

CA1
EA
G21
1987/88
STORAGE

Internal Affairs
Canada

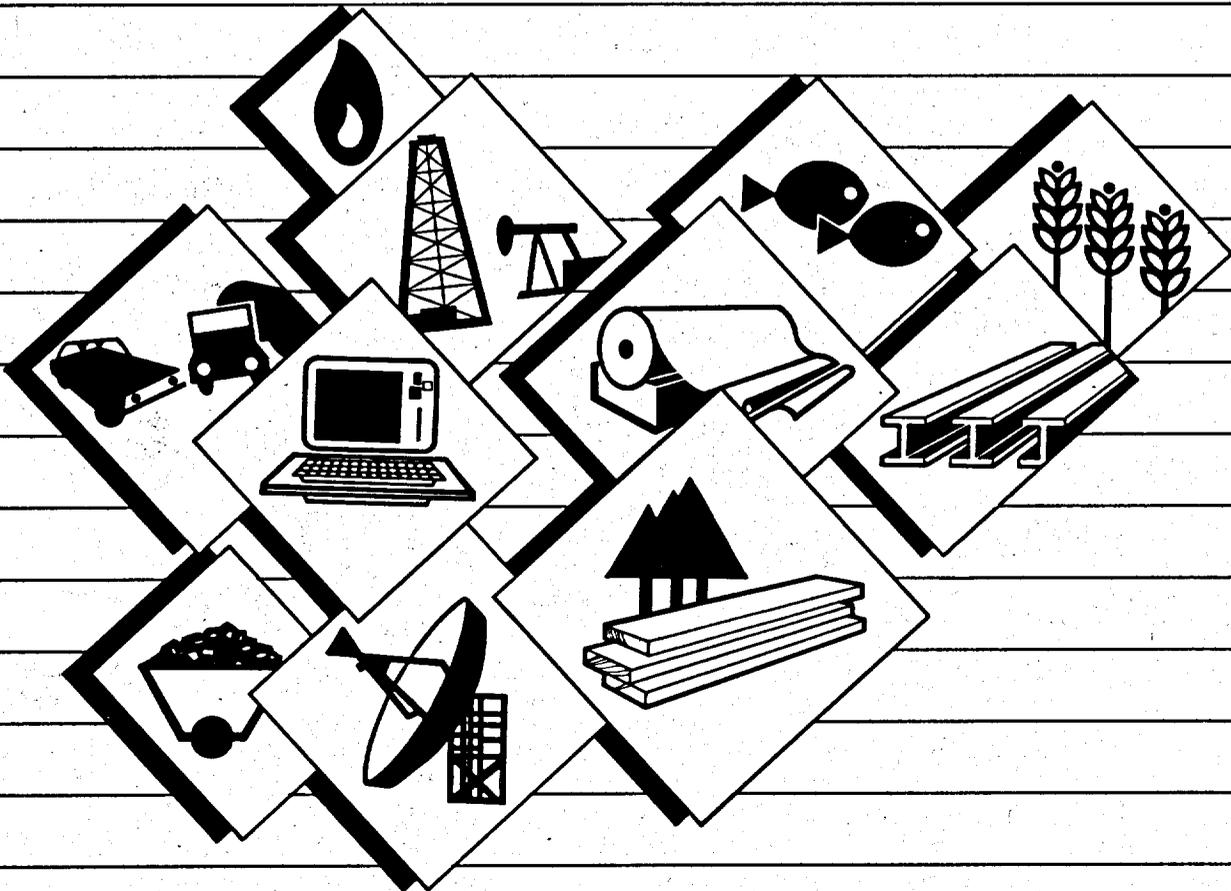
Affaires extérieures
Canada

OFFICE COPY

GEOGRAPHICAL SYNOPSIS

LATIN AMERICA AND THE CARIBBEAN

1987-88 EXPORT AND INVESTMENT PROMOTION OPERATIONAL PLAN



MARCH 1987

CAI
EA
GZI
c.2

62116017 (E) 5

GEOGRAPHIC SYNOPSIS OF
EXPORT PROMOTION PROGRAM PLANS
OF CANADIAN MISSIONS ABROAD
FY 1987/88

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 worldwide for fiscal year 1987-1988 commencing April 1, 1987.

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 geographically and is available for each of seven geographic regions:

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

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 and promotional project proposals which post trade officials recommend in support of their 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 yet 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 17 sectors and a variety of market reports. Information from these reports can be obtained on request from the geographic or functional 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 functional bureaux of the Department of External Affairs or the Regional Offices of 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 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.

ADDENDUM

Changes in Canadian Representation Abroad

As part of the Government's program of public service restraint to reduce costs, a decision was made to close seven missions abroad since the data contained in this report was compiled.

The affected missions are:

Quito, Ecuador
Helsinki, Finland
Abu Dhabi, United Arab Emirates
Hamburg, FRG
Marseille, France
Perth, Australia
Philadelphia, U.S.A.

The market plans for these missions (with the exception of Marseille which has not been required to prepare a plan) have been left intact for purposes of this report pending the redistribution of trade and investment responsibilities to neighbouring missions which is currently underway.

Export and Investment Promotion Planning System

REPT: SYN-GEO 87/86 List of missions/market covered in the following report

MISSIONS

BUENOS AIRES

SANTIAGO
BRASILIA
SAO PAULO
LIMA
BOGOTA
CARACAS
MEXICO
SAN JOSE

GUATEMALA

QUITO
HAVANA
PORT-OF-SPAIN
KINGSTON

BRIDGETOWN

MARKETS

ARGENTINA
URUGUAY
CHILE
BRAZIL
BRAZIL
PERU
COLOMBIA
VENEZUELA
MEXICO
COSTA RICA
EL SALVADOR
NICARAGUA
PANAMA
GUATEMALA
HONDURAS
ECUADOR
CUBA
TRINIDAD AND TOBAGO
BAHAMAS
JAMAICA
BARBADOS

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 631 BUENOS AIRES

Country: 001 ARGENTINA

AU COURS DE LA 1ERE PHASE DU PLAN AUSTRAL (JUN 85/FEV. 86), L'OBJECTIF GLOBAL ETAIT DE JUGULER L'INFLATION GALOPANT (TAUX MENSUEL DE 35% EN JUN 85) ET REDUIRE LE DEFICIT FISCAL. CE PROGRAMME DE STABILISATION ECONOMIQUE A ENREGISTRE DES PROGRES IMPORTANTS. CEPENDANT, LES PRESSIONS INFLATIONNISTES DEMEURENT FORTES ET LE TAUX D'INFLATION POUR 86 SE SITUERA AUTOUR DE 65-70% AU LIEU DU 28% QUE LE GOVT AVAIT FIXE COMME OBJECTIF POUR L'ANNEE. LA SECONDE ETAPE DU PLAN AUSTRAL, LANCEE EN FEV. 86, VISE A FAVORISER LA CROISSANCE ECONOMIQUE TOUT EN MAINTENANT LES OBJECTIFS DE STABILISATION. LES INDICATEURS INDICENT QUE LE PDB POUR LE 2E TRIMESTRE DE 86 MONTRE UNE CROISSANCE REELLE DE 5.7% COMPARATIVEMENT A LA MEME PERIODE EN '85, ET LA PRODUCTION INDUSTRIELLE A AUGMENTE DE 10.3% AU COURS DE LA MEME PERIODE. LE RYTHME DE CROISSANCE DEVRAIT ETRE PLUS FAIBLE AU 2EME SEMESTRE, LE GOVT AYANT DU PRENDRE DES MESURES CORRECTIVES SUITE A LA POUSSEE INFLATIONNISTE ENREGISTREE A PARTIR DE JUILLET. DE PLUS, L'ARGENTINE CONTINUE A EPROUVER DES PROBLEMES DE TRESORERIE. LES ACQUIS SONT FRAGILES ET JUSQU'A MAINTENANT LA REPOSE DU SECTEUR PRIVE, BIEN QUE POSITIVE, DEMEURE RESERVEE. LE GOVT A DEJA ANNONCE QUE LA LUTTE A L'INFLATION DEMEURERA POUR LA PROCHAINE ANNEE LA 1ERE PRIORITE ECONOMIQUE. PARALLELEMENT, LE GOVT DEVRA, CREER UN ENVIRONNEMENT PLUS PROPICE A LA PARTICIPATION DU SECTEUR PRIVE ARGENTIN A L'EFFORT DE REDRESSEMENT: AJUSTEMENT DES TAUX D'INTERET, FISCALITE PROGRESSIVE, TAUX DE CHANGE REALISTES, PROMOTION DES EXPORTATIONS, REGIME D'INVESTISSEMENTS ETC. 1987 SERA AUSSI L'ANNEE DE LA MODERNISATION ET DE LA PRIVATISATION DE CERTAINES ENTREPRISES PUBLIQUES. LE SECTEUR EXTERNE JOUERA UN ROLE IMPORTANT DANS LE COMPORTEMENT DE L'ECONOMIE ARGENTINE EN '87. AVEC LA CHUTE DES PRIX MONDIAUX DES PRODUITS AGRICOLES, IL FAUT PREVOIR UN SURPLUS COMMERCIAL REDUIT, ET LA TAILLE DE LA DETTE EXTERNE DEMEURERA UNE CONTRAINTE MAJEURE DE L'ECONOMIE. CES CONDITIONS DEVRONT ETRE COMPENSEES PAR DES APPORTS EXTERNES ET L'ARGENTINE DEVRAIT NEGOCIER AVEC SUCCES LE PROCHAIN ACCORD AVEC LE FMI D'ICI LA FIN DE L'ANNEE. IL EST TROP TOT POUR DEFINIR AVEC PRECISION LES EFFETS SUR L'ECONOMIE ARGENTINE DE L'ACCORD D'INTEGRATION ECONOMIQUE AVEC LE BRESIL, SIGNE EN JUIL. 86, MAIS 87 COINCIDERA AVEC L'ENTREE EN VIGUEUR DES DIFFERENTS PROTOCOLES D'INTEGRATION. LES POSSIBILITES POUR LES EXPORTATEURS CDNS EN ARGENTINE SE SITUENT SOIT DANS LE CADRE DES GRANDS PROJETS GOVTAUX, ENTRE AUTRES, DANS LES SECTEURS DE L'ENERGIE, DES TELECOM., DES TRANSP. ET DES FORETS, SOIT DANS LE CONTEXTE DE LA COOP. IND'L AVEC LE SECTEUR PRIVE. QUI REPRESENTE UN EXCELLENT PLACEMENT ET NE DOIT PAS ETRE NEGLIGE.

Export and Investment Promotion Planning System

REPT: SYN-GED 87/88 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

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

1. 011 OIL & GAS EQUIPMENT, SERVICES

REASONS: NOUVEAU PLAN ENERGETIQUE ARGENTIN SOULIGNE UN CERTAIN NOMBRE DE PRIORITES POUR LESQUELLES DES RESSOURCES POURRONT ETRE MOBILISEES AU COURS DES PROCHAINS MOIS.

2. 007 POWER & ENERGY EQUIP. & SERV.

REASONS: PROJETS HYDRONOR ET YACYRETA OFFRIRONT POTENTIEL INTERESSANT POUR LES EXPORTEURS CANADIENS.

3. 008 TRANSPORT SYS, EQUIP, COMP, SERV.

REASONS: ETAT PRESENT INSTALLATIONS & EQPTS COLLECTIFS DE TRANS. NE LAISSE QUE PEU DE MARGE DE MANOEUVRE ET DES INVESTISSEMENTS IMPORTANTS DEVRONT ETRE AFFECTES A CE SECTEUR AU COURS DES PROCHAIN MOIS.

4. 012 PETROCHEM & CHEM PROD, EQP, SERV

REASONS: SECTEUR DE LA PETRO-CHIMIE ET DE LA CHIMIE EST L'UN DES PLUS ACTIF MALGRE LA CONJONCTURE ECONOMIQUE DIFFICILE.

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

1. 010 MINE, METAL, MINERAL PROD & SRV
2. 008 TRANSPORT SYS, EQUIP, COMP, SERV.
3. 005 COMM. & INFORM. EQP. & SERV
4. 011 OIL & GAS EQUIPMENT, SERVICES

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 011 ANIMAL, POULTRY BREEDING STOCK

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	5.00M	\$ 4.00M	\$ 4.00M	\$ 5.00M
Canadian Exports \$	1.00M	\$ 0.60M	\$ 0.50M	\$ 0.90M
Canadian Share of Import Market	20.00%	15.00%	12.00%	18.00%

Major Competing Countries

Market Share

- | | |
|----------------------------------|-------|
| i) 577 UNITED STATES OF AMERICA | 060 % |
| ii) 609 EUROPEAN COMMON MARKET C | 020 % |

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

- | | |
|-----------------------|-----------|
| i) HOLSTEIN LIVESTOCK | \$ 0.50 M |
| ii) POULTRY | \$ 0.30 M |

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of provincial governments export promotion activities
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

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

Activity: TO FURTHER WORKING RELATIONSHIP WITH ARGENTINE HOLSTEIN ASSOCIATION (ACHA) AND SEMEN IMPORTERS TO REPORT TO DEPARTMENT QUARTERLY ON MARKET NEEDS.

Results Expected: TO PROVIDE EXPORT SECTOR WITH MORE ACTUAL INFORMATION ON MARKET OPPORTUNITIES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 013 SEEDS & SPECIAL CROPS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	8.00M	\$ 7.00M	\$ 7.50M	\$ 7.80M
Canadian Exports \$	0.50M	\$ 0.40M	\$ 0.30M	\$ 0.60M
Canadian Share of Import Market	6.20%	5.70%	4.00%	7.70%

Major Competing Countries

Market Share

- i) 577 UNITED STATES OF AMERICA 050 %
- ii) 609 EUROPEAN COMMON MARKET C 030 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

- | | In Canadian \$ |
|------------------|----------------|
| i) FORAGE SEEDS | \$ 0.50 M |
| ii) CEREAL SEEDS | \$ 4.00 M |
| iii) PULSES | \$ 2.00 M |

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:

THIS TRADE IS MAINLY IN HANDS OF LARGE AMERICAN/EUROPEAN FIRMS WITH GLOBAL KNOWN PRODUCTS.

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- participation in trade missions
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

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

Activity: SECTORIAL STUDY, SEEDS, ARGENTINA

Results Expected: TO IDENTIFY POTENTIAL FOR CANADIAN SUPPLIERS
TO BE FOLLOWED BY MISSION IN 88/89.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 018 FEED, FERTILIZER & VET PRODUCTS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	10.00M	\$ 10.00M	\$ 11.00M	\$ 12.00M
Canadian Exports \$	0.00M	\$ 0.00M	\$ 0.00M	\$ 0.00M
Canadian Share of Import Market	0.00%	0.00%	0.00%	0.00%

Major Competing Countries

Market Share

- i) 577 UNITED STATES OF AMERICA
- ii) 047 BRAZIL

040 %
040 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector:

1-3 \$M

Current status of Canadian exports:

Products/services for which there are
good market prospects

- i) ANIMAL FEED ADDITIVES

Current Total Imports
In Canadian \$
\$ 3.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- No factors reported by mission

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- the adequacy of exporter information in Canadian Directories
- product/service information from Canadian companies

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

Activity: SECTORIAL STUDY, AGRO-CHEMICAL INDUSTRY

Results Expected: TO IDENTIFY POTENTIAL FOR CANADIAN SUPPLIERS.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 002 FISHERIES, SEA PRODUCTS & SERV.

Subsector: 024 SERVICES INCLUDING CONSULTING

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	4.00M	\$ 5.00M	\$ 4.00M	\$ 4.00M
Canadian Exports \$	0.00M NA	\$ 0.00M NA	\$ 0.00M NA	\$ 0.00M NA
Canadian Share of Import Market	0.00% NA	0.00% NA	0.00% NA	0.00% NA

Major Competing Countries

Market Share

i) 499 SPAIN

080 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector:

1-3 \$M

Current status of Canadian exports:

No Export results to date

Products/services for which there are
good market prospects

Current Total Imports

i) AQUACULTURE

In Canadian \$
\$ 2.00 MThe Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector(sub-sector)
have enjoyed success previously as a result of a variety of
factors which the trade office reports to include:

- No factors reported by mission

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- the adequacy of exporter information in Canadian Directories
- product/service information from Canadian companies

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

Activity: SECTORIAL STUDY REF SERVICES IN FISHERIES SECTOR

Results Expected: TO IDENTIFY OPPORTUNITIES FOR CANADIAN CONSULTANTS.

Activity: STUDY/PILOT PROJECT (FINANCING CPPF) WITH ONE PROVINCE REF SALMON HANDLING (PRIVATE SECTOR PARTNER TO BE IDENTIFIED)

Results Expected: TO SHOW CANADIAN EXPERTISE AND FURTHER POTENTIAL FOR COMMERCIAL VENTURE.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 005 COMM. & INFORM. EQP. & SERV

Subsector: 053 TELECOMMUNICATIONS (INC SPACE)

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	350.00M	\$ 350.00M	\$ 330.50M	\$ 326.90M
Canadian Exports \$	3.00M	\$ 0.50M	\$ 2.50M	\$ 3.90M
Canadian Share of Import Market	0.90%	0.01%	0.80%	1.20%

Major Competing Countries

Market Share

i) 128 GERMANY WEST	030 %
ii) 112 FRANCE	006 %
iii) 265 JAPAN	030 %
iv) 237 ITALY	009 %
v) 577 UNITED STATES OF AMERICA	010 %
vi) 047 BRAZIL	008 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) DOMESTIC COMMUNICATIONS SATELLITE	\$ 0.00 M
ii) HIGH AND LOW CAPACITY SWITCHING SYSTEMS	\$ 85.00 M
iii) RURAL TELEPHONY	\$ 35.00 M
iv) DIGITAL MULTIPLEXERS	\$ 0.00 M
v) TELEPHONE DIRECTORIES (INTERIOR OF COUNTRY)	\$ 0.00 M
vi) CONSULTING SERVICES TO ENTEL	\$ 0.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be high

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- high tariffs
- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:
WITH SPECIFIC REFERENCE TO DOMESTIC COMMUNICATIONS SATELLITE,
ARGENTINE DECISION TO PURCHASE WILL REQUIRE HIGH LEVEL POLITICAL
DECISION WHICH TO DATE HAS NOT BEEN MADE.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade fairs

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: DEMONSTRATION OF ANIPAK TO ENTEL TECHNICIANS.

Results Expected: ENTEL COULD PLACE SUBSTANTIAL ORDER FOR THIS EQUIPMENT (VALUE UNKNOWN).

Activity: ENCOURAGE ARGENTINE DECISION-MAKERS TO ATTEND SATELLITE '86 SEMINAR IN SAO PAULO

Results Expected: OPPORTUNITY TO KEEP INTEREST IN CDN SATELLITE TECHNOLOGY ALIVE UNTIL ARG TAKES POLITICAL DECISION TO PURCHASE SATELLITE

Activity: ACTIVE SUPPORT TO NEWLY-FORMED CHAMBER OF SATELLITE APPLICATIONS SERVICE COMPANIES

Results Expected: EXPAND INTEREST IN SATELLITE APPLICATIONS AMONG EVENTUAL SERVICE END-USERS

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

Activity: PARTICIPATE IN JORSAT II (ARG PRIVATE/PUBLIC SECTOR INITIATIVE DESIGNED TO BUILD UP A CONSTITUENCY AMONG SATELLITE SERVICE END-USERS)

Results Expected: FURTHER INCREASE CDN VISIBILITY IN SATELLITE SECTOR ESPECIALLY RE-DESIGNING OF APPLICATION BASED ON SIMILAR GEOGRAPHIC/ECONOMIC NECESSITIES

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

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

Activity: CANADIAN-ARGENTINE SEMINAR ON SOCIO-ECONOMIC IMPLICATIONS OF SATELLITES II, WITH STRESS ON BUSINESS APPLICATIONS.

Results Expected:

Activity: ENCOURAGE CANADIAN MANUFACTURERS TO ESTABLISH JOINT VENTURE FOR TELECOM EQUIPMENT MANUFACTURE FOR RURAL TELEPHONY, AND MEGATEL II 5 MILLION LINE EXPANSION.

Results Expected: MEDIUM-TERM SALES OF RURAL TELEPHONE EQUIPMENT TO PRIVATE CO-OPERATIVES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	500.00M	\$ 210.00M	\$ 240.00M	\$ 160.00M
Canadian Exports \$	25.00M	\$ 5.00M	\$ 17.80M	\$ 8.40M
Canadian Share of Import Market	5.00%	2.40%	7.40%	5.30%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	025 %
ii) 047 BRAZIL	010 %
iii) 553 UNION OF SOVIET SOC REP	025 %
iv) 128 GERMANY WEST	010 %
v) 112 FRANCE	020 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) HYDRO TURBINES	\$ 0.00 M
ii) HYDRO GENERATORS	\$ 0.00 M
iii) HEAVY ELECTRICAL SWITCHGEAR	\$ 0.00 M
iv) CONSULTING ENG. SERVICES	\$ 0.00 M
v) CONTROL SYSTEMS FOR POWER GRIDS	\$ 0.00 M
vi) NON-CONVENTIONAL ENERGY SYSTEMS	\$ 0.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: YACYRETA HYDRO
Approximate Value: \$ 12000 M
Financing Source: 001 IBRD 003 IADB
023 EDC

For further info. please contact:
W. PERKINS/EMBASSY TLX:33-21383

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: PIEDRAL DEL AGUILA HYDRO
Approximate Value: \$ 3000 M
Financing Source: 003 IADB 023 EDC
For further info. please contact:
W. PERKINS/EMBASSY TLX:33-21383
- iii) Project Name: PACHI PICUN LEUFU
Approximate Value: \$ 1000 M
Financing Source: 023 EDC
For further info. please contact:
W. PERKINS/EMBASSY TLX:33-21383
- iv) Project Name: SEGBA DISTRIBUTION POWER ENGINEERING PROJECT
Approximate Value: \$ 425 M
Financing Source: 001 IBRD
For further info. please contact:
W. PERKINS/EMBASSY TLX:33-21383

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

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

Activity: REPORT ON SEGBA'S DISTRIBUTION SYSTEM EXPANSION PROJECT

Results Expected: TO IDENTIFY OPPORTUNITIES FOR CDN MEDIUM VOLTAGE EQPT. SUPPLIES TO EXPORT COMPONENTS AND TECHNOLOGY TO LOCAL ASSOCIATES.

