$
	Financing Source : IBRD - World Bank DOM - Domestically funded B.C. - Buyer Credits required
	Contact : CONGEN

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAO PAULO

Market: BRAZIL

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	175.00 \$M	250.00 \$M	250.00 \$M	300.00 \$M
Canadian Exports	58.00 \$M	55.00 \$M	65.00 \$M	75.00 \$M
Canadian Share of Market	33.00 %	22.00 %	26.00 %	25.00 %

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

Major Competing Countries	Market Share
FINLAND	16.00 %
CHILE	15.00 %
UNITED STATES OF AMERICA	11.00 %
NORWAY	10.00 %
SWEDEN	6.00 %
BRAZIL	2.00 %

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

Products/services for which there are good market prospects:

1. NEWSPRINT
2. PULP
3. PROCESS CONTROL EQUIPMENT
4. ENGINEERING SERVICES
5. PULP AND PAPER MAKING EQUIPMENT
6. FOREST MANAGEMENT, TECHNICAL COOPERATION

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- LONG EST. PRESENCE OF SCANDINAVIANS
- W/BRZL & INDIGENOUS CAPAB. MAKE IT

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

Activity: CONTINUE TO SUPPORT EXP. BY H.A.SIMONS VIA THEIR J.V. W/NATR
Expected Results: INCREASED EXPOSURE TO BRZLN COYS, REALIZATION OF CONTRACTS FOR CONSULTING ENGINEERING AND SERVICES.

Activity: PROVIDE CONTINUED ASSIS. TO VALMET-SENTROL IN THEIR MKTG EXP
Expected Results: ACHIEVE 3/4 ADDITIONAL CONTRACTS (2 TO 3 MILLION) NEXT YEAR.

Activity: ASSIST OTHER CDN EXPORTERS ON ONGOING BASIS, EG. UNIV. PAPER
Expected Results: INCREMENTAL SALES NEXT YEAR OF 5 TO 6 MILLION.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

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

Activity: INTENSIFY CONTACTS ON REG. BASIS W/SENIOR OFFICIALS OF BRZL
Expected Results: INFORM CON IND. IN TIMELY FASHION WHICH WOULD LEAD TO TENDERS ON ONGOING PROJECTS.

Activity: REPORT ON MAJOR PULP AND PAPER PROJECTS
Expected Results: PROVIDE POTENTIAL EXPORTERS WITH SUFFICIENT INFO TO DETERMIN WHETHER THEY SHOULD PURSUE INVOLVEMENT ON PROJECTS.

Activity: SEEK TO DEVELOP TECHNICAL COOP. BTWN CON & BRZLN FORESTRY DE
Expected Results: MORE TECH. COOP. ACTIVITIES (EG. RECIPROCAL VISITS) MEDIUM TERM SALES OF FIREFIGHTING EQUIPMENT.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

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

ARACRUZ PULP AND PAPER
EXPANSION PROJECT.

Approximate Value: 1200 M\$
Financing Source : DOM - Domestically funded
B.C. - Buyer Credits required
Contact : CONGEN - SAO PAULO

KLABIN - EXPANSION PROJECT

Approximate Value: 1000 M\$
Financing Source : DOM - Domestically funded
B.C. - Buyer Credits required
Contact : IDEM

SUZANO - EXPANSION PROJECT

Approximate Value: 700 M\$
Financing Source : DOM - Domestically funded
B.C. - Buyer Credits required
Contact : IDEM

MORRO VERDE - NEW PULP MILL

Approximate Value: 125 M\$
Financing Source : DOM - Domestically funded
B.C. - Buyer Credits required
Contact : IDEM

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAO PAULO

Market: BRAZIL

Sector : MINE, METAL, MINERAL PROD & SRV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1900.00 \$M	2087.00 \$M	1956.00 \$M	2300.00 \$M
Canadian Exports	170.00 \$M	167.00 \$M	110.00 \$M	130.00 \$M
Canadian Share of Market	9.30 %	8.00 %	6.00 %	6.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	45.00 %
POLAND	15.00 %
UNITED KINGDOM	10.00 %
AUSTRALIA	5.00 %

Products/services for which there are good market prospects:

1. SULPHUR
2. COAL
3. CONSULTING/ENGINEERING
4. UNDERGROUND EQUIPT.
5. ZINC
6. MINING WINCHES
7. SKIPS/SKIPCAGES FOR MINING