Activity: ANALYSIS AND REPORT ON FEDERAL ENERGY SECRETARIATS "POWER ENGINEERING PROJECT" TO BE FINANCED BY IBRD.

Results Expected: TO IDENTIFY POSSIBLE CONSULTANCY CONTRACTS FOR CERTAIN SPECIAL AREAS OF EXPERTISE RELATED TO POWER SYSTEMS.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 008 TRANSPORT SYS. EQUIP. COMP. SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	360.00M	\$ 260.00M	\$ 167.00M	\$ 325.00M
Canadian Exports \$	17.00M	\$ 10.40M	\$ 6.80M	\$ 8.60M
Canadian Share of Import Market	4.70%	4.00%	4.00%	2.60%

Major Competing Countries

Market Share

i) 112 FRANCE	040 %
ii) 237 ITALY	025 %
iii) 047 BRAZIL	015 %
iv) 128 GERMANY WEST	010 %
v) 577 UNITED STATES OF AMERICA	005 %
vi) 616 OTHER COUNTRIES	005 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) RAILWAY LOCOMOTIVES PARTS AND COMPONENTS	\$ 0.00 M
ii) RAILWAY COMMUNICATION & SIGNALLING EQUIPMENT	\$ 0.00 M
iii) OEM PARTS FOR LOCALLY MADE ROAD VEHICLES	\$ 0.00 M
iv) NAVAL COMMUNICATIONS SYSTEM	\$ 0.00 M
v) MLS LANDING SYSTEMS	\$ 0.00 M
vi) AIRFIELD RADAR	\$ 0.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: MLS LANDING SYSTEMS (24 UNITS)
Approximate Value: \$ M
Financing Source: 023 EDC 024 BC
For further info. please contact:

EMBASSY/TLX: 33-21383 OTT: P. SAROLI 995-8804

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: TO CONTINUE MONITORING SITUATION REGARDING GOVERNMENT PLAN TO UP-DATE AIRPORT SITES EQUIPMENT

Results Expected: REF PURCHASE MLS UNITS AND TO IDENTIFY IN GENERAL POTENTIAL FOR CANADIAN SUPPLIER.

Activity: CIDA/CPPF FINANCED URBAN TRAFFIC CONTROL STUDY BY DELCANDA FOR ROSARIO CITY.

Results Expected: TO IDENTIFY POTENTIAL REF TRAFFIC CONTROL SYSTEMS

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

Activity: SECTORIAL STUDY REF AIR AND MARINE AIDS MARKET

Results Expected: TO BETTER IDENTIFY POTENTIAL FOR CANADIAN SUPPLIERS

Activity: REPORT ON RAILWAY DEVELOPMENT PROGRAM

Results Expected: TO IDENTIFY OPPORTUNITIES FOR THE SUPPLYING OF VARIOUS SERVICES/EQUIPMENT

02/03/87

DEPARTMENT OF EXTERNAL AFFAIRS

Page: 19

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

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

Activity: SECTORIAL STUDY, ARGENTINE AUTO INDUSTRY

Results Expected: TO IDENTIFY POTENTIAL FOR SUPPLY/TRANSFER OF TECHNOLOGY

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES

Subsector: 096 EQUIPMENT AND MACHINERY

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	25.00M	\$ 15.00M	\$ 20.00M	\$ 15.00M
Canadian Exports \$	1.50M	\$ 0.40M	\$ 0.40M	\$ 0.50M
Canadian Share of Import Market	6.00%	2.60%	2.00%	3.30%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	040 %
ii) 612 SCANDINAVIA	030 %
iii) 047 BRAZIL	025 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports
In Canadian \$
\$ 3.00 M

i) EQUIPMENT FOR PAPER MILLS

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: PUERTO PIRAY SA: STUDY OF AN ADDITION OF A BLEACHED KRAFT PULP LINE
Approximate Value: \$ 20 M
Financing Source: 023 EDC
For further info. please contact:
HANS GLANSDORP TLX: 33-21383

ii) Project Name: PAPELAR SA
Approximate Value: \$ 10 M
Financing Source: 013 NFR
For further info. please contact:
HANS GLANSDORP TLX: 33-21383

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: NEW PAPER PLANT PROVINCE OF CORRIENTES

Approximate Value: \$ 15 M

Financing Source: 024 BC

For further info. please contact:

HANS GLANSDORP TLX: 33-21383

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CANADIAN PROJECT PREPARATION FACILITIES (CPPF) STUDIES REF PUERTO PIRAY SA AND PAPELAR SA BY SANDWELL/SWN WOOSTER.

Results Expected: TO IDENTIFY POTENTIAL FOR CANADIAN SUPPLIERS MACHINERY AND EQUIPMENT.

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

Activity: PULP AND PAPER INDUSTRY SECTORIAL STUDY

Results Expected: TO IDENTIFY NEEDS (RAW MATERIALS, MACHINERY AND EQUIPMENT) REF PREPARATION FORESTRY EQUIPMENT MISSION FALL 87.

02/03/87

DEPARTMENT OF EXTERNAL AFFAIRS

Page: 22

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

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

Activity: POSSIBLE CPPF MASTER PLAN FOREST MANAGEMENT PROVINCE OF CORRIENTES BY H.A. SIMONS INT.

Results Expected: TO IDENTIFY POTENTIAL FOR MACHINERY AND EQUIPMENT.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 010 MINE, METAL, MINERAL PROD & SRV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	600.00M	\$ 380.00M	\$ 410.00M	\$ 1300.00M
Canadian Exports \$	12.00M	\$ 10.00M	\$ 7.40M	\$ 21.90M
Canadian Share of Import Market	2.00%	2.60%	5.50%	1.70%

Major Competing Countries

Market Share

i) 047 BRAZIL	045 %
ii) 577 UNITED STATES OF AMERICA	020 %
iii) 068 CHILE	030 %

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

Current status of Canadian exports:

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) SULPHUR	\$ 20.00 M
ii) ASBESTOS	\$ 10.00 M
iii) ZINC	\$ 50.00 M
iv) TINPLATE	\$ 15.00 M
v) MINING SERVICES	\$ 0.00 M
vi) MINING EQUIPMENT	\$ 2.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FOLLOW-UP ON MINING STUDIES BY ROCHE INTERNATIONAL FINANCED BY CIDA/CPPF

Results Expected: TO IDENTIFY POTENTIAL FOR SERVICES/EQUIPMENT CONTRACTS IN STILL HARDLY DEVELOPED MINING SECTOR

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

Activity: REPORT ON DEVELOPMENT OF MINING PROJECTS RIO TURBIO (COAL) BAJO DE LA ALUMBRERA (COPPER/GOLD) AND HIPASAM (IRON ORE)

Results Expected: TO IDENTIFY OPPORTUNITIES FOR SUPPLY OF MINING EXPERTISE AND EQUIPMENT.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 011 OIL & GAS EQUIPMENT, SERVICES

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	1000.00M	\$ 500.00M	\$ 600.00M	\$ 800.00M
Canadian Exports \$	2.00M	\$ 0.80M	\$ 0.60M	\$ 1.20M
Canadian Share of Import Market	0.20%	0.16%	1.00%	0.15%

Major Competing Countries

Market Share

i) 423 BOLIVIA	070 %
ii) 047 BRAZIL	005 %
iii) 577 UNITED STATES OF AMERICA	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) SERVICES FOR OIL/GAS PRODUCTION/PROCESSING	\$ 0.00 M
ii) GAS COMPRESSION EQUIPMENT	\$ 0.00 M
iii) GAS PROCESSING EQUIPMENT	\$ 0.00 M
iv) GAS FUELING EQUIPMENT	\$ 0.00 M
v) OILFIELD EQUIPMENT	\$ 0.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: GAS UTILIZATION AND TECHNICAL ASSIS-
TANCE PROJECT UNDER YPF

Approximate Value: \$ 200 M

Financing Source: 001 IBRD

For further info. please contact:

W. PERKINS TLX:33-21383

ii) Project Name: NORTHERN GAS PIPELINE EXPANSION

Approximate Value: \$ 250 M

Financing Source: 001 IBRD

For further info. please contact:

W. PERKINS TLX 33-21383

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: CENTRAL WEST GAS PIPELINE

Approximate Value: \$ 250 M

Financing Source: 025 OTHER

For further info. please contact:

W. PERKINS TLX:33-21383

iv) Project Name: LOMA DE LA LATA/BUENOS AIRES GAS PIPELINE

Approximate Value: \$ 1300 M

Financing Source: 024 BC

For further info. please contact:

W. PERKINS TLX:33-21383

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

02/03/87

DEPARTMENT OF EXTERNAL AFFAIRS

Page: 27

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FOLLOW UP ON GAZ METRO/NOVA/SNC GAS STUDY FINANCED BY CIDA/CPPF FOR GAS DE L'ESTADO

Results Expected: TO IDENTIFY POTENTIAL FOR ENGINEERING SERVICES AND POSSIBLY EQUIPMENT.

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

Activity: REPORT/ANALYSIS OF THE ARGENTINE ENERGY PLAN

Results Expected: TO IDENTIFY POTENTIAL FOR ENGINEERING SERVICES AND EQUIPMENT.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights

Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 012 PETROCHEM & CHEM PROD, EQP, SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	300.00M	\$ 280.00M	\$ 265.00M	\$ 250.00M
Canadian Exports \$	1.70M	\$ 1.50M	\$ 1.40M	\$ 1.30M
Canadian Share of Import Market	0.50%	0.50%	0.50%	0.50%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	040 %
ii) 609 EUROPEAN COMMON MARKET C	030 %
iii) 047 BRAZIL	020 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

In Canadian \$

i) PETROCHEMICAL PRIMARY PRODUCTS	\$ 175.00 M
ii) PETROCHEMICAL EQUIPEMENT	\$ 0.00 M
iii) SPECIALITIES PLASTICS	\$ 5.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: ATANOR'S NEW HYDROGEN PEROXIDE PLANT

Approximate Value: \$ 15 M

Financing Source: 013 NFR

For further info. please contact:

W. PERKINS/EMBASSY TLX: 33-21383

ii) Project Name: EXPANSION OF GENERAL CERRY ETHANE PLANT

Approximate Value: \$ 120 M

Financing Source: 013 NFR

For further info. please contact:

W. PERKINS/EMBASSY TLX: 33-21383

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- iii) Project Name: UREA FERTILIZER PLANT 350.000 TONNES
Approximate Value: \$ 200 M
Financing Source: 013 NFR
For further info. please contact:
W. PERKINS/EMBASSY TLX:33-21383

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

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

Activity: SECTORIAL STUDY OF PETRO AND CHEMICAL INDUSTRY.

Results Expected: TO IDENTIFY POTENTIAL FOR PRIMARY PRODUCTS, EQUIPMENT AND SERVICES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 014 EDUCATION, MEDICAL, HEALTH PROD

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	150.00M	\$ 195.00M	\$ 155.00M	\$ 156.00M
Canadian Exports \$	1.80M	\$ 1.40M	\$ 1.80M	\$ 1.80M
Canadian Share of Import Market	1.20%	1.00%	1.20%	1.20%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	037 %
ii) 128 GERMANY WEST	016 %
iii) 265 JAPAN	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports In Canadian \$
i) RADIOACTIVE ELEMENTS AND ISOTOPS \$ 1.00 M
ii) BIOLOGICAL AND MEDICAL SUPPLIES \$ 0.10 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- high tariffs
- non-tariff protectionist measures which are difficult to overcome

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

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

Activity: ANALYSIS AND REPORT ON ARGENTINE GOVERNMENT INVESTMENT PLANS IN EDUCATION AND HEALTH SECTOR.

Results Expected: TO IDENTIFY POTENTIAL FOR CANADIAN EXPORTERS.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 001 ARGENTINA

Sector: 016 INDUSTRIAL MACHIN, PLANTS, SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	500.00M	\$ 450.00M	\$ 400.00M	\$ 360.00M
Canadian Exports \$	0.00M	\$ 0.00M	\$ 0.00M	\$ 0.00M
Canadian Share of Import Market	0.00%	0.00%	0.00%	0.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	050 %
ii) 609 EUROPEAN COMMON MARKET C	020 %
iii) 047 BRAZIL	015 %

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

Current status of Canadian exports: No Export results to date

Products/services for which there are
good market prospects

Current Total Imports
In Canadian \$

i) MANUFACTURING EQUIPMENT	\$ 180.00 M
ii) SERVICES	\$ 20.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- non-tariff protectionist measures which are difficult to overcome
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 001 ARGENTINA

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

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

Activity: TO ESTABLISH WORKING RELATIONSHIP WITH COMMERCIAL BANKS TO IDENTIFY INDUSTRIAL EXPANSION PLANS IN PRIVATE SECTOR.

Results Expected: TO IDENTIFY SPECIFIC OPPORTUNITIES FOR CDN EXPORTERS.

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 631 BUENOS AIRES

Country: 008 URUGUAY

BIEN QU'IL SOIT DEJA POSSIBLE DE PERCEVOIR LES BENEFICES DES AJUSTEMENTS ECONOMIQUES QUI ONT SUIVI LA TRANSITION POLITIQUE DE MARS 85 EN URUGUAY ET L'ACCORD AVEC LE FMI D'OCTOBRE DE LA MEME ANNEE, BEAUCOUP RESTE A FAIRE. L'INFLATION ANNUELLE (75%) SE MAINTIENT A 15 POINTS EN DESSUS DE L'OBJECTIF FIXE PAR LE FMI, ET SI DEPUIS OCTOBRE 85 LE PNB EN TERMES REELS MONTRE UNE CROISSANCE (2.2%) LEGEREMENT SUPERIEURE A L'OBJECTIF DE L'ADMINISTRATION, ON NE PEUT CEPENDANT PAS PARLER D'UNE REPRISE SOUTENUE DE L'ACTIVITE ECONOMIQUE, CETTE CROISSANCE DU PNB ETANT EXCLUSIVEMENT DUE A L'AUGMENTATION DE LA PRODUCTION DANS LA PRODUCTION DANS LE SECTEUR AGRICOLE. LA PERTE DE VITESSE DU SECTEUR DE LA CONSTRUCTION (-10.1%) ET LA REDUCTION DES IMPORTATIONS DE BIENS D'EQUIPEMENT TEMOIGNENT EGALEMENT DES DIFFICULTES QU'EPROUVE LE GOUVERNEMENT D'URUGUAY POUR RELANCER L'INVESTISSEMENT PRIVE EN REGRESSION DEPUIS LE DEBUT DE LA DECENNIE. LA COMPRESSION DES IMPORTATIONS ET LA FORTE CROISSANCE DES EXPORTATIONS, SURTOUT AGRICOLES, PERMETTRA UNE REDUCTION SENSIBLE DU DEFICIT COMMERCIAL EN 1986 CE QUE MENERA, AVEC LA REPRATRIEMENT NOTABLE DE CAPITAL QU'IL EST POSSIBLE D'OBSERVER DEPUIS LE DEBUT 86, A UNE AUGMENTATION IMPORTANTE DES RESERVES. L'URUGUAY A EGALEMENT FINALISE EN JUILLET DERNIER UN ACCORD DE RE-ECHELONNEMENT DE LA DETTE PUBLIQUE VENANT A ECHEANCE ENTRE LE PREMIER JANVIER 85 ET LE 31 DECEMBRE 89, ET LES CONDITIONS ET TERMES OBTENUS DEVRAIENT PERMETTRE DE MOBILISER LES RESSOURCES NECESSAIRES POUR REALISER LES AJUSTEMENTS ECONOMIQUES DESIRES. LES OBJECTIFS ECONOMIQUES DU GOUVERNEMENT URUGUAYEN, AU COURS DE L'ANNEE 87, VISENT ESSENTIELLEMENT A LA CROISSANCE DES INVESTISSEMENTS, NOUVEAUX APPORTS ET MODERNISATION ET LA CROISSANCE ET DIVERSIFICATION DES EXPORTATIONS. LE GOUVERNEMENT A DEJA ANNONCE SON INTENTION D'AUGMENTER LE RYTHME DES INVESTISSEMENTS D'UN 15/20% PAR ANNEE EN DOUBLANT LA PARTICIPATION DU SECTEUR PUBLIC (9.8% DU PNB COMPARATIVEMENT A 4.5% PRESENTEMENT). DE PLUS BIRD S'EST DEJA ENGAGEE A DEBOURSER ENVIRON \$100 MILLIONS (US) AU COURS DE L'ANNEE 87. LE GOUVERNEMENT A EGALEMENT ANNONCE UN PROGRAMME DE PROMOTION DES INVESTISSEMENTS AXE SUR L'EXPORTATION ET OFFRANT DES AVANTAGES FISCAUX IMPORTANTS. CE CADRE D'ACTION OFFRE DES POSSIBILITES INTERESSANTES DE COOPERATION POUR LES ENTREPRISES CONNES. L'URUGUAY DOIT NECESSAIREMENT AUGMENTER ET MODERNISER SES CAPACITES DE PRODUCTION, ET EST A LA RECHERCHE DE CAPITAL MAIS AUSSI A LA RECHERCHE DE TECHNOLOGIES (LICENSES, ENTREPRISES CONJOINTES DE PRODUCTIONS, ASSISTANCE TECHNIQUE ETC). EN PLUS DE L'AGRICULTURE ET DES PECHERIES, LES SECTEURS DE L'ENERGIE ET DES TRANSPORTS OFFRENT EN CE SENS UN POTENTIEL INTERESSANT. LE GOUVERNEMENT DE L'URUGUAY OFFRE UN REGIME TRES LIBERAL POUR LES INVESTISSEMENTS ETRANGERS ET SAURA SANS DOUTE ATTIRER LES RESSOURCES NECESSAIRES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 631 BUENOS AIRES

Market: 008 URUGUAY

Sector: 014 EDUCATION, MEDICAL, HEALTH PROD

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	9.20M	\$ 8.70M	\$ 9.20M	\$ 9.90M
Canadian Exports \$	0.20M	\$ 0.20M	\$ 0.02M	\$ 0.30M
Canadian Share of Import Market	2.17%	2.29%	0.21%	3.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	035 %
ii) 265 JAPAN	013 %
iii) 128 GERMANY WEST	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports
In Canadian \$

i) MEDICAL PRODUCTS	\$ 0.20 M
ii) BIOLOGICAL PRODUCTS	\$ 0.10 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Export and Investment Promotion Planning System

MISSION: 631 BUENOS AIRES

COUNTRY: 008 URUGUAY

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

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

Activity: ANALYSIS AND REPORT ON URUGUAY GOVERNMENT INVESTMENT PLANS IN EDUCATION AND HEALTH SECTORS

Results Expected: TO IDENTIFY POTENTIAL FOR CANADIAN EXPORTERS.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		
Mission: 631 BUENOS AIRES		
Sector: 001 AGRI & FOOD PRODUCTS & SERVICE		
020 MISSION OUTGOING		
FERTILIZER MISSION TO ARGENTINA		1187
TECHNICAL SEEDS MISSION (ARGENTINA)	BUENOS AIRES	0987
024 MISSION INCOMING		
SEED POTATOES MISSION (URUGUAY)		0787
HYBRID, FORAGE & SPECIAL. SEEDS MISSION FM ARGENT.		1187
HYBRID, FORAGE & SPECIALIZED SEEDS MISSION FM ARG		1187
Sector: 005 COMM. & INFORM. EGP. & SERV		
020 MISSION OUTGOING		
SATELLITE SEMINAR II (ARGENTINA)	BUENOS AIRES	0687
024 MISSION INCOMING		
(ARGENSAT) SATELLITE MISSION FROM ARGENTINA		0987
Sector: 006 ELECTRONICS EQUIP. & SERV		
024 MISSION INCOMING		
(ARGENSAT) SATELLITE MISSION FROM ARGENTINA		0987
Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.		
020 MISSION OUTGOING		
AUTO PARTS MISSION TO ARGENTINA		0687
AUTO PARTS MISSION TO ARGENTINA		0687
AUTOMOBILE COMPONENTS MISSION (ARGENTINA)	BUENOS AIRES	1087
024 MISSION INCOMING		
RAIL TRANSPORTATION MISSION (ARGENTINA)		0787
Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES		
024 MISSION INCOMING		
FORESTRY MISSION FROM ARGENTINA		1087
FORESTRY EQUIPMENT MISSION (ARGENTINA)		1087
Sector: 010 MINE, METAL, MINERAL PROD & SRV		
020 MISSION OUTGOING		
FERTILIZER MISSION TO ARGENTINA		1187
024 MISSION INCOMING		
MINING EQUIPMENT MISSION (ARGENTINA)		0987

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		
Mission: 631 BUENOS AIRES		
Sector: 010 MINE, METAL, MINERAL PROD & SRV		
024 MISSION INCOMING MINING MISSION FROM ARGENTINA		0587
Sector: 011 OIL & GAS EQUIPMENT, SERVICES		
020 MISSION OUTGOING OIL AND GAS EQUIPMENT MISSION (ARGENTINA)	BUENOS AIRES	0587
OIL AND GAS MISSION TO ARGENTINA AND BRAZIL	ARGENTINA/BRAZIL	0587
024 MISSION INCOMING GAS EQUIPMENT MISSION FROM ARGENTINA		0487
Sector: 015 CONSTRUCTION INDUSTRY		
020 MISSION OUTGOING CONSTRUCTION MISSION (ARGENTINA & URUGUAY)	B. AIRES/MONTEVIDEO	1187
Sector: 016 INDUSTRIAL MACHIN, PLANTS, SERV.		
020 MISSION OUTGOING RURAL DEVELOPMENT MISSION TO ARGENTINA (SOCIEDAD)		0787
NON-DESTRUCTIVE TESTING EQUIPMENT MISS. TO ARGENT.		0388
NON-DESTRUCTIVE TESTING EQUIP. MISSION TO ARGENTINA		0388
024 MISSION INCOMING FORESTRY MISSION FROM ARGENTINA		1087
BUYERS FM LAC TO CDN MACHINE TOOL SHOW/TORONTO	TORONTO	0987
MINING MISSION FROM ARGENTINA		0587
GAS EQUIPMENT MISSION FROM ARGENTINA		0487
BUYERS FROM LAC TO CANADIAN MACHINE TOOL SHOW IN TORONTO		0987
Sector: 017 SERVICE INDUSTRIES		
020 MISSION OUTGOING RURAL DEVELOPMENT MISSION TO ARGENTINA (SOCIEDAD)		0787
Sector: 999 MULTIPLE SECTORS		
020 MISSION OUTGOING INDUSTRIAL COOPERATION MISSION (ARGENTINA)	BUENOS AIRES/URUGUAY	

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 633 SANTIAGO

Country: 068 CHILE

DESPITE A SLOWLY GROWING (OVER US\$20BN) FOREIGN DEBT & POLITICAL DIFFICULTIES, THE CHILEAN ECONOMY IS ON THE UPSWING AND CONFIDENCE IS GROWING AS WITNESSED BY THE STILL MODEST BUT REGULAR RETURN OF THE MONEY THAT FLED THE COUNTRY IN THE EARLY SEVENTIES. THE GOVT IS REPRIVATIZING THE COMPANIES THAT WERE NATIONALIZED UNDER ALLENDE, MAKING SURE HOWEVER, THAT THEY KEEP CONTROL OF CERTAIN PUBLIC SECTOR COMPANIES AND NATIONAL RESOURCES. THE OTHER MAJOR ECONOMIC POLICIES CENTERED ON THE EXTERNAL DEBT RESCHEDULING, THE CASE BY CASE RENEGOTIATIONS OF PRIVATE LOCAL COS DEBTS (OVER 50000) WHICH WERE CONTRACTED MOSTLY IN US DOLLARS BEFORE THE 1982, DEVALUATION OF THE PESOS (FROM 39 PESOS TO 200 PESOS, A DOLLAR IN LESS THAN 2 YEARS), THE DEVELOPMENT OF A PROGRAM TO IMPROVE THE TECHNOLOGY AND EQUIPMENT IN THE AGRICULTURAL, FORESTRY AND MINING SECTORS UTILIZING MOSTLY IRDB AND IADB MONEY AND THE INTRODUCTION OF AN AGGRESSIVE CAMPAIGN TO ATTRACT FOREIGN INVESTMENTS. IF EXPORT PRICES OF CHILE'S MAIN COMMODITIES (COPPER, PULP, LUMBER, LOGS, AGRICULTURAL PRODUCTS AND FISH MEAL) DO NOT EXPERIENCE A SHARP DECREASE AND IF THE GOVERNMENT CAN RENEGOCIATE ITS FOREIGN DEBT ON A LONGER TERM BASIS IN 1987, WE BELIEVE THEY WILL BE ABLE TO FULFILL THEIR ECONOMIC GOALS AND EVEN REDUCE THE NATIONAL ACCOUNT DEFICIT. THE OUTLOOK FOR THE YEAR TO COME LOOKS PROMISING AS CANADIAN FIRMS ARE ACTIVELY PURSUING PROJECTS IN THE FORESTRY AND MINING SECTORS. IN FORESTRY, THE MOST INTERESTING PROJECTS ARE THE PLANNED CONSTRUCTION OF 2 NEW PULP MILLS VALUED AT OVER US\$600 MILLION. FINANCING WILL NATURALLY, BE THE DECISIVE FACTOR BUT WE HAVE EVIDENCE THAT AT LEAST 1 OF THE 2 PROJECTS IS LIKELY TO BE IMPLEMENTED. THE DOWNSTREAM POSITIVE EFFECT WILL BE IN THE LOGGING AND SAWMILLING EQUIPMENT NEEDS OVER 6 YEARS, (US\$150 MILLION) CREATED BY THESE PROJECTS. IN THE MINING SECTOR, CODELCO NEEDS FOR NEW EQUIPMENTS ARE VALUED AT US 300 MILLION PER YEAR. THE OTHER MINING FIRMS WILL COLLECTIVELY BUY FOR ABOUT US\$100 MILLION. THIS DOES NOT TAKE INTO ACCOUNT THE MAJOR PROJECTS PURSUED BY UTAH MINES AND EXXON. SULPHUR AND GOLD MINING PROJECTS ARE ACTIVELY PURSUED BY CANADIAN COMPANIES. FISHERIES, TELECOMMUNICATIONS ARE THE OTHER SECTORS WHERE CANADIAN COMPANIES SHOULD INCREASE THEIR EFFORTS. IN THE ENERGY SECTOR, CHILE WILL TERMINATE THE CONSTRUCTION OF 2 HYDRO ELECTRIC PROJECTS VALUED AT OVER US\$500 MILLION IN 1988 AND WILL ISSUE TENDERS FOR THE US\$700 MILLION PEHUENCHE'S 500 MW CENTRAL IN 1987.

Export and Investment Promotion Planning System

REPT: SYN-GEO 87/88 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

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

1. 009 FOREST PRODUCTS, EQUIP, SERVICES

REASONS: CHILE WILL QUINTUPLE ITS FOREST PROD'N THE NEXT 5-6 YRS. THE MKT FOR LOGGING & SAWMILLING EGPT IS VALUED AT OVER 150 MN US. 2 PULP MILL PROJ ARE UNDER CONSIDER'N TOTAL VALUE OF PROJ. OVER 600 MN US.

2. 010 MINE, METAL, MINERAL PROD & SRV

REASONS: CODELCO & OTHER SMALLER MINES SPEND ROUGHLY 350-400 M US YEARLY FOR MINING EGPT, INCLUDING REALTED EGPT FOR PROCESSING & ALSO ANTIPOLLUTION EGPT. THERE IS ALSO INTEREST FOR NEW SULPHUR & GOLD MINES DEVELOPMENT.

3. 002 FISHERIES, SEA PRODUCTS & SERV.

REASONS: CHILE HAS 4000 KM OF COASTLINE WITH UNTAPPED RESERVES. DEEPSEA FISHING NOT YET DEVELOPED. THERE IS A VERY GOOD POTENTIAL FOR JOINT VENTURE & SALE OF CANADIAN EQUIPMENT AND SERVICES.

4. 005 COMM. & INFORM. EGP. & SERV

REASONS: 2 MAJOR PROJS WORTH PURSUING: ADD'N OF 250000 TEL. LINES IN NEXT 3 YRS & EXPANSION OF 21000 DIGITAL LINES. THE DATA TRANSMISSION SYST. PROJS OF ENTEL CLD PRESENT GOOD OPPORT. ALSO FOR CDN COS, 200\$M US.

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

1. 010 MINE, METAL, MINERAL PROD & SRV

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 011 ANIMAL,POULTRY BREEDING STOCK

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	2.50M	\$ 1.70M	\$ 1.40M	\$ 0.00M
Canadian Exports \$	0.62M	\$ 0.34M	\$ 0.34M	\$ 0.00M
Canadian Share of Import Market	25.00%	20.00%	24.29%	0.00%

Major Competing Countries

Market Share

i) 051 UNITED KINGDOM	030 %
ii) 354 NETHERLANDS	025 %
iii) 128 GERMANY WEST	020 %
iv) 577 UNITED STATES OF AMERICA	015 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports
In Canadian \$
\$ 0.34 M

i) BOVINE SEMEN

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:
EUROPEAN IMAGE IS VERY STRONG. THEY WERE THE FIRST TO EXPORT SEMEN TO CHILE. CANADA IS A FAIRLY NEW COMER BUT OUR SHARE OF MARKET IS GROWING STEADILY.

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: NEGOTIATIONS ARE STILL PROCEEDING BETWEEN AGRICULTURE CANADA AND CHILEAN AGRICULTURE MINISTRY FOR IMPORT REGULATIONS. WE ARE ALSO DEVELOPING REGULATIONS FOR EMBRYOS EXPORT.

Results Expected: INCREASE OF SHARE OF MARKET BY 5% PER YEAR.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 002 FISHERIES, SEA PRODUCTS & SERV.

Subsector: 023 MARINE HARV, PROC MACH & EQUIP

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	30.00M	\$ 20.00M	\$ 0.00M	\$ 0.00M
Canadian Exports \$	5.00M	\$ 0.00M	\$ 0.00M	\$ 0.00M
Canadian Share of Import Market	16.00%	0.00%	0.00%	0.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	50 %
ii) 288 SOUTH AFRICA	10 %
iii) 410 NORWAY	10 %
iv) 265 JAPAN	10 %

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

Current status of Canadian exports: No Export results to date

Products/services for which there are
good market prospects

Current Total Imports In Canadian \$
i) DEEPSEA FISHING EQPT. \$ 0.00 M
ii) PROCESSING EQPT. \$ 0.00 M
iii) TRAWLERS EQPT. \$ 0.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: 2 DEEP-SEA FISHING BOATS & EQUIPMENTS
Approximate Value: \$ 10 M
Financing Source: 028 TO/DETER
For further info. please contact:
MISSION/TLX: 34-240341

ii) Project Name: PROCESSING EQUIPMENT
Approximate Value: \$ 2 M
Financing Source: 028 TO/DETER
For further info. please contact:
MISSION/TLX: 34-240341

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: POST IS COMPLETING A MARKET STUDY FOR DEEP-SEA FISHING AND PROCESSING EQUIPMENT.

Results Expected: INTEREST CANADIAN AND CHILEAN FIRMS IN INVESTING IN THAT SECTOR.

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

Activity: IDENTIFY LOCAL FISHING COS INTERESTED IN DEVELOPPING DEEP-SEA FISHING. IDENTIFY POTENTIAL CDN INVESTORS IF NEEDED.

Results Expected: SALE OF 2 FISHING BOATS AND PROCESSING EGPT IN NEXT TWO YEARS + PROCESSING PLANT.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 003 GRAINS AND OILSEEDS

Subsector: 031 CEREAL GRAINS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	60.00M	\$ 65.00M	\$ 70.00M	\$ 85.00M
Canadian Exports \$	0.00M NA	\$ 0.00M	\$ 0.00M	\$ 0.00M
Canadian Share of Import Market	0.00% NA	0.00%	0.00%	0.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA

100 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector:

1-3 \$M

Current status of Canadian exports: No Export results to date

Products/services for which there are good market prospects

Current Total Imports
In Canadian \$
\$ 0.00 M

i) WHEAT

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- other factor(s) described by the Trade Office as follows:

USA HAS BEEN SUBSIDIZING ITS WHEAT EXPORT TO CHILE. CHILE IS TRYING TO BE SELF-SUFFICIENT IN NEXT 10 YRS THEIR IMPORTS WILL DECREASE CONSIDERABLY BUT TO KEEP PROTEIN CONTENT AT AN ACCEPTABLE LEVEL, THEY MAY IMPORT HIGH PROTEIN WHEAT SUCH AS CDN WHEAT.

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- No factors reported by mission

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: WE ARE COOPERATING WITH CIGI TO INVITE MILLING AND BAKERIES SPECIALISTS TO ATTEND SEMINAR IN CDA TO INTRODUCE THEM TO CDN TECHNIQUES USING CDN WHEAT.

Results Expected: SELL CDN WHEAT

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

Activity: GRAIN REPORT

Results Expected: SELL CANADIAN WHEAT.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 004 DEFENCE PROGRAMS, PRODUCTS, SERV

Subsector: 041 AEROSPACE & MARINE

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	30.00M	\$ 50.00M	\$ 60.00M	\$ 80.00M
Canadian Exports \$	4.00M	\$ 8.00M	\$ 8.00M	\$ 6.00M
Canadian Share of Import Market	13.30%	16.00%	13.30%	7.50%

Major Competing Countries

Market Share

i) 051 UNITED KINGDOM	020 %
ii) 499 SPAIN	020 %
iii) 112 FRANCE	020 %
iv) 237 ITALY	010 %
v) 068 CHILE	015 %
vi) 616 OTHER COUNTRIES	001 %

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

Current status of Canadian exports: Market share declining

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) SPARE PARTS (AIRCRAFTS)	\$ 30.00 M
ii) HELICOPTERS	\$ 10.00 M
iii) UNARMED PATROL VESSELS	\$ 8.00 M
iv) AIRCRAFT OVERHAUL AND REPAIR	\$ 4.00 M
v) ICE BRAKERS (DESIGN)	\$ 1.00 M
vi) SUPPLY VESSELS (DESIGN)	\$ 2.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: SALE OF 2 STOL AND PARTS
Approximate Value: \$ 16 M
Financing Source: 023 EDC
For further info. please contact:
MISSION/TLX: 34-240341

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: ICEBREAKER DESIGN & ON BOARD EQUIPMENT
TO NAVY

Approximate Value: \$ 5 M
Financing Source: 023 EDC
For further info. please contact:
MISSION/TLX: 34-240341

iii) Project Name: OK FLIGHT SIMULATOR

Approximate Value: \$ 2 M
Financing Source: 023 EDC
For further info. please contact:
MISSION/TLX: 34-240341

iv) Project Name: LEASING OF SUPPLY VESSEL TO THE ANTARC-
TIC

Approximate Value: \$ 1 M
Financing Source: 012 DOM
For further info. please contact:
MISSION/TLX: 34-240341

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- the apparent limited sectoral capability in Canada compared to other competing export countries
- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:
CHILE'S HUMAN RIGHTS RECORD.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- support provided by the PEMD program
- competitive export pricing for this market

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE TO MAINTAIN CLOSE RELATIONSHIP WITH ASMAR AUTHORITIES
THE PRINCIPAL SHIPYARD FOR NAVAL WORK.

Results Expected: SALE OF DESIGN & ON BOARD EQUIPMENT FOR ICE-
BREAKER TO BE USED BY NAVAL BASE IN THE
ANTARCTIC.

02/03/87

DEPARTMENT OF EXTERNAL AFFAIRS

Page: 47

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

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

Activity: INCREASE CHILEAN AWARENESS OF CANADIAN CAPABILITY FOR OVERHAUL & REPAIR OF AIRCRAFT ENGINES. IDENTIFY SUITABLE REPRESENTATIVES FOR CANADIAN COS SPECIALIZING IN THAT AREA.

Results Expected: OBTAIN CONTRACTS FOR OVERHAUL AND REPAIR.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 004 DEFENCE PROGRAMS, PRODUCTS, SERV

Subsector: 043 ELECTRICAL & ELECTRONIC

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	18.00M	\$ 20.00M	\$ 25.00M	\$ 30.00M
Canadian Exports \$	2.00M	\$ 1.00M	\$ 0.50M	\$ 0.50M
Canadian Share of Import Market	11.10%	5.00%	2.00%	1.70%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	040 %
ii) 354 NETHERLANDS	020 %
iii) 051 UNITED KINGDOM	020 %
iv) 232 ISRAEL	010 %
v) 068 CHILE	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

In Canadian \$

i) RADAR EQUIPMENT	\$ 2.00 M
ii) NAVAIDS EQUIPMENT	\$ 2.00 M
iii) FLIGHT SIMULATOR	\$ 2.00 M
iv) COMMUNICATION EQUIPMENT	\$ 2.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: NEW RADAR SYSTEM ALONG COAST LINE
Approximate Value: \$ 2 M
Financing Source: 023 EDC
For further info. please contact:
MISSION/TLX: 34-240341
- ii) Project Name: UPGRADING OF AIR CONTROL TRAFFIC SYSTEM
Approximate Value: \$ 20 M
Financing Source: 023 EDC
For further info. please contact:
MISSION/TLX: 34-240341

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: INSTALLATION OF DATA COMMUNICATION SYSTEM FOR ARMED FORCES IN THE N. OF CHILE

Approximate Value: \$ 7 M

Financing Source: 023 EDC

For further info. please contact:

MISSION/TLX: 34-240341

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- other factor(s) described by the Trade Office as follows:

ELECTRONIC DIVISION OF ENAER (MAINTENANCE WING OF AIRFORCE) IS BEGINNING TO PRODUCE A WIDE RANGE OF AIRBORNE ELECTRONIC EQUIP. WHICH WILL AFFECT OUR EXPORT CAPABILITY.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- competitive export pricing for this market
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: INCREASE CONTACTS WITH CHILEAN CIVIL AVIATION AUTHORITIES WHICH BUY FOR THE AIRFORCE AND TRY TO STIMULATE CANADIAN INTEREST TO PARTICIPATE IN INTERNATIONAL TENDERS.

Results Expected: INCREASE PARTICIPATION OF CANADIAN SUPPLIERS IN TENDERS.

Activity: IDENTIFY WELL CONNECTED LOCAL REPS CANADIAN COS NOT YET ACTIVE IN THE MARKETPLACE.

Results Expected: ESTABLISH 2 TO 4 NEW AGENCY AGREEMENTS.

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

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

Activity: ENCOURAGE AIR TRAFFIC CONTROL SYSTEMS SUPPLIERS TO DISCUSS WITH MAINTENANCE WING OF THE AIRFORCE (ENAER) TRANSFER OF TECHNOLOGY AGREEMENT.

Results Expected: SECURE CONTRACT FOR SUPPLY OF COMPONENTS THROUGH UNSOLICITED OFFER.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 005 COMM. & INFORM. EQP. & SERV

Subsector: 051 REMOTE SENSING

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	2.00M	\$ 0.00M NA	\$ 0.00M NA	\$ 0.00M NA
Canadian Exports \$	1.00M	\$ 0.00M NA	\$ 0.00M NA	\$ 0.00M NA
Canadian Share of Import Market	50.00%	0.00% NA	0.00% NA	0.00% NA

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA

100 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector:

1-3 \$M

Current status of Canadian exports:

No Export results to date

Products/services for which there are
good market prospects

Current Total Imports

i) SATELLITE MAPPING EQPT

In Canadian \$
\$ 3.00 MThe Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- other factor(s) described by the Trade Office as follows:

CHILEAN GOVERNMENT HAS NOT YET APPROVED DISBURSEMENT OF FUNDS
FOR SATELLITE MAPPING PROJECT.Some Canadian exporters to this market in this sector(sub-sector)
have enjoyed success previously as a result of a variety of
factors which the trade office reports to include:

- No factors reported by mission

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: SUPPORT CANADIAN CO AND ITS LOCAL REPRESENTATIVE IN THEIR EFFORTS TO OBTAIN CONTRACT FROM CHILE AUTHORITIES

Results Expected: OBTAIN TOTALITY OF CONTRACT INCLUDING TRAINING

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 005 COMM. & INFORM. EQP. & SERV

Subsector: 053 TELECOMMUNICATIONS (INC SPACE)

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	80.00M	\$ 50.00M	\$ 35.00M	\$ 27.00M
Canadian Exports \$	5.00M	\$ 1.50M	\$ 1.00M	\$ 1.00M
Canadian Share of Import Market	6.25%	3.00%	2.85%	3.70%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	035 %
ii) 507 SWEDEN	020 %
iii) 128 GERMANY WEST	020 %
iv) 265 JAPAN	010 %
v) 354 NETHERLANDS	010 %
vi) 112 FRANCE	005 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) TELEPHONE SWITCHING EQUIPMENT	\$ 50.00 M
ii) PABX	\$ 20.00 M
iii) VOICE DATA TRANSM EQPT	\$ 15.00 M
iv) MOBILE TELEPHONE UNITS	\$ 0.00 M
v) HF-VHF EQUIPMENT	\$ 0.00 M
vi) DATA RADIO EQUIPMENT	\$ 0.00 M
vii) SATELLITE RECEIVING EQPT	\$ 0.00 M
viii) MICROWAVE PRODUCTS	\$ 0.00 M
ix) TERMINAL AND SYSTEMS	\$ 0.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: ADDITION OF 250,000 TELEPHONE LINES IN
NEXT 3 YEARS

Approximate Value: \$ 150 M

Financing Source: 024 BC

For further info. please contact:

MISSION/LST/TTT TLX: 34-240341

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: STEP BY STEP PURCHASE OF COMMUNICATION EQUIPMENT

Approximate Value: \$ 40 M

Financing Source: 024 BC

For further info. please contact:

MISSION/LST/TTT TLX: 34-240341

iii) Project Name: EXPANSION OF 21000 DIGITAL LINES

Approximate Value: \$ 26 M

Financing Source: 024 BC

For further info. please contact:

MISSION/LST/TTT TLX: 34-240341

iv) Project Name: DATA TRANSMISSION SYSTEMS (ENTEL)

Approximate Value: \$ 12.2 M

Financing Source: 024 BC

For further info. please contact:

MISSION/LST/TTT TLX: 34-240341

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- use of Canadian Government export promotion activities
- competitive export pricing for this market

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: MONITOR CLOSELY PRIVATIZATION PROCESS FOR CIA. DE TELEFONOS DE CHILE (95% OF TERRITORY) AND REPORT REGULARLY TO COS AND HQ.