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
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

Factors for Canadian exports not reaching market potential:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

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

Activity: MINING MISSION TO II CONGRESO LATINO AMERICANO DE MINERIA /
Expected Results: TT/J.V. AGREEMENT

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

Activity: F. UP MINING SEMINAR (OCT 89)
Expected Results: NEW OPPORTUNITIES FOR CDN. COYS

Activity: REPORT ON NEW INVESTMENT PROGRAMME

Activity: REPORT ON GOLD

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

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

CYRD GOLD PROJECT (FAZENDA BRAZILEIRO)	Approximate Value:	200 M\$
	Financing Source :	DOM - Domestically funded B.C. - Buyer Credits required
	Contact	: CONGEN
CYRD COPPER PROJECT (CARAJAS)	Approximate Value:	900 M\$
	Financing Source :	DOM - Domestically funded B.C. - Buyer Credits required
	Contact	: CONGEN

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAO PAULO

Market: BRAZIL

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	350.00 \$M	300.00 \$M	300.00 \$M	400.00 \$M
Canadian Exports	20.00 \$M	15.00 \$M	20.00 \$M	35.00 \$M
Canadian Share of Market	6.00 %	5.00 %	7.00 %	9.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	35.00 %
FRANCE	15.00 %
UNITED KINGDOM	15.00 %
GERMANY WEST	10.00 %
NORWAY	5.00 %
JAPAN	5.00 %

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

Products/services for which there are good market prospects:

1. DEEP WATER PRODUCTION SYSTEMS
2. NATURAL GAS DISTRIBUTION CONSULTING SERVICES
3. NATURAL GAS PROCESSING PLANTS
4. PIPELINE ENGINEERING
5. NATURAL GAS COMPRESSORS AND TURBINES
6. SCADA SYSTEMS
7. SLUDGE & WASTE DISPOSAL SYSTEMS
8. TESTING, INSPECTION & MONITORING INSTRUMENTS/SERVI
9. DRILLING EQUIPMENT/SERVICES
10. NATURAL GAS CONVERSION FOR VEHICLES
11. DATA INTERPRETATION SOFTWARE/SERVICES
12. PROCESS SIMULATION SOFTWARE/SERVICES

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- IMPORT
- PROHIBITIONS.
- CDN CO. ARE SMALL & OFTEN LACK
- RESOURCES FOR SUSTAINED MKTING.

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

Activity: SECOND BRAZIL/CANADA SEMINAR ON OIL & GAS (CALGARY)
Expected Results: ENHANCED PROFILE W/PETROBRAS / AT LEAST 3 TECHNOL.
TRANSFER AGREEMENTS.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

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

Activity: GASTECH 89: INCOMING GAS MISSION FROM LATIN AMERICA TO CAN.
Expected Results: PRIME CONTRACT FOR S. PAULO GAS DISTRIB. PROJ. VALUE CDA
CONTENT 30MM - OTHER SMALLER 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: INVITE NEW COMGAS PRES. & POSSIBLY GOVERNOR OF S. PAULO TO CA
Expected Results: S. PAULO GAS DISTRIB. PROJ. IBRD FUNDED 150 MM, \$30MM
POTENTIAL CDN. CONTENT.

Activity: BASED ON NEW PETROBRAS INV. PLAN, REVISE OIL/GAS STRATEGY
Expected Results: CLEAR DISPOSITION OF PRIORITIES IN OIL/GAS SECTOR &
PLAN OF ACTION.

Activity: USE FEASIB. STUDIES, PILOT PROJS AS MEANS OF INTRO CDN TECH
Expected Results: SIX PROJECTS UNDER CONSIDERATION. POTENTIAL VALUE \$100
MILLION.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

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

EXPANSION OF S. PAULO GAS
DISTRIB. NETWORK.

Approximate Value: 150 M\$
Financing Source : IBRD - World Bank
Contact : CDN EMBASSY/WASHINGTON
CDN CDN GEN (SAO PAULO)

PRODUCTION IN DEEP WATER
ALBACORA/MARLIM FIELDS.

Approximate Value: 1000 M\$
Financing Source : DOM - Domestically funded
B.C. - Buyer Credits required
Contact : CONSULATE GENERAL

MODULAR NAT. GAS PROCESS PLANT

Approximate Value: 5 M\$
Financing Source : DOM - Domestically funded
B.C. - Buyer Credits required
Contact : CONSULATE GENERAL

VARIOUS OIL/GAS PIPELINE
PROJECTS.