Results Expected: ENSURE THAT CDN SUPPLIERS ARE INVITED TO BID ON ALL NEW TENDERS.

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE TO SUPPORT EFFORTS OF CDN SUPPLIERS ALREADY INVOLVED IN RURAL TELEPHONY PROJECTS.

Results Expected: OBTAIN CONTRACT THROUGH AN UNSOLICITED PROPOSAL RATHER THAN HAVING TO BID.

Activity: IDENTIFY POTENTIAL CDN INVESTORS AS CTC WILL GIVE MOST CONTRACTS TO FOREIGN COS INVESTING IN PROJECTS.

Results Expected: HAVE CDN INVESTOR BECOME SOLE SUPPLIER.

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

Activity: FIND SOURCE OF FINANCING FOR THE COMMISSIONING OF AN ENGINEERING STUDY BY CANADIAN CONSULTING FIRM WHICH WOULD RECOMMEND CANADIAN EQUIPMENT FOR THE DEVELOP OF RURAL COMMUNICATIONS.

Results Expected: INCREASE CANADIAN SALES OF TELEPHONE EQUIPMENT BY 100 PER CENT.

Activity: CONVINCED CANADIAN SUPPLIERS OF MODERN EQUIPMENT THAT THERE IS A MARKET IN CHILE FOR THEIR PRODUCTS.

Results Expected: OBTAIN A 20% SHARE OF THE MARKET

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 006 ELECTRONICS EQUIP. & SERV

Subsector: 061 PRODUCTS & COMPONENTS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	37.00M	\$ 34.00M	\$ 29.30M	\$ 27.40M
Canadian Exports \$	2.00M	\$ 1.50M	\$ 1.00M	\$ 0.14M
Canadian Share of Import Market	5.40%	4.41%	3.40%	0.53%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	065 %
ii) 128 GERMANY WEST	024 %
iii) 265 JAPAN	006 %
iv) 051 UNITED KINGDOM	003 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) UPS RECTIFIERS	\$ 0.00 M
ii) VOLTIMETERS	\$ 0.20 M
iii) TELEMETRY	\$ 0.20 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- other factor(s) described by the Trade Office as follows:

STATE OWNED COS SUCH AS CTC, ENTEL, CHILECTRA GET PROJECTS APPROVED
MORE EASILY IF DISBURSEMENT IS MADE IN PESOS WHICH MEANS ADDING
LOCAL COMPONENTS, WHICH GIVES BETTER CHANCES TO WIN BIDS.

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade missions
- competitive export pricing for this market

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- the adequacy of exporter information in Canadian Directories

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE TO ASSIST CDN MANUFACTURERS OF UPS/RECTIFIER IN PENETRATING MARKET WHICH COULD BE IN THE MULTIMILLIONS.

Results Expected: OBTAIN A SUBSTANTIAL SHARE OF THE MARKET.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 006 ELECTRONICS EQUIP. & SERV

Subsector: 063 CONSUMER ELECTRONICS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	83.00M	\$ 80.00M	\$ 72.00M	\$ 56.00M
Canadian Exports \$	0.90M	\$ 0.80M	\$ 0.30M	\$ 0.70M
Canadian Share of Import Market	1.08%	1.00%	0.42%	1.25%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	065 %
ii) 265 JAPAN	020 %
iii) 128 GERMANY WEST	005 %
iv) 047 BRAZIL	005 %
v) 051 UNITED KINGDOM	004 %
vi) 512 SWITZERLAND	001 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) SECURITY EQUIPMENT FOR HOMES & INDUSTRIES	\$ 0.20 M
ii) SONAR EQUIPMENT FOR FISHING INDUSTRY	\$ 0.00 M
iii) FIRE PREVENTION EQUIPMENT	\$ 0.20 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- product/service information from Canadian companies

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE TO IDENTIFY WHICH TYPE OF SONAR EQUIPMENT IS THE MOST IN DEMAND FOR THE FISHING INDUSTRY AND SOURCE CANADIAN SUPPLIER

Results Expected: INTRODUCE 1 OR 2 SONAR MANUFACTURERS TO THE MARKET

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

Activity: CONDUCT A SURVEY ON THE NEEDS IN CHILE FOR HOME AND INDUSTRIAL SECURITY EQUIPMENT AND CONTACT CANADIAN SUPPLIERS ACCORDINGLY

Results Expected: TO HAVE 4 CANADIAN EXPORTERS ESTABLISH THEMSELVES LOCALLY THROUGH AN AGENT

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 071 HYDRO

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	375.00M	\$ 200.00M	\$ 250.00M	\$ 200.00M
Canadian Exports \$	50.00M	\$ 30.00M	\$ 0.00M	\$ 0.00M
Canadian Share of Import Market	13.00%	15.00%	0.00%	0.00%

Major Competing Countries

Market Share

i) 068 CHILE	50 %
ii) 577 UNITED STATES OF AMERICA	20 %
iii) 609 EUROPEAN COMMON MARKET C	15 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: No Export results to date

Products/services for which there are good market prospects

Current Total Imports
In Canadian \$
\$ 0.00 M

i) EGPT + SERV FOR HYDROEL PROJECTS

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: ENDESA/PEHUENCHE HYDROELECTRIC PROJECT

Approximate Value: \$ 700 M

Financing Source: 003 IADB 025 OTHER

023 EDC

For further info. please contact:

MISSION/TLX 240341 DMCAN CL

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:

LOCAL COMPETITION FOR CONSTRUCTION AND CONSULTING SERVICES IS ALSO VERY STRONG.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- No factors reported by mission

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: IDENTIFY NEW PROJECTS IN HYDRO SECTOR I.E. SMALL PLANTS AND INTRODUCE CDN COS TO ENDESA AND LOCAL REPRESENTATIVES

Results Expected: TO HAVE CDN CO PREQUALIFIED FOR EQUIPMENT PROCUREMENT.

Activity: ASSIST BG CHECO AND HYDRO QUEBEC INTERESTED IN THE ALFALFA HYDROELECTRIC PROJECT (CONSTRUCTION OF TRANSMISSION LINE)

Results Expected: SALE OF CANADIAN EQUIPMENT AND SERVICES.

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

Activity: ENDESA WILL BUILD A 700 MILLION US HYDROELECTRIC POWER STATION IN 1987-92. WE WILL DEVELOP THE PROPER CONTACTS IN ORDER TO BE INVOLVED

Results Expected: OBTAIN AT LEAST 20% OF THAT PROJECT

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

Subsector: 082 URBAN TRANSIT

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	300.00M	\$ 5.00M	\$ 3.00M	\$ 0.00M
Canadian Exports \$	50.00M	\$ 0.00M	\$ 0.00M	\$ 0.00M
Canadian Share of Import Market	15.00%	0.00%	0.00%	0.00%

Major Competing Countries

Market Share

i) 112 FRANCE	050 %
ii) 068 CHILE	050 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: No Export results to date

Products/services for which there are good market prospects.

Current Total Imports

	In Canadian \$
i) SERVICES	\$ 0.00 M
ii) COMMUNICATION	\$ 0.00 M
iii) EQUIPMENT	\$ 0.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: CONSTRUCTION OF 3RD METRO LINE
Approximate Value: \$ 300 M
Financing Source: 028 TO/DETER
For further info. please contact:
MISSION/TLX 240341 DMCAN CL

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- difficulties in obtaining credit facilities in Canada
- other factor(s) described by the Trade Office as follows:

COMPLETION OF SECOND METRO LINE AND CONSTRUCTION OF THIRD LINE DELAYED AFTER EARTHQUAKE. IF GOVERNMENT DECIDES TO GO AHEAD, FRANCE WILL BE VERY STRONG COMPETITOR BUT WE STAND CHANCES FOR SERVICES AND EQPT IF EDC FINANCING IS AVAILABLE.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- No factors reported by mission

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: WE KEEP A REGULAR AND CLOSE WATCH ON THE METRO AUTHORITIES IN ORDER TO KNOW IF AND WHEN THEY WILL RECEIVE GREEN LIGHT TO PROCEED WITH THEIR PROJECTS.

Results Expected: TO HAVE CDN COS SELECTED FOR STUDIES AND PROCUREMENTS.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

Subsector: 084 RAIL

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	40.00M	\$ 8.00M	\$ 6.00M	\$ 3.00M
Canadian Exports \$	20.00M	\$ 1.50M	\$ 0.11M	\$ 0.02M
Canadian Share of Import Market	50.00%	18.00%	1.90%	0.05%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	50 %
ii) 112 FRANCE	50 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

i) CONSULTING SERVICES	In Canadian \$
ii) SPARE PARTS	\$ 0.40 M
iii) ENGINE	\$ 0.80 M
iv) SIGNALIZATION	\$ 15.00 M
	\$ 7.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: SPARE PART FOR LOCOMOTIVES
Approximate Value: \$ 3 M
Financing Source: 001 IBRD
For further info. please contact:
MISSION/CANAC TLX:34-240341
- ii) Project Name: REHABILITATION OF ROLLING STOCK
(LOCOMOTIVE)
Approximate Value: \$ 35 M
Financing Source: 001 IBRD
For further info. please contact:
MISSION/TLX: 34-240341

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- other factor(s) described by the Trade Office as follows:
THERE ARE FEW CANADIAN MANUFACTURERS OF LOCOMOTIVE SPARE PARTS.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- use of Canadian Government export promotion activities
- strong sectoral capability in Canada

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: THERE IS ONE CLIENT, FERROCARRILES DEL ESTADO DE CHILE AND WE ARE SUPPORTING THEIR CONSULTANT, CANAC IN ANY WAY WE CAN TO GET INVOLVED IN THE REHABILITATION PROGRAM TO BE FINANCED BY WB.

Results Expected: TO GET THE LION'S SHARE OF SERVICES AND EQUIPMENT TO BE PURCHASED.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

Subsector: 085 AEROSPACE

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	20.00M	\$ 0.00M	\$ 0.00M	\$ 0.00M
Canadian Exports \$	20.00M	\$ 0.00M	\$ 0.00M	\$ 0.00M
Canadian Share of Import Market	100.00%	0.00%	0.00%	0.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA

000 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector:

15-30 \$M

Current status of Canadian exports:

No Export results to date

Products/services for which there are
good market prospects

i) NEW CL215

Current Total Imports
In Canadian \$
\$ 0.00 MThe Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing

- other factor(s) described by the Trade Office as follows:

IF CL215 STRICTLY USED FOR FOREST FIRE FIGHTING, CHANCES ARE
ZERO.Some Canadian exporters to this market in this sector(sub-sector)
have enjoyed success previously as a result of a variety of
factors which the trade office reports to include:

- No factors reported by mission

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

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

Activity: AS SOON AS MORE INFO IS AVAILABLE ON NEW CL215 (PRICE, DELIVERY AND CANADAIR MKTG STRATEGY), WE WILL CONTACT THE CHILEAN AUTHORITIES TO PROMOTE ITS SALE.

Results Expected: 50% CHANCES TO SUCCEED IF PROPER FINANCING AND PRICE ARE PROPOSED.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES

Subsector: 096 EQUIPMENT AND MACHINERY

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	300.00M	\$ 80.00M	\$ 39.00M	\$ 93.00M
Canadian Exports \$	100.00M	\$ 4.00M	\$ 0.60M	\$ 1.20M
Canadian Share of Import Market	30.00%	5.00%	1.50%	28.00%

Major Competing Countries

Market Share

i) 499 SPAIN	050 %
ii) 504 FINLAND	010 %
iii) 047 BRAZIL	005 %
iv) 577 UNITED STATES OF AMERICA	005 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: No Export results to date

Products/services for which there are good market prospects

Current Total Imports In Canadian \$

i) PULPMILL EQUIPMENT	\$ 0.80 M
ii) CONSULTANT SERVICES	\$ 0.50 M
iii) LOGGIN AND SAWMILL EQUIPMENT	\$ 0.50 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: CELCO ARAUCO NEW PULP MILL
Approximate Value: \$ 400 M
Financing Source: 028 TO/DETER 012 DOM
For further info. please contact:
MISSION/TLX 240341 DMCAN CL
- ii) Project Name: CMPC NEW PULP MILL
Approximate Value: \$ 400 M
Financing Source: 028 TO/DETER 012 DOM
For further info. please contact:
MISSION/TLX 240341 DMCAN CL

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: 3RD SAWMILL FOR ASERRADEROS MININCO

Approximate Value: \$ 1.5 M

Financing Source: 024 BC 023 EDC

For further info. please contact:

MISSION/TLX 240341 DMCAN CL

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada
- other factor(s) described by the Trade Office as follows:

THERE ARE 1 OR 2 PULPMILLS TO BUILD & IF CDN PULP MANUFACTURERS DO NOT GET INVOLVED TECHNICALLY & FINANCIALLY, OTHER COUNTRIES WILL & WE COULD LOOSE THESE EXPORT OPPORTUNITIES. EDC NOTIONAL CEILING FOR CHILE IS ALSO AN IMPORTANT NEGATIVE FACTOR.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- Canada's position as one of the few major sources of international supply

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

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

Activity: IF SUPPORT IS GIVEN BY FEDERAL & PROVINCIAL GOVERNMENT, ESTABLISH A SHOW ROOM/SERVICE CENTER IN CONCEPTION FOR 12 TO 15 CANADIAN FORESTRY EQUIPMENT MANUFACTURERS

Results Expected: SALES OF 5 M THE FIRTS YEAR OF OPERATIONS AND MORE FOR SUBSEQUENT YEARS.

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

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

Activity: WE ARE TRYING TO INTEREST CDN PULP MANUFACTURERS TO PARTICIPATE IN THE NEW PULP MILL PROJECTS. IF THEY DON'T, OTHER COUNTRIES WILL SUPPORT AND WE WILL LOOSE MARKET OR AT LEAST MOST OF IT.

Results Expected: DIFFICULT TO ASSESS BUT IF SUCCESSFULL, OVER 100 M

Activity: REPORTS ON PULP AND PAPER AND FORESTRY.

Results Expected: NEW SALES FOR CANADA.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 010 MINE, METAL, MINERAL PROD & SRV

Subsector: 102 MINERALS AND MINERAL PRODUCTS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size (import) \$	80.00M	\$ 85.00M	\$ 81.00M	\$ 0.00M
Canadian Exports \$	50.00M	\$ 45.00M	\$ 40.00M	\$ 0.00M
Canadian Share of Import Market	62.00%	52.00%	50.00%	0.00%

Major Competing Countries

Market Share

- i) 577 UNITED STATES OF AMERICA
- ii) 288 SOUTH AFRICA

20 %
5 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector:

60-100 \$M

Current status of Canadian exports: Mature with little growth

Products/services for which there are good market prospects

Current Total Imports

- i) SULPHUR
- ii) ASBESTOS
- iii) COAL
- iv) MOLYBDENUM

In Canadian \$
\$ 20.00 M
\$ 4.00 M
\$ 10.00 M
\$ 10.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).
- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- other factor(s) described by the Trade Office as follows:
OUR EXPORT OF SULPHUR WILL LOWER AS CHILE IS DEVELOPING ITS NATURAL RESOURCES IN SULPHUR AND CDA RESOURCES ARE DWINDLING. FOLLOWING RECENT OIT MEETING WERE ASBESTOS PROD. WILL BE SEVERELY CONTROLLED, WE EXPECT A DECREASE IN NEXT FEW YEARS.

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: MONITOR VERY CLOSELY CHILEAN EFFORTS IN PHOSPHATE MINING AS ANY PROJECT IN THAT SECTOR WILL NEGATIVELY AFFECT OUR EXPORTS.

Results Expected: PROTECTION OF CANADIAN PHOSPHATE EXPORTS

Activity: ASBESTOS REPORT.

Results Expected: MAINTAIN SALES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 010 MINE, METAL, MINERAL PROD & SRV

Subsector: 106 EQUIPMENT AND MACHINERY

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	400.00M	\$ 400.00M	\$ 400.00M	\$ 300.00M
Canadian Exports \$	30.00M	\$ 15.00M	\$ 18.00M	\$ 3.00M
Canadian Share of Import Market	7.50%	3.75%	4.50%	1.00%

Major Competing Countries

Market Share

- | | |
|-----------------------------------|-------|
| i) 577 UNITED STATES OF AMERICA | 035 % |
| ii) 265 JAPAN | 025 % |
| iii) 609 EUROPEAN COMMON MARKET C | 020 % |

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports
In Canadian \$
\$ 15.00 M

- i) ALL MINING EQUIPMENT

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: LA ESCONDIDA COPPER MINE PROJECT
Approximate Value: \$ 1.6 M
Financing Source: 024 BC
For further info. please contact:
MISSION(TLX 240341 DMCAN CL)

- ii) Project Name: SECOND CODELCO/SAG MILL PROJECT IN 1988
Approximate Value: \$ 12 M
Financing Source: 028 TO/DETER
For further info. please contact:
MISSION (TLX 240341 DMCAN CL)/EXTOTT/LST

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

. COUNTRY: 068 CHILE

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- non competitive financing from Canada
- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- other factor(s) described by the Trade Office as follows:
MINING EQPT. & MACHINERY USUALLY COMES FM USA & EEC. INTRODUCING CDN COS WHO ARE SUBSIDIARIES OF US FIRMS HAS PROVEN DIFFICULT. ALSO JAPAN OFFERS SINCE 1976 PRICES & FINANCING AT + THAN LOW COSTS. CDN EXPORTS CLD BE HIGHER IF WE CLD BID ON MAJOR PROJECT.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: ONGOING ACTIVITY IS TO ESTABLISH NEW AGENCIES FOR CANADIAN MANUFACTURERS

Results Expected: AT LEAST 2 AGENCIES ESTABLISHED PER QUARTER

Activity: WE FOLLOW CLOSELY ANY NEW PROJECTS DEVELOPED BY CODELCO IN ORDER TO ADVISE CANADIAN FIRMS OF POTENTIAL. DEVELOP/MAINTAIN CONTACTS WITH CODELCO EXECUTIVES.

Results Expected: OBTAIN CONTRACTS WITH CODELCO FOR CANADIAN COMPANIES

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

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

Activity: DEVELOP/MAINTAIN CONTACTS WITH EXECUTIVES RESPONSIBLE FOR LA ESCONDIDA COPPER MINE PROJECTS

Results Expected: HAVE CDN COMPANIES INVOLVED IN PROJECT CONV-
INCE EDC OF OFFERING CREDIT OF 200/300 M
FOR PROJECT

Activity: THERE ARE THREE SULPHUR MINE PROJECTS BEING DEVELOPED BY CANADIAN MINING INVESTORS. WE WILL SUPPORT THEIR EFFORTS BUT WILL ALSO ENSURE THEY ARE BONA FIDE.

Results Expected: SELL CANADIAN MINING EQUIPMENT.

Activity: MINING REPORT

Results Expected: INCREASE SALES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 011 OIL & GAS EQUIPMENT, SERVICES

Subsector: 116 MACHINERY AND EQUIPMENT

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	75.00M	\$ 45.00M	\$ 30.00M	\$ 40.00M
Canadian Exports \$	1.50M	\$ 1.20M	\$ 0.12M	\$ 0.10M
Canadian Share of Import Market	2.00%	2.60%	0.40%	0.20%

Major Competing Countries

Market Share

i) 068 CHILE	050 %
ii) 577 UNITED STATES OF AMERICA	030 %
iii) 620 EUROPE	010 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector: 0-1 \$M.

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

In Canadian \$

i) GAS WELL EQUIPMENT	\$ 0.00 M
ii) PLATFORM PARTS	\$ 0.00 M
iii) COMPRESSORS	\$ 0.00 M
iv) GAS LINE EQUIPMENT	\$ 0.00 M
v) CHEMICAL FOR WELL RECOVERY	\$ 0.00 M
vi) CORROSION PREVENTION PRODUCTS	\$ 0.00 M
vii) PROCESSING PLANTS OIL TO LPG	\$ 0.00 M
viii) SEISMIC EQUIPMENT	\$ 0.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- non competitive financing from Canada
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- other factor(s) described by the Trade Office as follows:
ENAP IS PRACTICALLY SELF-SUFFICIENT FOR THE DESIGN, ENGINEERING & BUILDING OF ITS PLATFORMS & WELLS. IT DOES ALSO ITS OWN REPAIR AND SERVICING. BECAUSE OF OIL PRICE SHARP DECREASE, ENAP HAS POSTPONED SOME OF ITS EXPLORATION.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE TO IDENTIFY INTERESTED SUPPLIERS BY ADVISING REGIONAL AND PROVINCIAL OFFICES OF TENDERS.

Results Expected: INCREASE AWARENESS OF CANADIAN COS TO LOCAL MARKET.

Activity: GIVE FULL SUPPORT TO CANADIAN CONSULTANTS PRESENTLY BIDDING ON SAFETY AND INSPECTION PROJECTS.

Results Expected: INCREASE SALES.

Activity: DEVELOP LIST OF INTERESTED LOCAL REPRESENTATIVES.

Results Expected: ADD AT LEAST 3 TO 4 NEW REPRESENTATIVES DURING THIS YEAR.

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

Activity: INCREASE FREQUENCY OF CONTACTS WITH PURCHASING DIVISION OF ENAP.

Results Expected: BEING INFORMED OF UPCOMING PURCHASES THAT ARE NOT MADE THROUGH PUBLIC TENDERS.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 012 PETROCHEM & CHEM PROD, EQP, SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	80.00M	\$ 75.00M	\$ 75.00M	\$ 0.00M
Canadian Exports \$	8.00M	\$ 6.00M	\$ 6.00M	\$ 0.00M
Canadian Share of Import Market	10.00%	8.00%	8.00%	0.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	60 %
ii) 609 EUROPEAN COMMON MARKET C	20 %
iii) 614 SOUTH AMERICA	010 %

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) POTASSIUM CHLORIDE	\$ 3.20 M
ii) POLYETHYLENE RESINS	\$ 1.00 M
iii) EXPLOSIVE	\$ 0.20 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- other factor(s) described by the Trade Office as follows:
ICI REPRESENTS CIL IN CHILE, AND WE BELIEVE THEY GIVE PREFERENCE TO UK PRODUCTS OVER CIL.

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: THIS IS A SLOW EXPANDING MARKET, BUT LOCAL AGENTS ARE EXPRESSING INTEREST IN REPRESENTING CDN COMPANIES.

Results Expected: FIND 2 OR 3 NEW AGENCIES PER YEAR.

Activity: SOQUIMICH, A GOVT. OWNED CO. IMPORTED 5M OF POTASSIUM CHLORIDE FROM CDA, PER YEAR, ALL ITS REQUIREMENTS. KEEP CONTACT WITH CO TO PROTECT MARKET.

Results Expected: KEEP THE MARKET

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

Activity: WE ARE DEVELOPING A NETWORK OF AGENTS IN THE SECTOR OF RESINS, AND CERTAIN CHEMICAL PRODUCTS.

Results Expected: INCREASE SALES TO 2 MILLION FROM 1 MILLION.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 633 SANTIAGO

Market: 068 CHILE

Sector: 015 CONSTRUCTION INDUSTRY

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	75.00M	\$ 60.00M	\$ 30.00M	\$ 25.00M
Canadian Exports \$	2.00M	\$ 0.50M	\$ 0.50M	\$ 0.00M
Canadian Share of Import Market	2.50%	1.00%	1.70%	0.00%

Major Competing Countries

Market Share

i) 068 CHILE

80 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector:

3-5 \$M

Current status of Canadian exports:

No Export results to date

Products/services for which there are
good market prospects

Current Total Imports

- i) CONSTRUCTION EQUIPMENT
- ii) CONSULTING SERVICES
- iii) LICENSES

In Canadian \$
\$ 0.00 M
\$ 0.00 M
\$ 0.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- non competitive financing from Canada
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Export and Investment Promotion Planning System

MISSION: 633 SANTIAGO

COUNTRY: 068 CHILE

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- No factors reported by mission

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- the adequacy of exporter information in Canadian Directories
- product/service information from Canadian companies

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: INTRODUCING THE CANADIAN TIMBER FRAME SYSTEM. THIS WILL, WE HOPE, LEAD TO EXPORT OF BUILDING PRODUCTS AND LICENSING OF NASCOR AND BRITCO SYSTEMS.

Results Expected: EXPORTS OF BUILDING PRODUCTS. ESTABLISH 2 OR 3 AGENCIES OR LICENSING AGREEMENTS.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		
Mission: 633 SANTIAGO		
Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.		
010 FAIRS OFF HIGHWAY VEHICLES CATALOGUESHOW IN SANTIAGO	SANTIAGO	0687
024 MISSION INCOMING FISHING EQUIPMENT MISSION FROM CHILE		0587
Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES		
024 MISSION INCOMING FORESTRY SYMPOSIUM	CONCEPCION	0587
Sector: 010 MINE, METAL, MINERAL PROD & SRV		
020 MISSION OUTGOING MINING MISSION		0887
024 MISSION INCOMING COPPER CONFERENCE MINING SYMPOSIUM	VINA DEL MAR SANTIAGO	1287 0388
Sector: 016 INDUSTRIAL MACHIN, PLANTS, SERV.		
020 MISSION OUTGOING PROCESS AUTOMATION & CONTROL MISSION TO CHILE		0487
024 MISSION INCOMING MINING EQUIPMENT MISSION FROM CHILE FOREST HARVESTING & SAWMILLING MISSION FROM CHILE		0388 0987
Sector: 999 MULTIPLE SECTORS		
010 FAIRS FISA '87 - SANTIAGO, CHILE	SANTIAGO	1187
Type of Event	Location	Date

Promotional projects proposed for the two following fiscal years.

Mission: 633 SANTIAGO

Sector: 002 FISHERIES, SEA PRODUCTS & SERV.

010 FAIRS FIMAR		1089
--------------------	--	------

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 633 SANTIAGO		
Sector: 002 FISHERIES, SEA PRODUCTS & SERV.		
010 FAIRS FIMAR		1088
Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.		
010 FAIRS FIDA		0390
Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES		
020 MISSION OUTGOING PULP AND PAPER MISSION FORESTRY MISSION TO CHILE	CHILE CHILE	0488 0988
Sector: 010 MINE, METAL, MINERAL PROD & SRV		
010 FAIRS MINING SHOW/SYMPOSIUM	CHILE	0390
Sector: 999 MULTIPLE SECTORS		
010 FAIRS FISA	SANTIAGO	1188

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 635 BRASILIA

Country: 047 BRAZIL

A) TRADE PROMOTION OVERVIEW: THE TERRITORY COVERED BY THE EMBASSY IN BRASILIA IN TERM OF TRADE PROMOTION IS MADE UP OF STATES AND TERRITORIES COVERING 65% OF THE LAND MASS OF BRAZIL, HOME TO 60M OF BRAZIL'S 135M INHABITANTS. DESPITE THE LARGE SIZE OF THE TERRITORY & ITS POPULATION, THE LEVEL OF URBANIZATION IS LOW & IT ACCOUNTS FOR A MERE 25% OF BRAZIL'S GDP. THERE IS ONE STATE, MINAS GERAIS, WHICH OFFERS GOOD OPPOTUNITIES FOR THE SALE OF CDN PRODUCTS & SERVICES. WITH A POPULATION OF 15M INHABITANTS, MINAS GERAIS IS BRAZIL'S SECOND LARGEST ECONOMY & HOME TO THE COUNTRY'S THIRD LARGEST CITY, BELO HORIZONTE. WITHOUT NEGLECTING MARKET OPPORTUNITIES IN OTHER PARTS OF OUR VAST TERRITORY, IT IS IN MINAS GERAIS THAT WE INTEND TO CONCENTRATE OUR 1.4 PERSON YEARS ASSIGNED TO TRADE PROMOTION TO BUILD ON THE GROUNDWORK OF THE BCCC/INDI INDUSTRIAL COOPERATION AGREEMENT. WE ALSO INTEND TO EXPLORE THE POSSIBILITY OF AN INDITYPE AGREEMENT WITH MANAUS WITH A VIEW TO DEVELOPING TRADE CONTACTS IN THE FREE TRADE ZONE. BRAZIL WILL NOT SWAY IN THE SHORT-TERM FROM ITS LONGSTANDING POLICY OF ONLY ISSUING IMPORT PERMITS FOR PRODUCTS IT DEEMS OF NECESSITY, BE THEY RAW MARETIALS OR HIGH TECHNOLOGY CAPITAL GOODS. WE WILL, THEREFORE, CONTINUE TO OPERATE IN A "PULL" AS OPPOSED TO A NORTH AMERICAN "PUSH" TYPE MARKET, IDENTIFYING THOSE PRODUCT SECTORS FOR WHICH THERE EXIST IMPORT OPPORTUNITIES BY VIRTUE OF GOVERNMENT PRIORITIES. 1987 WILL CONTINUE TO SEE BRAZIL ENJOYING A GROWING TRADE SURPLUS WITH CDA, A TREND INITIATED IN 85, AND CONSOLIDATED IN 86. WE HAVE NOW JOINED THE RANKS OF THE OTHER MAJOR INDUSTRIALIZED COUNTRIES ALL OF WHOM HAVE TRADE DEFICITS WITH BRAZIL. IN AN EFFORT TO REDRESS THIS SITUATION WE WILL, IN COOPERATION WITH SPALO, EXAMINE WAYS TO DEVELOP A REALISTIC STRATEGY THAT CAN BRING ABOUT A GREATER DIVERSIFICATION OF OUR EXPORTS. SALES OF WHEAT, COAL, POTASH, SULPHUR & NEWSPRINT ACCOUNT FOR APPROX. 2/3 OF OUR EXPORTS. OUR EFFORTS WITH RESPECT TO THESE PRODUCTS WILL CENTER ON THE PRESERVATION AND, IF POSSIBLE, THE AUGMENTATION OF OUR MARKET SHARE IN ADDITION SPECIAL EFFORTS WILL BE MADE BY BRASALIA IN THE PROMOTION OF AGRICULTURE, TELECOMMUNICATION & TRANSPORTATION PRODUCTS & SERVICES. B) ECONOMIC OVERVIEW: AS THE EIGHTH LARGEST ECONOMY IN THE WESTERN WORLD & GROWING RAPIDLY, (7% IN 86; 8.3% IN 85), BRAZIL IS ACQUIRING A NEW STATURE IN THE WORLD ECONOMIC SCENE. THERE IS A GROWING AWARENESS OF THIS NEW REALITY IN CDA. IT IS IMPERATIVE, THEREFORE, THAT WE CONTINUE TO DEVOTE A SUBSTANTIAL PART OF OUR RESOURCES TO MONITORING, REPRESENTING, & REPORTING RELATIVE TO (A) THE BRAZILIAN ECONOMY, (MONTHLY ECONOMIC UPDATE) (B) AGRICULTURAL COMMODITIES & FARM POLICY (C) MINERALS & MINING POLICY (D) LATIN AMERICAN ECONOMIC INTEGRATION WITH EMPHASIS ON THE ARGENTINE-BRAZILIAN PROCESS (E) BRAZILIAN FOREIGN DEBT, (F) BRAZIL & THE GATT-MTN PROCESS WITH PARTICULAR EMPHASIS ON AGRICULTURE, SERVICES, & NATURAL RESOURCE ISSUES (G) BRAZIL'S COMMERCIAL NAVIGATION POLICY.

Export and Investment Promotion Planning System

REPT: SYN-GEO 87/88 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 635 BRASILIA

Market: 047 BRAZIL

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: ECONOMIC REFORM HAS BROUGHT ABOUT MARKET SUPPLY PROBLEMS FOR MILK, MEAT CHEESE, EGGS & OTHER PRODUCTS. IMPORTS ARE EXPECTED TO CONTINUE THRU 87-88. ALSO FARMERS MUST REPLENISH THEIR HERDS TO KEEP UP WITH

2. 005 COMM. & INFORM. EGP. & SERV

REASONS: MEDIUM TERM DEVELOP. PLANS CALL FOR SIGNIFICANT EXPANSION OF TELEPHONE NETWORK LEADING TO OPPORTUNITIES IN RURAL TELEPHONE. GOVERNMENT PLANS RE: MLS, SARSAT, RADARSAT, USE OF BRASILSAT & BRASILSAT REPLACEMENT COULD

3. 008 TRANSPORT SYS, EQUIP, COMP, SERV.

REASONS: NEED FOR PUBLIC TRANSIT PROJ. IN BRAZIL ARE GREAT. RECENT TTCL/SCTUM COOP AGREEMENT MAY PRODUCE CONSULTING WORK. FOREST FIRE CONTROL IS ANOTHER DEFICIENT BRAZILIAN ACTIVITY IN WHICH CDN AIRCRAFT TECHN. CAN BE

4. 007 POWER & ENERGY EQUIP. & SERV.

REASONS: AFTER SEVERAL YEARS OF FALLING INVESTMENT IN POWER SECTOR, INVESTMENT EXPECTED TO PICK UP AGAIN, AS ELECTRICAL ENERGY OUTPUT MUST GROW BY 10% P. A. TO KEEP PACE WITH ANTICIPATED ECONOMIC GROWTH. PROJ. SUCH AS SANTA

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

1. 003 GRAINS AND OILSEEDS
2. 010 MINE, METAL, MINERAL PROD & SRV
3. 005 COMM. & INFORM. EGP. & SERV
4. 008 TRANSPORT SYS, EQUIP, COMP, SERV.
5. 009 FOREST PRODUCTS, EQUIP, SERVICES

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 635 BRASILIA

Market: 047 BRAZIL

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	1500.00M	\$ 1300.00M	\$ 400.00M	\$ 400.00M
Canadian Exports \$	100.00M	\$ 85.00M	\$ 55.00M	\$ 60.00M
Canadian Share of Import Market	7.00%	7.00%	14.00%	15.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	000 %
ii) 001 ARGENTINA	000 %
iii) 609 EUROPEAN COMMON MARKET C	000 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Well established and growing

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) POTASH	\$ 0.00 M
ii) SHEEP, GOATS AND SWINE	\$ 0.00 M
iii) GENETIC MATERIAL	\$ 0.00 M
iv) DAIRY AND BEEF CATTLE	\$ 0.00 M
v) SEED POTATOES	\$ 0.00 M
vi) DAIRY PRODUCTS	\$ 0.00 M
vii) POULTRY AND HATCHING EGGS	\$ 0.00 M
viii) FOOD PROCESSING EQUIPMENT	\$ 0.00 M
ix) FROZEN BEEF AND PORK	\$ 0.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate
- approval of technical standards can present problems in the case of some imported products

Export and Investment Promotion Planning System

MISSION: 635 BRASILIA

COUNTRY: 047 BRAZIL

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non-tariff protectionist measures which are difficult to overcome

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: ONGOING EFFORTS TO ESTABLISH MEDIUM-TERM (3 YEAR) PROGRAM OF INCOMING BUYERS WITH BAHIA GOAT ASSOCIATION.

Results Expected: YEARLY INCREASE IN LIVE ANIMALS & GENETIC MATERIAL EXPORTS. ESTABLISH BRAZIL AS PRIMARY AND LONG TERM MARKET FOR CANADIANS GOAT BREEDERS.

Activity: MARKETING TRIP THROUGH TERRITORY TO CAPITALIZE ON CURRENT AND SHORT-TERM OPPORTUNITIES IN FOOD PRODUCT SALES.

Results Expected: INCREASED SALES OF CHEESE, MEAT, EGGS AND OTHER FOOD PRODUCTS.

Activity: MARKETING TRIP TO STATE LIVESTOCK ASSOCIATIONS LOCATED IN TERRITORY.

Results Expected: INCREASED SALES OF DAIRY CATTLE, GENETIC MATERIAL AND (SUPPLY PERMITTING) GOATS.

Export and Investment Promotion Planning System

MISSION: 635 BRASILIA

COUNTRY: 047 BRAZIL

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

Activity: SEMINARS SPONSORED BY AGRICULTURE CANADA RE DAIRY CATTLE, ARTIFICIAL INSEMINATION AND EMBRYO TRANSFER.

Results Expected: INCREASE AWARENESS OF CDN DAIRY CATTLE STANDARDS & INCREASE SALES OF LIVE ANIMALS AND GENETIC MATERIALS.

Activity: CLOSELY MONITOR DOMESTIC FOOD SUPPLY SITUATION TO IDENTIFY SHORT-TERM EXPORT OPPORTUNITIES (BEER, MEAT, CHEESE, MILK).

Results Expected: SPOT SALES OF CHEESE, MILK, MEAT, BEER. IMPROVE LINKS BETWEEN CANADA AND BRAZILIAN TRADING COMPANIES.

Activity: COORDINATE WITH AGRICULTURE CANADA A TRAINING PROGRAM IN CANADA FOR OFFICIALS OF MINISTRY OF AGRICULTURE.

Results Expected: ENDORSEMENT OF CDN DAIRY CATTLE & ARTIFICIAL INSEMINATION STANDARDS LEADING TO INCREASED SALES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 635 BRASILIA

Market: 047 BRAZIL

Sector: 005 COMM. & INFORM. EGP. & SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	800.00M	\$ 750.00M	\$ 775.00M	\$ 700.00M
Canadian Exports \$	15.00M	\$ 8.00M	\$ 95.00M	\$ 101.00M
Canadian Share of Import Market	2.00%	1.00%	12.00%	14.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	000 %
ii) 265 JAPAN	000 %
iii) 128 GERMANY WEST	000 %
iv) 112 FRANCE	000 %
v) 507 SWEDEN	000 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

In Canadian \$

i) CONSULTING SERVICES FOR SATELLITE USE.	\$ 0.00 M
ii) RURAL TELEPHONY EQUIPMENT	\$ 0.00 M
iii) MLS	\$ 0.00 M
iv) DIGITAL SWITCHING EQUIPMENT	\$ 0.00 M
v) SATELLITE GROUND STATIONS	\$ 0.00 M
vi) REMOTE SENSING EQUIPMENT	\$ 0.00 M
vii) SARSAT LOCATOR BEACONS	\$ 0.00 M
viii) SARSAT GROUND STATION	\$ 0.00 M
ix) CELLULAR RADIOS	\$ 0.00 M
x) COMPUTER SOFTWARE	\$ 0.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: SARSAT
Approximate Value: \$ 20 M
Financing Source: 023 EDC
For further info. please contact:
EMBASSY TLX: 061-1296

Export and Investment Promotion Planning System

MISSION: 635 BRASILIA

COUNTRY: 047 BRAZIL

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: BRASILSAT III AND IV

Approximate Value: \$ 150 M

Financing Source: 023 EDC

For further info. please contact:

EMBASSY TLX:061-1296

iii) Project Name: ILS/MLS - DEVELOPMENT PROGRAM

Approximate Value: \$ 20 M

Financing Source: 011 CIDA 023 EDC

For further info. please contact:

EMBASSY TLX:061-1296

iv) Project Name: TELEPHONE NETWORK EXPANSION (RURAL TELEPHONY)

Approximate Value: \$ 10 M

Financing Source: 024 BC 023 EDC

For further info. please contact:

EMBASSY TLX:061-1296

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:

IN MANY CASES SUCCESS WITH OPPORTUNITIES BEING EXPLORED BY CDN COMPANIES, WILL DEPEND UPON GOVERNMENT DEVELOPMENT PRIORITIES.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade missions
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

Export and Investment Promotion Planning System

MISSION: 635 BRASILIA

COUNTRY: 047 BRAZIL

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: UNCOMPLETED CIDA FINANCED PROGRAM FOR INSTALLATION OF SARSAT GROUND STATION.

Results Expected: SALE OF ONE OR TWO ADDITIONAL GROUND STATIONS AND LOCATOR BEACONS.

Activity: SATELLITE 86 - SEMINAR ON CDN EXPERIENCE IN SATELLITE TELECOMMUNICATIONS SCHEDULED FOR DECEMBER 1986.

Results Expected: SALE OF CONSULTING SERVICES FOR SATELLITE USE

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

Activity: INCREASE AWARENESS AMONG BRAZILIAN PUBLIC & PRIVATE SECTORS OF MULTIPLE USES OF TELECOMMUNICATIONS SATELLITE IN CDA TO PROMOTE FULL UTILIZATION OF BRASILSAT I AND II.

Results Expected: SALE OF BRASILSAT III AND IV.

Activity: INTENSIFY RELATIONS WITH GOVERNMENT OFFICIALS TO PROMOTE SALE OF BRASILSAT III AND/OR CONDORSAT (BRAZIL & ARGENTINA).