Approximate Value: 800 M\$
Financing Source : IBRD - World Bank
DOM - Domestically funded
B.C. - Buyer Credits required
Contact : CONSULATE GENERAL

RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAO PAULO

Market: BRAZIL

Sector : CHEM PROD & PETROCHEM,EQP,SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	2000.00 \$M	2882.00 \$M	3254.00 \$M	3700.00 \$M
Canadian Exports	11.00 \$M	17.50 \$M	20.00 \$M	25.00 \$M
Canadian Share of Market	0.50 %	1.30 %	0.80 %	0.90 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	30.00 %
UNITED KINGDOM	15.00 %
GERMANY WEST	15.00 %
FRANCE	7.00 %
SWITZERLAND	5.00 %
JAPAN	5.00 %

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

Products/services for which there are good market prospects:

1. FINE CHEMICALS
2. INDUSTRIAL CHEMICALS
3. SYNTHETIC RUBBER
4. INORGANIC CHEMICALS
5. GAS MONITORING EQUIPMENT.
6. SULPHUR DECONTAMINATION PLANT
7. HIGH PRESSURE COUPLINGS
8. PLASTIC BOTTLES MANUFACTURING MACHINERY
9. CHEMICAL WASTE DISPOSAL SYSTEM

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Competitive Canadian financing

30/05/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

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

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

Activity: ATTEND CHEMICAL CONGRESS 1989
Expected Results: CONSOLIDATE OUR PARTICIPATION IN THE MARKET.

Activity: DISTRIBUTION OF THE CDN REGISTER OF MANUFACTURED CHEMICALS
Expected Results: FIFTY DIRECT ENQUIRIES TO CDN. COYS

30/05/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPTCL

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

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

PETROCHEMICAL COMPLEX RJ

Approximate Value: 1500 M\$

Financing Source : DOM - Domestically funded
IBRD - World Bank

Contact :

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SAO PAULO

Market: BRAZIL

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	900.00 \$M	628.00 \$M	600.00 \$M	800.00 \$M
Canadian Exports	3.70 \$M	3.50 \$M	3.00 \$M	4.00 \$M
Canadian Share of Market	0.40 %	0.50 %	0.50 %	0.60 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	30.00 %
GERMANY WEST	15.00 %
ITALY	15.00 %
JAPAN	10.00 %
UNITED KINGDOM	10.00 %
FRANCE	10.00 %

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

Products/services for which there are good market prospects:

1. HIGH PRECISION MACHINERY AND TOOLS
2. HANDLING MACHINERY
3. PACKAGING MACHINERY
4. CAPSULE MAKING MACHINERY
5. ANAEROBIC WATER TREATMENT SYSTEM

Factors contributing to current successful Canadian exports:

- Competitive pricing
- Competitive Canadian financing
- BRAZILLIAM GOV. ENCOURAGE
- T.T. MAKING THE IMPORTATI
- HARDER

30/05/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SAO PAULO

Market: BRAZIL

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Non-competitive pricing
- Lack of promotion and advertising
- Limited Canadian capabilities
- Market prospects have not been adequately explored

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

Activity: INDUSTRIAL COOPERATION
Expected Results: IDENTIFICATION OF NICHES.

Activity: AGREEMENT WITH ABIMAQ/SINDIMAQ
Expected Results: FOR TECHNOLOGY TRANSFER.

Post : SAO PAULO

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Post/Contact</u>
89/04/00	ADVANCED TECHNOLOGY MISSION SAO PAULO SANTIAGO MISSION OUT, INDUSTRY	INDUSTRIAL MACHIN, PLANTS, SERV P. SCHUTTE
89/04/00	DAIRY CATTLE SPECIFIERS FROM BRAZIL MISSION IN, TO INDUSTRY	AGRI & FOOD PRODUCTS & SERVICE J. DUNDON
89/10/30	EDC LINES OF CREDIT SEMINAR IN MONTREAL, TORONTO, CALGARY, VANC. MISSION IN, TO CONFERENCE	GENERAL OR UNASSIGNED ISB J. DUNDON
89/12/00	SATELLITE '89, SAO PAULO, BRAZIL INFO BOOTH, ONLY	ADVANCED TECH. PROD. & SERV