Results Expected: SALE OF CONSULTING SERVICES FOR SATELLITE USE

Activity: LOBBY GOVERNMENT OFFICIALS TO ENCOURAGE FULL MEMBERSHIP IN SARSAT

Results Expected: SALE OF ADDITIONAL ONE OR TWO SARSAT GROUND STATION(S) AND LOCATOR BEACONS.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 635 BRASILIA

Market: 047 BRAZIL

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	550.00M	\$ 525.00M	\$ 540.00M	\$ 550.00M
Canadian Exports \$	10.00M	\$ 4.00M	\$ 3.00M	\$ 6.00M
Canadian Share of Import Market	2.00%	0.80%	0.60%	1.00%

Major Competing Countries

	Market Share
i) 265 JAPAN	000 %
ii) 112 FRANCE	000 %
iii) 577 UNITED STATES OF AMERICA	000 %
iv) 128 GERMANY WEST	000 %
v) 553 UNION OF SOVIET SOC REP	000 %
vi) 051 UNITED KINGDOM	000 %

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) NETWORK PROJECTORS	\$ 0.00 M
ii) CIRCUIT BREAKERS	\$ 0.00 M
iii) INSTRUMENTATION	\$ 0.00 M
iv) SCADA SYSTEMS	\$ 0.00 M
v) GENERATORS/TURBINES	\$ 0.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: SANTA ISABEL HYDRO PROJECT (ELECTRONORTE CGE)

Approximate Value: \$ 100 M

Financing Source: 023 EDC

For further info. please contact:

EMBASSY TLX: 061-1296

Export and Investment Promotion Planning System

MISSION: 635 BRASILIA

COUNTRY: 047 BRAZIL

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: RONDONIA HYDRO PROJECT (ELECTRONORTE-
WESTINGHOUSE)

Approximate Value: \$ 15 M

Financing Source: 023 EDC

For further info. please contact:

EMBASSY TLX: 061-1296

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- non competitive financing from Canada
- high tariffs
- non-tariff protectionist measures which are difficult to overcome
- difficulties in obtaining credit facilities in Canada
- other factor(s) described by the Trade Office as follows:

PREFERENCE GIVEN TO LOCAL SUPPLIERS ESPECIALLY ON IFI FINANCED PROJECTS AND TRADITIONAL SUPPLIERS.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONCLUDE COMPREHENSIVE STUDY OF POWER SECTOR ALREADY UNDER WAY AT DRIE.

Results Expected: BETTER UNDERSTANDING OF LIMITED MARKET OPPORTUNITIES.

Export and Investment Promotion Planning System

MISSION: 635 BRASILIA

COUNTRY: 047 BRAZIL

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: MARKETING TRIP TO NORTHEAST (CHESF, COELBA) TO INVESTIGATE EXPORT OPPORTUNITIES LINKED TO IFI - FINANCIAL PROJECTS OR ONGOING INVESTMENT.

Results Expected: UNDERSTANDING OF PROCUREMENT PROCESS AND SHORT/MEDIUM-TERM EXPORT OPPORTUNITIES.

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

Activity: RENEW CONTACTS WITH MINISTRY OF MINES AND ENERGY TO KEEP ABREAST OF CHANGING INVESTMENT PLANS.

Results Expected: RENEWAL OF SANTA ISABEL MOU.

Activity: VISIT STATE AND REGIONAL POWER COMPANIES IN TERRITORY TO LEARN OF THEIR INVESTMENT PRIORITIES.

Results Expected: ESTABLISH CONTACTS IN PROCUREMENT DEPARTMENTS TO TAKE ADVANTAGE OF FUTURE OPPORTUNITIES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 635 BRASILIA

Market: 047 BRAZIL

Sector: 008 TRANSPORT SYS. EQUIP. COMP. SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	1500.00M	\$ 1800.00M	\$ 1100.00M	\$ 800.00M
Canadian Exports \$	110.00M	\$ 120.00M	\$ 93.00M	\$ 43.00M
Canadian Share of Import Market	7.00%	7.00%	8.00%	5.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	000 %
ii) 128 GERMANY WEST	000 %
iii) 237 ITALY	000 %
iv) 265 JAPAN	000 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Well established and growing

Products/services for which there are
good market prospects

Current Total Imports
In Canadian \$

i) AIRCRAFT ENGINES	\$ 0.00 M
ii) MOTOR VEHICLE PARTS	\$ 0.00 M
iii) WATERBOMBERS	\$ 0.00 M
iv) SHIP ENGINEERING DESIGN	\$ 0.00 M
v) RAILWAY CONSULTING SERVICES	\$ 0.00 M
vi) URBAN TRANSIT MGMT & CONSULTING SERVICES	\$ 0.00 M
vii) LOCOMOTIVE KITS & PARTS	\$ 0.00 M
viii) GRUMMAN TRACKER CONVERSION KITS	\$ 0.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: ANTARCTIC VESSEL
Approximate Value: \$ 1 M
Financing Source: 023 EDC
For further info. please contact:
EMBASSY TLX: 061-1296

Export and Investment Promotion Planning System

MISSION: 635 BRASILIA

COUNTRY: 047 BRAZIL

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- ii) Project Name: URBAN TRANSIT-SALVADOR/RECIFE/BRASILIA
 Approximate Value: \$ M
 Financing Source: 011 CIDA 023 EDC
 For further info. please contact:
 EMBASSY TLX: 061-1296

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non-tariff protectionist measures which are difficult to overcome
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:
 UNLESS CDN COMPANIES ARE WILLING TO EMBARK IN JOINT VENTURES WITH BRAZILAIN FIRMS, EXPORT POSSIBILITIES ARE SLIM.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade missions
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: SIGNING OF COOPERATION AGREEMENT BETWEEN STCUM & TTC WITH GOVERNMENT OF FEDERAL DISTRICT.

Results Expected: CONSULTING CONTRACT FOR DESIGN OR MANAGEMENT OF PUBLIC TRANSIT SYSTEM.

Export and Investment Promotion Planning System

MISSION: 635 BRASILIA

COUNTRY: 047 BRAZIL

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: PRESENTATION ON CDN FIREFIGHTING CAPABILITIES TO PUBLIC AND PRIVATE SECTOR INTERESTS IN MINAS GERAIS.

Results Expected: EVENTUAL SALE OF WATERBOMBER AIRCRAFT OR CONVERSION KITS.

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

Activity: MONITOR ACTIVITIES OF INTERMINISTERIAL COMMISSION ON FOREST FIRE-FIGHTING AND PROMOTE WATERBOMBER SALES AND CONVERSION KITS.

Results Expected: SALES OF WATERBOMBER AIRCRAFT OR CONVERSION KITS.

Activity: DEVELOP CLOSER RELATIONS WITH AUTHORITIES IN STATE GOVERNMENTS TO IDENTIFY OPPORTUNITIES IN PUBLIC TRANSIT.

Results Expected: EXTEND SCTUM/TTCL AGREEMENTS TO INCLUDE BELO, RECIFE, SALVADOR, SALE OF CONSULTING SERVICES.

Activity: MAINTAIN CONTACT WITH MINISTRY OF TRANSPORT AND RFFSA TO MONITOR OPPORTUNITIES FOR FOLLOW-ON LOCOMOTIVE REFIT PROGRAM.

Results Expected: SALE OF ADDITIONAL LOCOMOTIVE KITS TO RFFSA.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		
Mission: 635 BRASILIA		
Sector: 001 AGRI & FOOD PRODUCTS & SERVICE		
020 MISSION OUTGOING AGRICULTURE MISSION TO BRAZIL		1187
Sector: 006 ELECTRONICS EQUIP. & SERV		
010 FAIRS INFORMATICA '87-BRAZIL	RIO DE JANIERO	1087
020 MISSION OUTGOING ADVANCED TECHNOLOGY MISSION TO BRAZIL		0987
Sector: 016 INDUSTRIAL MACHIN. PLANTS, SERV.		
024 MISSION INCOMING BUYERS FROM LAC TO PROSPECTORS AND DEVELOPERS ASSOC TORONTO		0487
Sector: 017 SERVICE INDUSTRIES		
020 MISSION OUTGOING TRADING HOUSE MISSION TO BRAZIL		0487

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 635 BRASILIA		
Sector: 001 AGRI & FOOD PRODUCTS & SERVICE		
010 FAIRS EXPOINTER	PORTO ALEGRE	0989
EXPOINTER	PORTO ALEGRE	0988
GOIANIA AGRICULTURAL FAIR	GOIANIA	0588
BIO TECHNOLOGY CONF. & EXH. (BIOTECHNICA)	BELO HORIZONTE/SPAUL	0988
020 MISSION OUTGOING MISS. TO BRAZIL OF MIN. OF STATE FOR CDN WHEAT BOARD	BRAS., RIO PORTO ALEG	0988
AGRIC/CAN SEMINARS ON LIVESTOCK & A. I.	BRAS. SPAULO, UBERL. PO	0988
Sector: 005 COMM. & INFORM. EQP. & SERV		
020 MISSION OUTGOING MISSION TO BRAZIL OF MIN. OF COMMUNICATIONS	BRAS., SPAULO, RIO	1288
Sector: 007 POWER & ENERGY EQUIP. & SERV.		
020 MISSION OUTGOING CDN POWER & ENERGY EQUIP. MISS. TO BRAZIL	SPAULO, RIO, BRASILIA	89

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 635 BRASILIA		
Sector: 008 TRANSPORT SYS. EQUIP. COMP. SERV.		
024 MISSION INCOMING URBAN/RAIL MISSION TO CANADA	TOR. , CALG. , MTL. , VANC	0589
Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES		
020 MISSION OUTGOING CANADIAN FORESTRY MISSION TO BRAZIL	BRAS. , SPAULO, N. BRASI	0488
Sector: 010 MINE, METAL, MINERAL PROD & SRV		
020 MISSION OUTGOING CANADIAN MINING MISSION TO BRAZIL	BELO HOR. , SPAULO, RIO	89
Sector: 999 MULTIPLE SECTORS		
020 MISSION OUTGOING CND BUSINESS PERSONS MISS. TO BRAZIL LED BY MINT MISSION TO BELO HORIZONTE	BRAS. , APAULO, RIO, BEL BELO HORIZONTE	0588 1188
024 MISSION INCOMING PARTICIPATION IN MARKET PLACE 89 PARTICIPATION IN MARKET PLACE 88		1089 1088

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 637 SAO PAULO

Country: 047 BRAZIL

THE FUNDAMENTAL ECON. SITUATION & TRADE ENVIRONMENT HAVE NOT CHANGED DRASTICALLY SINCE LAST YEAR EXCEPT THAT INFLATION HAS BEEN REDUCED TO 1 OR 2% A MTH THROUGH WAGE/PRICE FREEZE; FOREIGN DEBT, PUBLIC SECTOR DIFICIT, LACK OF PROD'VE INVSTMT CONTINUE BUT INCREDIBLE CONSUMPTION BOOM RESULTING FROM HIGHER DISPOSABLE INCOME HAS ACCELERATED ECON. GROWTH TO 7 - 8% RANGE & IND'L GROWTH (CONCENTRATED IN S. PAULO STATE) TO 12-15% RANGE. THIS IS NOW HAVING AN IMPACT ON TRADE PATTERN. GOVT WANTS TO MAINTAIN HUGE TRADE SURPLUSES (US\$12 BN PER YR) BUT THIS OBJECTIVE IS THREATENED BY THE NEED TO IMPORT COMMODITIES (ESP. FOOD), IND'L INPUTS (TO SUSTAIN GROWTH) AND ACTUAL FINISHED GOODS (WHERE IND. OPERATING AT FULL CAPACITY AND NOT INVSTG ON LARGE SCALE). QUITE APART FM THIS, THERE ARE INCREASING INT'L PRESSURES (USA, IMF, GATT, WB, PARIS CLUB, ETC.) FOR BRAZIL TO BEGIN TO OPEN UP ITS VERY PROTECTIONIST MKT. AS BRAZIL SOMETIMES CLAIMS TO HAVE REACHED "ADULTHOOD", MANY (INCL. FM INSIDE BRAZIL, E. G. EXPORT/IMPORT ASSOC.) ARE SUGGESTING IT SHLD & MUST LIBERALIZE IMPORTS. THIS AUGURS WELL FOR CDA (IN TERMS OF DIVERSIFYING OUR EXPORTS) & HAS ALREADY BEGUN TO HAPPEN WITH NON-OIL/NON-FOOD IMPORTS HAVING INCREASED BY AS MUCH AS 47% THIS YR. WHILE CDA HAS BEEN UNABLE OR SLOW TO REACT TO SOME OPPORT. IN THE COMMODITIES SECTOR, A WINDOW OF OPPORT. EXISTS TO INCREASE OUR PENETRATION OF THE MKT IN THE MFTD GOODS AREAS WHICH WE SHLD NOT LET ESCAPE. IT SHLD BE REMEMBERED, HOWEVER, THAT ANY LIBERALIZATION PROCESS WILL BE RELATIVELY SLOW AND THAT FUNDAMENTAL RULES WILL NOT CHANGE APPRECIABLY, I. E. MKT NICHES SHLD BE PURSUED & CDN MFTRS SHLD CONTINUE TO COME HERE PREPARED TO DEAL WITH THE MKT ON ITS OWN TERMS WHICH GEN'LY CALL FOR SOME TYPE OF TRANSFER OF TECH., LICENSING OR JOINT VENTURE ARRANGEMENT IN ADDITION TO SELECTIVE SALE OPPORT. IND'L SECTORS OF PRIMARY INTEREST ARE OUTLINED IN THE SECTION BELOW BUT SIGNIFICANT CHANGES COULD OCCUR RAPIDLY AFTER THE GUBERNATORIAL ELECTION OF NOV. 15, 1986, & SUBSEQUENT ADJUST'S TO THE "PLANO CRUZADO" & ELABOR'N OF THE NEW CONSTITUTION WHICH WILL BOTH IMPACT ON THE DIRECTION & LEVEL OF NEW INVSTMTS (OR LACK THEREOF) THUS CREATING MKT OPPORT. FOR IND'L GOODS/SRVCS IN VARIOUS SECTORS (OR FOR SPECIFIC FINISHED GDS IN SHORT SUPPLY). WHATEVER THE SCENARIO, PROSPECTS FOR OUR COMMODITIES EXPORTS REMAIN GOOD, WHEAT SALES BEING LOWER THAN AVERAGE BUT SULPHUR, COAL, POTASH BEING ON THE INCREASE; AND PROSPECTS FOR NON-TRADIT'L GOODS/SRVCS EXPORTS APPEAR PROMISING GIVEN INCREASED BRAZILIAN NON-OIL IMPORTS. GIVEN THE COMPLEX ECON. & REGUL'RY ENVIRONMENT SUCCESSFUL PENETRA'N OF THE BRAZILIAN MKT CONTINUES TO REQUIRE A LONG TERM COMMITMENT TO ITS PURSUIT. EXPERIENCE SHOWS THAT THE VARIOUS PROMOT'L TOOLS AVAILABLE TO US-PEMD, FED'LY AND PROV'LY SPONSORED TRADE MISSIONS, CIDA'S IND'L COOP. PROG., TRADE FAIRS, BRAZILIAN BUYERS VISITS TO CDA, BCCC-SPONSORED SEMINARS, EDC-FINANCING, ETC-ARE INDISPENSABLE TOOLS TO ENCOURAGE & SUPPORT

Export and Investment Promotion Planning System

REPT: SYN-GEO 87/88 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

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

1. 011 OIL & GAS EQUIPMENT, SERVICES

REASONS: OIL & GAS DVLPMT GIVEN TOP PRIORITY BY GOVT GIVEN FURTHER POTENTIAL HARD CURRENCY SAVINGS; FOREIGN PROCUREMENT OF PRODUCTS/SERVICES/TECHNOLOGY NECESSARY TO ACHIEVE THIS GOAL.

2. 005 COMM. & INFORM. EQP. & SERV

REASONS: ALL HIGH TECH SECTORS CONSIDERED VITAL TO IMPRVMTS OF MFTG BASE; ACQUISITION OF UP TO DATE FOREIGN EQUIP./SRVCS ESSENTIAL PART OF PROCESS OFTEN ON BASIS OF TRANSFER OF TECHNOLOGY/LICENSING.

3. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: BRAZIL IS DEFICIENT IN BASIC FOOD PRODUCTION & RELATED ACTIVITIES (E.G FERTILIZER PRODUCTION) AND IMPORTS OF SPECIFIC COMMODITIES IS DUTY FREE/INDISPENSABLE.

4. 008 TRANSPORT SYS, EQUIP, COMP, SERV.

REASONS: THERE ARE A NUMBER OF EMERGING OPPORTUNITIES IN PUBLIC & FREIGHT TRANSPORTATION (AS IDENTIFIED BY DRIE SPECIALIST) WHICH OFFER TT/JV/CONSULTING OPPORTUNITIES.

5. 016 INDUSTRIAL MACHIN, PLANTS, SERV.

REASONS: LIBERALIZATION OF IMPORTS OF PROD'N MACHINERY DUE TO INABILITY OF DOMESTIC IND. TO SUPPLY DEMAND WILL CREATE SELECTIVE OPPORTUNITIES FOR IMPORT AND INDUSTRIAL COOPERATION.

6. 009 FOREST PRODUCTS, EQUIP, SERVICES

REASONS: MASSIVE INVESTMENT PLANS IN MEDIUM TERM TO ATTEND TO INCREASING DEMAND FOR PULP, PAPER, WOOD PRODUCTS (SEVERAL BILLION DOLLARS).

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

1. 003 GRAINS AND OILSEEDS
2. 010 MINE, METAL, MINERAL PROD & SRV
3. 005 COMM. & INFORM. EQP. & SERV
4. 008 TRANSPORT SYS, EQUIP, COMP, SERV.
5. 009 FOREST PRODUCTS, EQUIP, SERVICES

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	1500.00M	\$ 1300.00M	\$ 400.00M	\$ 400.00M
Canadian Exports \$	100.00M	\$ 85.00M	\$ 55.00M	\$ 60.00M
Canadian Share of Import Market	7.00%	7.00%	14.00%	15.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	040 %
ii) 001 ARGENTINA	015 %
iii) 609 EUROPEAN COMMON MARKET C	015 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

- i) FERTILIZERS (POTASH)
- ii) DAIRY AND BEEF BREEDING CATTLE
- iii) SHEEP, GOATS, SWINE
- iv) GENETIC MATERIAL
- v) SEED POTATOES
- vi) DAIRY PRODUCTS
- vii) POULTRY AND HATCHING EGGS
- viii) FOOD PROCESSING EQUIPMENT
- ix) FROZEN BEEF/PORK
- x) AGRICULTURAL MACHINERY

Current Total Imports

In Canadian \$
\$ 250.00 M
\$ 5.00 M
\$ 1.00 M
\$ 6.00 M
\$ 2.00 M
\$ 150.00 M
\$ 2.00 M
\$ 10.00 M
\$ 200.00 M
\$ 10.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: IRRIGATION PROJECT
- Approximate Value: \$ M
- Financing Source: 001 IBRD
- For further info. please contact:
CONGEN, SAO PAULO TLX: 38-1123230

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: AD-HOC PURCHASES OF FOOD PRODUCTS IN SHORT SUPPLY

Approximate Value: \$ M

Financing Source:

For further info. please contact:

CONGEN, SAO PAULO EMB. /BRASILIA, TLX: 38-1123230

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be low
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:

IN WELL ESTABLISHED COMMODITY AREAS, E. G. FERTILIZERS, CDN PERFORMANCE IS QUITE GOOD; FOR MOST OTHER PRODUCTS ABOVE MARKET PROSPECTS ARE RELATIVELY NEW & NOT YET EXPLORED SUFFICIENTLY OR LIMITED BY AVAILABILITY OF CANADIAN PRODUCTS.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FOLLOW UP TO INSTITUTIONAL PARTICIPATION IN EXPOINTER 86 AND CONSEQUENT BRAZILIAN FARMERS VISIT TO ROYAL WINTER FAIR IN TORONTO TO ENSURE CONTACTS ESTABLISHED RESULT IN ACTUAL AND PERMANENT CONNECTIONS.

Results Expected: CONFIRM NEW REPRESENTATION AGREEMENTS AND SALES OF LIVESTOCK AND GENETIC MATERIAL.

Activity: MAINTAIN AND EXPAND CONTACTS BETWEEN PARTICIPANTS OF ONTARIO POULTRY SEMINAR AND BRAZILIAN POULTRY BREEDERS.

Results Expected: SALE OF CANADIAN POULTRY/CHICKS AND INITIATION OF TECHNICAL COOPERATION IN POULTRY BREEDING.

Activity: MONITOR OPPORTUNITIES RESULTING FROM FOOD COMMODITIES SHORTAGES AND REPORT TO HEADQUARTERS TO IDENTIFY POTENTIAL CND SUPPLIERS.

Results Expected: POTENTIAL NEW SALES OF CHEESE, EGGS, MILK POWDER, MEAT.

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

Activity: TECHNICAL SEMINARS IN COOPERATION WITH AGRICULTURE CANADA AND PROVINCIAL GOVERNMENTS TO CREATE EXPOSURE FOR CANADIAN BREEDING STOCK, SPECIAL CROPS, VETERINARY PRODUCTS, ETC.

Results Expected: EXPAND EXISTING SALES OF BREEDING STOCK AND INTRODUCE NEW VARIETIES AND COMMODITIES.

Activity: FURTHER DEVELOP CONTACTS WITH BRAZILIAN TRADE ASSOCIATIONS AND SPECIALIZED INSTITUTES (ITAL, ABIA) WHO PLAY SIGNIFICANT ROLE IN SECTOR DEVELOPMENTS (E.G. BIOTECHNOLOGY) AND SELECTION OF COUNTRY OF ORIGIN FOR IMPORTS.

Results Expected: INCREASED SALES OF GENETIC MATERIAL, GOATS, SWINES AND POULTRY; SHEEP.

02/03/87

DEPARTMENT OF EXTERNAL AFFAIRS

Page: 103

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

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

Activity: CONTINUE ONGOING CONTACTS WITH AGRICULTURAL MACHINERY ASSOCIATION WHOSE REPRESENTATIVE VISITED WESTERN FARM PROGRESS SHOW IN SASKATCHEWAN IN JUNE 86.

Results Expected: DEVELOP 2 OR 3 JOINT VENTURES IN MEDIUM TERM.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 002 FISHERIES, SEA PRODUCTS & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	60.00M	\$ 55.00M	\$ 35.00M	\$ 30.00M
Canadian Exports \$	2.00M	\$ 0.80M	\$ 0.65M	\$ 0.60M
Canadian Share of Import Market	3.30%	1.50%	2.80%	2.00%

Major Competing Countries

Market Share

i) 410 NORWAY	050 %
ii) 405 ICELAND	020 %
iii) 068 CHILE	015 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) COD FISH	\$ 30.00 M
ii) SMOKED SALMON	\$ 5.00 M
iii) SPECIALTY PRODUCTS	\$ 10.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- other factor(s) described by the Trade Office as follows:
TARIFFS VARY WIDELY DEPENDING ON PRODUCT AND CAN BE MAJOR IMPEDIMENT.

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE POST'S PROFILE RAISING EFFORT ON BEHALF OF COD EXPORTERS BY INCREASING CONTACTS WITH FISH IMPORTERS AND PROMOTING HIGH QUALITY OF CANADIAN PRODUCTS AND RELIABILITY OF SUPPLIERS.

Results Expected: INCREASE CANADIAN SHARE OF COD IMPORT MARKET.

Activity: ASSIST CANADIAN EXPORTERS BY CONDUCTING MINI SURVEY OF MARKETING REQUIREMENTS.

Results Expected: SUPPLIERS WILL BE BETTER INFORMED ABOUT PECULIARITIES OF BRAZILIAN MARKETING.

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

Activity: INTRODUCE NEW SPECIALIZED LUXURY PRODUCTS, E.G. SMOKED SALMON TO MARKETING BY PUTTING CANADIAN SUPPLIERS EXPRESSING AN INTEREST IN BRAZILIAN MARKETING IN TOUCH WITH IMPORTERS.

Results Expected: SOME SALES OVER THE MEDIUM TERM.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 004 DEFENCE PROGRAMS, PRODUCTS, SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	200.00M	\$ 200.00M	\$ 240.00M	\$ 280.00M
Canadian Exports \$	8.00M	\$ 5.00M	\$ 0.10M	\$ 0.00M
Canadian Share of Import Market	4.00%	2.50%	0.00%	0.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	045 %
ii) 616 OTHER COUNTRIES	025 %
iii) 112 FRANCE	015 %
iv) 128 GERMANY WEST	015 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) DEFENSE ELECTRONICS	\$ 0.00 M
ii) OPTICAL FIBERS TECHN.	\$ 0.00 M
iii) HELICOPTER LANDING SYSTEM	\$ 0.00 M
iv) FOUNDRY TECHNOLOGY	\$ 0.00 M
v) MILLING TECHNOLOGY	\$ 0.00 M
vi) SONAR HANDLING SYSTEMS	\$ 0.00 M
vii) AVIONICS	\$ 0.00 M
viii) AUTOMATED LANDING GEAR	\$ 0.00 M
ix) INFRA RED AIR RECONAISSANCE	\$ 0.00 M
x) AIRCRAFT ENGINE CONVERSION KITS	\$ 0.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: NAVY PROGRAM (PATROL BOATS)

Approximate Value: \$ M

Financing Source: .

For further info. please contact:

CONGEN SAO PAULO TLX: 38-1123230

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: BRAZILIAN ARMY MODERNIZATION PLAN IFT-90
Approximate Value: \$ M
Financing Source:
For further info. please contact:
CONGEN SAO PAULO TLX: 38-1123230

iii) Project Name: NAVY'S SHIPBUILDING & SHIP MODERNIZATION PROGRAM (UPC, FRIGATES, CORVETTES)
Approximate Value: \$ M
Financing Source: 028 TO/DETER
For further info. please contact:
CONGEN, SAO PAULO TLX: 38-1123230

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be moderate
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- support provided by the PEMD program
- participation in trade missions
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: MONITOR PROGRESS OF BRAZILIAN ANTARCTIC PROGRAMMES & INTRODUCE, ON INDIVIDUAL BASIS, SELECTED CANADIAN SUPPLIERS TO LOCAL AGENTS AND PROGRAM AUTHORITIES.

Results Expected: SALE OF ENGINEERING AND DESIGN SERVICES.

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: SUPPORT ON-GOING AND NEW MARKETING EFFORTS OF CANADIAN FIRMS.

Results Expected: ESTABLISHMENT OF AGENTS, BUYING CONNECTIONS AND DIRECT SALES.

Activity: FOLLOW-UP TO NAVY SEMINAR HELD IN MARCH 86.

Results Expected: TO CONVERT GOOD WILL THEN CREATED INTO SOME CONCRETE COMMERCIAL ACTIVITIES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 005 COMM. & INFORM. EQP. & SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	800.00M	\$ 750.00M	\$ 775.00M	\$ 700.00M
Canadian Exports \$	15.00M	\$ 8.00M	\$ 95.00M	\$ 101.00M
Canadian Share	2.00%	1.00%	12.00%	14.00%
of Import Market				

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	035 %
ii) 265 JAPAN	020 %
iii) 112 FRANCE	015 %
iv) 128 GERMANY WEST	010 %
v) 507 SWEDEN	005 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) TELEPHONE SWITCHING EQUIPMENT	\$ 5.00 M
ii) SATELLITE USES, E.G. TELE-EDUCATION	\$ 0.00 M
iii) SARSAT, EARTH STATIONS - LUT	\$ 3.00 M
iv) SARSAT - LOCATOR BEACONS	\$ 0.00 M
v) RURAL TELEPHONY	\$ 1.00 M
vi) CELLULAR RADIO TECH.	\$ 0.00 M
vii) COMPUTER SOFTWARE	\$ 10.00 M
viii) MICROWAVE LANDING SYSTEMS	\$ 0.00 M
ix) REMOTE SENSING EQUIPMENT	\$ 0.00 M
x) SCADA SYSTEMS	\$ 3.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: TELECOM SATELLITE APPLICATION/USES

Approximate Value: \$ M

Financing Source: 023 EDC 011 CIDA

For further info. please contact:

CONGEN, SAO PAULO TLX: 38-1123230

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: SARSAT/RADARSAT PARTICIPATION
 Approximate Value: \$ M
 Financing Source: 023 EDC 011 CIDA
 For further info. please contact:
 CONGEN, SAO PAULO TLX: 38-1123230

iii) Project Name: COMMUNICATIONS SATELLITE
 Approximate Value: \$ M
 Financing Source: 023 EDC 011 CIDA
 For further info. please contact:
 CONGEN, SAO PAULO TLX: 38-1123230

iv) Project Name: BRAZILIAN SCIENTIFIC SATELLITE-INPE
 (TWO GROUND STATIONS)
 Approximate Value: \$ M
 Financing Source: 023 EDC 011 CIDA
 For further info. please contact:
 CONGEN, SAO PAULO TLX: 38-1123230

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome
- difficulties in obtaining credit facilities in Canada
- other factor(s) described by the Trade Office as follows:

BRAZILIAN PROTECTIONIST MEASURES (LAW OF NATIONAL SIMILARS, INFORMATICS, MARKET RESERVE LAW) ARE A SERIOUS IMPEDIMENT TO FURTHER PENETRATION; TRANSFERS OF TECHNOLOGY OVER TIME ARE ESSENTIAL TO MEDIUM/LONG TERM ACCESS.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FOLLOW UP WITH PARTICIPANTS OF FEDERALLY & PROVINCIALY SPONSORED HIGH TECHNOLOGY MISSIONS (THREE IN 86/87) AND LOCAL CONTACTS ESTABLISHED TO MAXIMIZE NUMBER OF PERMANENT BUSINESS CONNECTIONS.

Results Expected: ESTABLISHMENT OF AGENCY (IES) & CONCLUSION OF SALES/JV ARRANGEMENTS FOR 5 OR 6 CANADIAN COMPANIES.

Activity: FOLLOW UP ON CONTACTS ESTABLISHED AT HI-TEC AND MARKETPLACE 86 AND SUPPORT ONGOING RELATIONSHIPS WITH BRAZILIAN COMPANIES GENERATED AS A RESULT.

Results Expected: ESTABLISHMENT OF AGENCY(IES) & CONCLUSION SALES/JV ARRANGEMENTS FOR 2 OR 3 CANADIAN COMPANIES.

Activity: CONTINUE TO SUPPORT ONGOING SALES EFFORTS OF CANADIAN FIRMS.

Results Expected: CONCLUSION OF 3/4 SALES AND JOINT-VENTURES/ TECHNOLOGY TRANSFER/LICENSING AGREEMENTS.

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

Activity: REPORT ON FURTHER DEVELOPMENTS OF INFORMATICS LAW WHICH IMPACT ON MARKET POTENTIAL FOR CANADIAN PRODUCTS AND SERVICES.

Results Expected: SUPPORT PROPOSED PARTICIPATION IN INFORMATICA 87.

Activity: INTENSIFY PERSONAL CONTACTS WITH BRAZILIAN REGULATORS/CLIENT AGENCIES WHICH INFLUENCE DECISION MAKING (E.G. SEI, CTI, INPE).

Results Expected: TIMELY REPORTING ON POLICY ISSUES; ENHANCED EXPOSURE OF CANADIAN CAPABILITIES AND IMPROVED PROFILE WITH BUYERS.

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

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

Activity: FOLLOW UP ON SATELLITE 86 CONTACTS ESTABLISHED TO MAXIMIZE BENEFIT TO BE DERIVED FROM CANADIAN PARTICIPATION.

Results Expected: INTRODUCTION OF TWO OR THREE CANADIAN ORGANIZATIONS IN SATELLITE APPLICATIONS.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 006 ELECTRONICS EQUIP. & SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	730.00M	\$ 681.00M	\$ 516.00M	\$ 333.00M
Canadian Exports \$	6.00M	\$ 4.00M	\$ 5.00M	\$ 2.00M
Canadian Share of Import Market	1.00%	1.00%	1.00%	1.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	035 %
ii) 112 FRANCE	010 %
iii) 128 GERMANY WEST	010 %
iv) 265 JAPAN	020 %
v) 051 UNITED KINGDOM	005 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) DEFENSE ELECTRONICS PRODUCTS	\$ 50.00 M
ii) LASER EQUIPMENT	\$ 0.00 M
iii) NDT EQUIPMENT	\$ 0.00 M
iv) CABLE TESTING EQUIPMENT	\$ 0.00 M
v) TECHNICAL COOPERATION IN NDT STANDARDS	\$ 0.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.i) Project Name: IPT IRRIGATION PROJECT (COMPUTER CON-
TROLLED MONITORING)

Approximate Value: \$ M

Financing Source: 028 TO/DETER

For further info. please contact:

CONGEN, SAO PAULO TLX: 38-1123230

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:

MARKET RESERVE PROTECTING LOCAL SUPPLIERS (LAW OF INFORMATICS)

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: ASSISTANCE TO CANADIAN FIRMS IN FINDING AGENTS/PARTNERS AND CONCLUDING SALES CONTRACTS.

Results Expected: TWO AGENCIES AND TWO BUYING CONNECTIONS.

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: BUILD AN EXCELLENT RELATIONSHIP ESTABLISHED BETWEEN CANADIAN NDT ASSOCIATION AND BRAZILIAN COUNTERPART (ABENDE) THRU PARTICIPATION OF CANADIAN EXHIBITORS AT SHOW IN SAO PAULO.

Results Expected: VIA ADOPTION OF CANADIAN STANDARDS IN BRAZIL SALES OF INSTRUMENTATION AND TT/JV IN NDT SECTOR.

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

Activity: INTENSIFY CONTACTS WITH BRAZILIAN TECHNICAL INSTITUTES AND RESEARCH FACILITIES TO IDENTIFY OTHER MARKET NICHES.

Results Expected: TO INTRODUCE TWO OR THREE NEW CANADIAN SUPPLIERS ON BRAZILIAN MARKET.

Activity: ANALYSIS OF NEW DEVELOPMENTS IN THE APPLICATION OF INFORMATICS LAW.

Results Expected: TO INFORM CANADIAN MANUFACTURERS OF OPPORTUNITIES/CONSTRAINTS CHARACTERIZING BRAZILIAN MARKET.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	550.00M	\$ 525.00M	\$ 540.00M	\$ 550.00M
Canadian Exports \$	10.00M	\$ 4.00M	\$ 3.00M	\$ 6.00M
Canadian Share of Import Market	1.80%	0.70%	0.50%	1.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	025 %
ii) 265 JAPAN	015 %
iii) 112 FRANCE	015 %
iv) 051 UNITED KINGDOM	010 %
v) 128 GERMANY WEST	010 %
vi) 607 COMECON	000 %

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) NETWORK PROTECTORS	\$ 5.00 M
ii) GENERATORS/TURBINES	\$ 30.00 M
iii) SCADA SYSTEMS	\$ 5.00 M
iv) CIRCUIT BREAKERS	\$ 1.00 M
v) INSTRUMENTATION	\$ 25.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: ELECTRONORTE GENERATORS/TURBINES

Approximate Value: \$ 15 M

Financing Source: 023 EDC

For further info. please contact:

CONGEN, SAO PAULO TLX:38-1123230

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- ii) Project Name: SANTA ISABEL
Approximate Value: \$ 100 M
Financing Source: 023 EDC
For further info. please contact:
CONGEN, SAO PAULO TLX:38-1123230

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- non competitive financing from Canada
- high tariffs
- non-tariff protectionist measures which are difficult to overcome
- difficulties in obtaining credit facilities in Canada
- other factor(s) described by the Trade Office as follows:
PREFERENCE GIVEN TO LOCAL SUPPLIERS (ESPECIALLY ON IFI-FINANCED PROJECTS) AS WELL AS TO TRADITIONAL (ORIGINAL) SUPPLIERS.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONCLUDE COMPREHENSIVE STUDY OF POWER SECTOR ALREADY UNDERWAY.

Results Expected: BETTER UNDERSTANDING OF LIMITED MARKET OPPORTUNITIES.

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FOLLOW UP ON DRIE SPECIALIST VISIT REPORT AS SOON AS RECEIVED.

Results Expected: IDENTIFICATION OF SELECTIVE OPPORTUNITIES TO BE PURSUED.

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

Activity: ANALYSIS OF "PLANO 2010".

Results Expected: IDENTIFICATION OF BRAZILIAN SECTOR (NICHE) OPPORTUNITIES.

Activity: CONTINUE TO REFER TO DRIEOTT, IFI-FINANCED TENDERS FROM UTILITIES

Results Expected: EVENTUAL SALES OF INSTRUMENTATION NETWORK PROTECTORS, ETC.

Activity: CONTINUE ACTIVE SUPPORT OF CANADIAN COMPANIES MARKETING ACTIVITIES ON ELECTRICAL SECTOR.

Results Expected: MAINTAIN THEIR SMALL SHARE OF MARKET WITH BRAZILIAN UTILITIES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 008 TRANSPORT SYS. EQUIP. COMP. SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	1500.00M	\$ 1800.00M	\$ 1100.00M	\$ 800.00M
Canadian Exports \$	110.00M	\$ 120.00M	\$ 93.00M	\$ 43.00M
Canadian Share of Import Market	7.00%	7.00%	8.00%	5.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	025 %
ii) 128 GERMANY WEST	015 %
iii) 237 ITALY	010 %
iv) 265 JAPAN	010 %
v) 051 UNITED KINGDOM	010 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) AIRCRAFT ENGINES	\$ 40.00 M
ii) AUTOMATED LANDING GEAR	\$ 0.00 M
iii) MOTOR VEHICLE PARTS	\$ 450.00 M
iv) SHIPS ENGINEERING DESIGN	\$ 75.00 M
v) TRAIN/BUSES/METRO/MANAGEMENT SYSTEMS	\$ 20.00 M
vi) CONSULTING SERVICES	\$ 10.00 M
vii) TECHNOLOGY FOR HI/LO SPEED PASSENGER TRAINS	\$ 0.00 M
viii) FIREFIGHTING AIRCRAFTS	\$ 0.00 M
ix) LOCOMOTIVE KITS/PARTS	\$ 25.00 M
x) GRUMMAN AIRCRAFT CONVERSION KITS	\$ 0.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: EXPORT CORRIDOR PROJECTS
 Approximate Value: \$ 400 M
 Financing Source: 001 IBRD
 For further info. please contact:
 CONGEN, SAO PAULO TLX:38-1123230

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: ANTARCTIC AND HYDROGRAPHIC SURVEY SHIPS
 Approximate Value: \$ 85 M
 Financing Source: 012 DOM 025 OTHER
 For further info. please contact:
 CONGEN, SAO PAULO TLX:38-1123230

iii) Project Name: "PEOPLE MOVER" SUBURBAN PASSENGER TRAINS
 Approximate Value: \$ M
 Financing Source: 028 TO/DETER
 For further info. please contact:
 CONGEN SAO PAULO TLX:38-1123230

iv) Project Name: HI-SPEED PASSENGER TRANSPORT BETWEEN RIO DE JANEIRO AND SAO PAULO
 Approximate Value: \$ M
 Financing Source: 028 TO/DETER
 For further info. please contact:
 CONGEN, SAO PAULO, TLX:38-1123230

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- non-tariff protectionist measures which are difficult to overcome
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:
 EXCEPT IN HIGHLY SPECIALIZED AREAS, INDIGENOUS CAPABILITIES IN BRAZIL OFTEN LIMIT POTENTIAL TO VARIOUS FORMS OF INDUSTRIAL COOPERATION (JV/TT/LICENSING AGREEMENT) WHICH CANADIAN FIRMS NOT ALWAYS WILLING OR CAPABLE OF HANDLING.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FOLLOW UP ON COOPERATION AGREEMENT IN URBAN TRANSIT TO IDENTIFY SPECIFIC AREAS OF COOPERATION.

Results Expected: FINANCIAL MANAGEMENT, ADMINISTRATION AND TECHNOLOGICAL INNOVATION CONTRACT(S), CONSULTING SERVICES FOR BRZLN METROS AND IN THIRD COUNTRIES.

Activity: FOLLOW UP ON CONTACTS ESTABLISHED BY DRIEDOTT/FAMR SPECIALISTS DURING HIS VISIT TO PINPOINT SPECIFIC PROJECTS EQUIPMENT OF INTEREST TO CANADA.

Results Expected: LONG TERM PROSPECTS FOR "PEOPLE MOVER" SUBURBAN PASSENGER TRANSPORT, INTERCITY PASSENGER TRANSPORT.

Activity: CONTINUE TO PROVIDE SUPPORT TO CANADIAN FIRMS RE BRAZILIAN ANT-ARCTIC/HYDROGRAPHIC SHIPS AND EXPORT CORRIDOR PROJECTS RESPECTIVELY.

Results Expected: ENGINEERING/DESIGN SERVICES AND CONSULTING SERVICES CONTRACTS.

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

Activity: MAINTAIN AND FURTHER DEVELOP CONTACTS WITH MUNICIPAL AND STATE AUTHORITIES RESPONSIBLE FOR DECISION MAKING ON TRANSPORTATION PROJECTS.

Results Expected: INCREASED EXPOSURE OF CANADIAN EXPERTISE AND ENHANCED KNOWLEDGE OF SPECIFIC PROJECT ACTIVITIES.

Activity: MINI REPORTS ON AD-HOC BASIS ON STATUS OF URBAN, SUBURBAN, INTERCITY PASSENGER TRANSPORTATION PROJECTS AND FREIGHT TRANSPORTATION PROJECT(S) DEVELOPMENT.

Results Expected: TO DECIDE ON APPROPRIATENESS OF AND SUPPORT FOR OUTGOING MISSION OR SEMINAR; TO ADVISE ON PERMANENT BASIS INTERESTED CANADIAN FIRMS.

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

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

Activity: CONTINUE TO SUPPORT CANADIAN FIRMS ALREADY ACTIVE OR PURSUING SPECIFIC COMMERCIAL ACTIVITIES IN BRAZIL.

Results Expected: TO CONCLUDE ONE OR MORE OF SALES CURRENTLY BEING PURSUED.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	250.00M	\$ 200.00M	\$ 120.00M	\$ 80.00M
Canadian Exports \$	45.00M	\$ 40.00M	\$ 16.00M	\$ 28.00M
Canadian Share of Import Market	18.00%	10.00%	13.00%	35.00%

Major Competing Countries

Market Share

i) 504 FINLAND	020 %
ii) 068 CHILE	015 %
iii) 577 UNITED STATES OF AMERICA	015 %
iv) 410 NORWAY	010 %
v) 507 SWEDEN	010 %
vi) 035 ROMANIA	010 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

In Canadian \$

i) NEWSPRINT	\$ 50.00 M
ii) PULP	\$ 20.00 M
iii) PROCESS CONTROL EQUIP.	\$ 15.00 M
iv) ENGINEERING SERVICES	\$ 15.00 M
v) PULP & PAPER MAKING EQUIPMENT	\$ 10.00 M
vi) FORESTRY MANAGEMENT; TECHNICAL COOPERATION	\$ 0.00 M
vii) PLYWOOD PANEL TECHNOLOGY	\$ 1.00 M
viii) FORESTRY HARVESTING EQUIPMENT	\$ 5.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: ARACRUZ PULP/PAPER PROJECT
Approximate Value: \$ 300 M
Financing Source: 028 TO/DETER
For further info. please contact:
CONGEN, SAO PAULO TLX:38-1123230

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: CVRD PULP/PAPER PROJECT

Approximate Value: \$ 200 M

Financing Source: 028 TO/DETER

For further info. please contact:

CONGEN SAO PAULO TLX: 38-1123230

iii) Project Name: MORRO VERDE PULP/PAPER PROJECT

Approximate Value: \$ M

Financing Source: 025 OTHER 023 EDC

For further info. please contact:

CONGEN, SAO PAULO TLX: 38-1123230

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non-tariff protectionist measures which are difficult to overcome
- difficulties in obtaining credit facilities in Canada
- other factor(s) described by the Trade Office as follows:
LONG ESTABLISHED PRESENCE OF SCANDINAVIAN FIRMS & SUBSTANTIAL DEGREE OF INDIGENOUS CAPABILITIES IN THE BRAZILIAN MARKET MAKE IT DIFFICULT TO FURTHER INCREASE OUR PENETRATION WHICH IS ALREADY SUBSTANTIAL.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: SUPPORT RECENTLY FORMALIZED JOINT VENTURE AGREEMENT BETWEEN SIMONS AND NATRON AND HELP THEM INCREASE THEIR EXPOSURE TO PARTICIPATE IN UPCOMING PULP AND PAPER PROJECTS.

Results Expected: PARTICIPATION IN FEASIBILITY/CONSULTING ENGINEERING EVALUATION OF PROJ. E.G. MORRO VERDE, ETC. WHICH WOULD CREATE OPPORTUNITIES FOR EQUIPMENT SALES.

Activity: PROVIDE CONTINUED ASSISTANCE TO A CANADIAN FIRM, ESPECIALLY TO WITHSTAND EMERGING COMPETITION FROM USA ON BASIS OF LOCAL CONTENT, FINANCING ETC.

Results Expected: MAINTAIN AND/OR EXPAND CANADIAN COY'S MARKET SHARE IN BRAZIL.

Activity: INITIATE PRELIMINARY ASSESSMENT OF NEW PROJECTS OPPORTUNITIES IN THE PULP AND PAPER SECTOR.

Results Expected: IDENTIFICATION OF 2 OR 3 MAJOR PROJECTS OFFERING OPPORTUNITIES FOR ENGINEERING SERVICES AND EQUIPMENT SALES.

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

Activity: COMPREHENSIVE REPORT ON PULP AND PAPER SECTOR AND RELATED ACTIVITIES (E.G. BAGASS) WITH EMPHASIS ON NEW PROJECTS (OR EXPANSION).

Results Expected: TO EVALUATE NEED AND EVENTUALLY SUPPORT OUTGOING FORESTRY MISSION TO BRAZIL.

Activity: CONTINUE TO MAINTAIN/DEVELOP SENIOR CONTACTS IN BRAZILIAN FORESTRY COMPANIES IN LIGHT OF EXTENSIVE INVESTMENT PLANS IN THIS SECTOR OVER THE MEDIUM TERM.

Results Expected: FACILITATE MARKET ACCESS FOR CANADIAN COMPANIES.

Activity: ENCOURAGE MORE TECHNICAL COOPERATION BETWEEN CANADIAN & BRAZILIAN FORESTRY MANAGEMENT ENTITIES (E.G. CFS, IBDF) TO PROMOTE USE OF FIRE FIGHTING TECHNIQUE FROM CANADA.

Results Expected: IN MEDIUM TERM SOME SALES OF FIREFIGHTING EQUIPMENT.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 011 OIL & GAS EQUIPMENT, SERVICES

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	400.00M	\$ 300.00M	\$ 250.00M	\$ 250.00M
Canadian Exports \$	30.00M	\$ 20.00M	\$ 15.00M	\$ 10.00M
Canadian Share of Import Market	7.00%	6.00%	6.00%	4.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	035 %
ii) 112 FRANCE	015 %
iii) 128 GERMANY WEST	010 %
iv) 051 UNITED KINGDOM	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) OIL WELL STIMULATION	\$ 35.00 M
ii) DRILLING EQUIP/SERVICES	\$ 30.00 M
iii) SUPPLY VESSELS	\$ 25.00 M
iv) GAS DISTRIBUTION STUDIES	\$ 0.00 M
v) GAS-TRAINING OF PERSONNEL	\$ 0.00 M
vi) HEAVY OIL TECHNICAL COOPERATION	\$ 0.00 M
vii) GAS INDUSTRIAL EQUIPMENT	\$ 0.00 M
viii) GAS TRANSPORTATION	\$ 0.00 M
ix) SCADA SYSTEMS	\$ 5.00 M
x) PERSONNEL EXCHANGES	\$ 10.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: PRODUCTION, TRANSPORT., DISTRIB., & RESIDENTIAL/INDUSTRIAL USE OF NATURAL GAS

Approximate Value: \$ M

Financing Source: 028 TO/DETER

For further info. please contact:

CONGEN SAO PAULO TLX: 38-1123230

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: OIL WELL STIMULATION PROJECTS

Approximate Value: \$ 5 M

Financing Source: 023 EDC

For further info. please contact:

CONGEN, SAO PAULO TLX: 38-1123230

iii) Project Name: SUPPLY VESSELS LEASING/BUYING

Approximate Value: \$ 1 M

Financing Source: 023 EDC

For further info. please contact:

CONGEN SAO PAULO TLX: 38-1123230

iv) Project Name: DEEPWATER EXPLORATION/PRODUCTION EQUIP.

(ROV'S, DIVING, WINCHES)

Approximate Value: \$ 2 M

Financing Source: 023 EDC

For further info. please contact:

CONGEN, SAO PAULO TLX: 38-1123230

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:

LACK OF WILLINGNESS OF CDN COMPANIES TO DEAL WITH MARKET ON ITS OWN TERMS (JV/TT, ETC) IS SOMETIMES AN IMPEDIMENT; LACK OF EXPOSURE OF INDUSTRY (CURRENTLY BEING OVERCOME) ALSO PLAYS A ROLE.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- strong sectoral capability in Canada

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FOLLOW UP TO SEMINAR WITH PETROBRAS IN DECEMBER 85.

Results Expected: SLANT DRILLING, RESERVOIR SIMULATION, SURVEYING EQUIPMENT SALES, GAS DISTRIBUTION STUDIES, TRAINING SERVICES CONTRACTS.

Activity: FOLLOW UP TO ALBERTA OIL AND GAS MISSIO AND ATTENDANCE AT OIL AND GAS SHOW IN OCTOBER 86.

Results Expected: POSSIBLE EQUIPMENT SALES & SERVICES CONTRACTS

Activity: FOLLOW UP TO RECENT PETROBRAS/GOMGAS OFFICIALS' VISITS TO CANADA AT NATIONAL PETROLEUM SHOW.

Results Expected: FEASIBILITY STUDIES, TRAINING PROGRAMS CONTRACTS; COOPERATION AGREEMENTS RE HEAVY OIL, TAR SANDS.

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

Activity: RETURN SEMINAR VISIT TO CANADA BY PETROBRAS AND POSSIBLY GAS DISTRIBUTION COMPANIES.

Results Expected: IDENTIFICATION OF NEW OPPORTUNITIES FOR SALES AND TECHNICAL COOPERATION IN OIL AND GAS SECTORS; HIGHER PROFILE WITH BRAZILIAN BUYERS.

Activity: CONDUCTED DETAILED NATURAL GAS SECTOR MARKET SURVEY TO IDENTIFY SPECIFIC OPPORTUNITIES ARISING OUT OF BRAZIL'S IMMINENT INVOLVEMENT IN RESIDENTIAL/INDUSTRIAL GAS USE.

Results Expected: TO MAKE CANADIAN INDUSTRY AWARE OF NEW OPPORTUNITIES IN THE GAS SECTOR AND ENCOURAGE THEM TO VISIT BRAZIL.

Activity: REGULAR PROGRAM OF VISITS TO PETROBRAS AND GAS DISTRIBUTION COYS TO SUSTAIN MOMENTUM CREATED BY RECENT PROMOTIONAL EFFORTS WITH THESE COMPANIES.

Results Expected: TO MAINTAIN AND FURTHER IMPROVE THEIR KNOWLEDGE OF CANADIAN CAPABILITIES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 012 PETROCHEM & CHEM PROD, EGP, SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	3500.00M	\$ 3000.00M	\$ 2000.00M	\$ 2000.00M
Canadian Exports \$	20.00M	\$ 15.00M	\$ 9.00M	\$ 10.00M
Canadian Share of Import Market	0.50%	0.50%	0.45%	0.50%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	030 %
ii) 128 GERMANY WEST	015 %
iii) 265 JAPAN	015 %
iv) 237 ITALY	010 %
v) 001 ARGENTINA	005 %
vi) 192 PEOPLE'S REP OF CHINA	005 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) HYDROGEN ELECTROLYSIS TECHNOLOGY	\$ 0.00 M
ii) FINE CHEMICALS	\$ 1000.00 M
iii) PLASTIC PRODUCTS	\$ 200.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be low

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:
 PRESENCE OF MULTINATIONALS IN BRAZIL AND RESULTING INTRACORPORATE ACTIVITIES LIMIT OPPORTUNITIES FOR OTHERS SUPPLIERS; HOWEVER, CURRENT SHORTAGES CREATING NEW OPPORTUNITIES.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: ONGOING EFFORTS WITH A CANADIAN FIRM TO SECURE NEW CONTRACTS.

Results Expected: ONE NEW CONTRACT OVER NEXT YEAR.

Activity: DEVELOP GOOD WORKING RELATIONSHIP WITH BRAZILIAN IMPORTERS ASSOC.

Results Expected: INCREASE KNOWLEDGE; AND EXPOSURE OF CANADIAN SUPPLIERS.

Activity: ATTEND FIRE CHEMISTRY SEMINAR IN RIO DE JANEIRO IN MARCH 87.

Results Expected: TO DEVELOP CONTACTS AND INFO BASE ON FINE CHEMICAL SECTOR.

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

Activity: PREPARE COMPREHENSIVE REPORT ON FINE CHEMICALS SECTOR.

Results Expected: SUPPORT OUTGOING TRADE MISSION.

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

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

Activity: EXPLORE OPPORTUNITIES RESULTING FROM VARIOUS SHORTAGE & INFORM CANADIAN SUPPLIERS.

Results Expected: INTRODUCTION OF TWO OR THREE NEW CANADIAN SUPPLIERS.

Activity: ATTEND BRAZILIAN PLASTICS EXHIBITION IN SAO PAULO IN JUNE 87 AND IN RIO DE JANEIRO IN SEPTEMBER 87 AND ENCOURAGE VISITS BY CDN COMPANIES AT THESE EVENTS.

Results Expected: IMPROVE CONTACTS AND INFORMATION BASE ON BRAZILIAN PLASTICS INDUSTRY REQUIREMENTS.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 637 SAO PAULO

Market: 047 BRAZIL

Sector: 016 INDUSTRIAL MACHIN, PLANTS, SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size (import) \$	1400.00M	\$ 1275.00M	\$ 875.00M	\$ 650.00M
Canadian Exports \$	2.00M	\$ 2.00M	\$ 3.70M	\$ 1.40M
Canadian Share of Import Market	0.15%	0.15%	0.40%	0.20%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	040 %
ii) 265 JAPAN	015 %
iii) 128 GERMANY WEST	010 %
iv) 237 ITALY	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

In Canadian \$

i) CAPSULE MAKING MACHINERY	\$ 3.00 M
ii) FORM PRINTING MACHINERY	\$ 10.00 M
iii) ROLLING MILK PROCESS CONTROL MACHINERY	\$ 10.00 M
iv) COKE OVEN CLEANING MACHINERY	\$ 5.00 M
v) MATERIAL HANDLING MACHINERY	\$ 0.00 M
vi) PACKAGING MACHINERY	\$ 0.00 M
vii) OTHER HIGH PRECISION MACHINERY AND TOOLS	\$ 100.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- the apparent limited sectoral capability in Canada compared to other competing export countries
- high tariffs
- non-tariff protectionist measures which are difficult to overcome
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:
BRAZILIAN GOVERNMENT'S DEVELOPMENT POLICY IS STRONGLY BIASED TOWARDS DEVELOPMENT OF DOMESTIC CAPABILITIES TO MANUFACTURE MACHINERY; WILLINGNESS TO TRANSFER TECHNOLOGY NORMALLY ESSENTIAL.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: ONGOING EFFORTS TO HELP SEVERAL FIRMS CONCLUDE ADDITIONAL SALES OF MACHINERY.

Results Expected: \$2 TO 5 MILLION OVER THE NEXT THREE YEARS.

Activity: ONGOING EFFORTS TO ASSIST SEVERAL FIRMS TO CONCLUDE LICENSING/ JOINT VENTURE/TECHNOLOGY TRANSFER.

Results Expected: CONCLUSION OF TWO OR THREE JV/TT/LICENSING ARRANGEMENTS.

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

Activity: CONTINUE TO SEEK TO IDENTIFY SELECTIVE MARKET NICHES FOR SPECIALIZED MACHINERY FROM CANADA.

Results Expected: IDENTIFICATION OF 2 OR 3 OPPORTUNITIES FOR SALES OR INDUSTRIAL COOPERATION.

Export and Investment Promotion Planning System

MISSION: 637 SAO PAULO

COUNTRY: 047 BRAZIL

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

Activity: PREPARE REPORT ON MATERIAL HANDLING LABELLING AND PACKAGING MACHINERY SECTORS.

Results Expected: SUPPORT PROMOTIONAL ACTIVITY (E. G. MISSION) IN THIS SECTOR.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		

Mission: 637 SAO PAULO

Sector: 006 ELECTRONICS EQUIP. & SERV

020 MISSION OUTGOING TWO ONTARIO MISSIONS	S. PAULO/RIO DE JANE.	0088
--	-----------------------	------

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		

Mission: 637 SAO PAULO

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

010 FAIRS EXPOINTER 89	PORTO ALEGRE	0989
EXPOINTER	PORTO ALEGRE	0988

Sector: 004 DEFENCE PROGRAMS, PRODUCTS, SERV
HI-TECH 89

OTTAWA	0389
--------	------

024 MISSION INCOMING CTA MISSION		1188
-------------------------------------	--	------

Sector: 005 COMM. & INFORM. EQP. & SERV

010 FAIRS INFORMTICA 89	SAO PAULO	0989
SATELLITE 88	SAO PAULO	1288
SATELLITE 89	SAO PAULO	1289

020 MISSION OUTGOING MIN. OF COMMUNICATIONS LED MISSION	S. PAULO/BRAS. /R. D. JA	1288
DRIE ADVANCED TECHNOLOGY MISSION	SAO PAULO/R. DE JAN.	0488

Sector: 006 ELECTRONICS EQUIP. & SERV

020 MISSION OUTGOING TWO ONTARIO MISSIONS	S. PAULO/RIO DE JANE.	0089
--	-----------------------	------

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

024 MISSION INCOMING URBAN/RAIL MISSION		0589
--	--	------

Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES

020 MISSION OUTGOING FORESTRY MISSION	SAO PAULO/BRASILIA	0488
--	--------------------	------

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 637 SAO PAULO		
Sector: 010 MINE, METAL, MINERAL PROD & SRV		
020 MISSION OUTGOING MINING MISSION	R. D. JANE. /S. PAULO	0989
Sector: 011 OIL & GAS EQUIPMENT, SERVICES		
010 FAIRS OIL & GAS EXHIBITION	RIO DE JANEIRO	1088
Sector: 012 PETROCHEM & CHEM PROD, EQP, SERV		
020 MISSION OUTGOING CHEMICALS MISSION	S. PAULO/P. ALEGRE	0688
Sector: 014 EDUCATION, MEDICAL, HEALTH PROD		
010 FAIRS BIOTECH. CONF., & EXH., (BIOTECNICA)	B. HORIZ. /S. PAULO	0988
Sector: 015 CONSTRUCTION INDUSTRY		
020 MISSION OUTGOING CONSTRUCTION/THIRD COUNTRIES MISSION	S. PAULO/RIO DE JANE	0689
Sector: 016 INDUSTRIAL MACHIN, PLANTS, SERV.		
020 MISSION OUTGOING LABEL., PKGNG, MAT. HANDLING MACHINERY	S. PAULO/RIO DE JANE.	0389
Sector: 999 MULTIPLE SECTORS MARKETPLACE '88		
020 MISSION OUTGOING MINT - LED MISSION	BRAS. /S. PAULO/R. D. JA	0588

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 639 LIMA

Country: 426 PERU

ECONOMICALLY PERU REMAINS A PARADOX WITH INCREASING ISOLATION FM MULTINATIONAL & BILATERAL FINANCING (VALUE IMPARED IN USA AND INELIGIBLE STATUS WITH IMF), BUT AT THE SAME TIME SHOWING REAL GROWTH IN G.N.P. OF CLOSE TO A HEALTHY 7%. FOR CDA, THE PARADOX IS THAT OF DRAMATICALLY REDUCED FINANCING (OFFCOVER BY EDC AND COMMERCIAL BANKS) AND YET SHARPLY INCREASED EXPORTS TO PERU WERE RECORDED IN 1986. PERU'S DEBT & INTRANSIGENCE IN REACHING ARRANGEMENTS WITH MULTILATERAL INSTITUTIONS, BANKS & CDA HAVE BEEN OF OVERRIDING IMPORTANCE ON ALL OPERATIONS OVER THE PAST YEAR AND CONTINUE TO BE OUR PRIME CONCERN IN CONTINUING ECONOMIC AND COMMERCIAL RELATIONSHIPS. CONTINUED REPRESENTATIONS TO PERUVIAN OFFICIALS ARE BEING MADE IN LIMA & IT IS HOPED THAT THE POSITIVE FRIENDLY PROMISES RECEIVED ON DEBT PAYMENTS WILL BE FOLLOWED BY ACTION. DESPITE LACK OF NEW OR ONGOING FINANCING, CDN EXPORTS ARE SHOWING A DRAMATIC RISE IN 1986 & WILL LIKELY REACH THE \$75-80 MN LEVEL INDICATING A 70% INCREASE OVER 1985. THESE INCREASED EXPORTS COVER MANY SECTORS BUT ARE LED BY CASH SALES OF WHEAT (25 MN) & MILK POWDER (19 MN). OTHER SIGNIFICANT NEW SALES ARE BEING GENERATED BY AGGRESSIVE MKTG & STRONG MISSION & TRADE FAIR SUPPORT FM OTTAWA IN MINING EQPT. & TELECOMS. SPARE PARTS SALES FOR AIRCRAFT & LOCOMOTIVES HAVE ALSO PICKED UP AS THE INABILITY OF PERU TO BUY NEW EQPT. IS FORCING THEM TO REPAIR & MAINTAIN EXISTING EQPT. TRADITIONAL WELL ESTABLISHED SALES OF NEWSPRINT, ASBESTOS, SYNTHETIC FIBRES & RUBBER ARE SHOWING SLIGHT INCREASES IN RESPONSE TO INCREASED LOCAL DEMAND. A SIGNIFICANT BREAKTHROUGH WAS RECENTLY MADE IN THE LONG STANDING MARINE TRANSPORT ISSUE WHEN A LETTER OF INTENT WAS SIGNED BETWEEN THE PERUVIAN NAT'L CARRIER & A CDN CO., WHICH WILL RESULT IN MORE TRANSPORT SERVICES REVENUES COMING TO CDA, AS WELL AS PROVIDING BETTER EXPORT FACILITIES FOR CDN SHIPPERS. INCREASING COOPERATIVE EFFORTS BETWEEN THE TECHNICAL ASSISTANCE & TRADE & IND'L DEV. PROGRAMS ARE RESULTING IN SHIPMENTS OF MORE HIGHLY MFTD EQPT. THAN HAS OFTEN BEEN THE CASE IN THE PAST. THIS WILL ASSIST EXPORT SECTORS SUCH AS MINING EQPT & TELECOM. BASED ON CONTINUED INTEREST IN PERU AS REPRESENTED BY INCREASING NUMBER OF SERIOUS BUSINESS VISITORS AND TRADE FAIR PARTICIPANTS WE CAN EXPECT EXPORTS TO CONTINUE CLOSE TO THE 1986 LEVEL UNLESS THE PROBLEM OF PERU'S REPAYMENT OF DEBT TO CDA CAUSES FURTHER STRAINS ON OUR BILATERAL RELATIONSHIP AND RESULTS IN REDUCTION OR TERMINATION OF PROMOTIONAL PROGRAMS AND SUPPORT.

Export and Investment Promotion Planning System

REPT: SYN-GEO 87/88 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 639 LIMA

Market: 426 PERU

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

1. 010 MINE, METAL, MINERAL PROD & SRV
REASONS: A) ESTABLISHED REPUTATION & GOOD SALES BASE. B) COMPATIBLE REQUIREMENTS IN CDA AND PERU AND BOLIVIA. C) EXPANDING AND UPGRADING MINES IN TERRITORY. D) CONTINUING LARGE IMPORT REQUIREMENTS.
2. 001 AGRI & FOOD PRODUCTS & SERVICE
REASONS: A) LARGE FOOD IMPORT REQUIREMENTS IN WHEAT, MILK POWDER AND CATTLE. B) ESTABLISHED PRODUCT QUALITY REPUTATION.
3. 004 DEFENCE PROGRAMS, PRODUCTS, SERV
REASONS: A) DETERIORATING SECURITY CREATING MAJOR NEED FOR SECURITY EQUIPMENT. B) AIRPORT SECURITY UPGRADING NECESSARY AND PLANNED. C) MONEY NORMALLY AVAILABLE FOR THIS TYPE OF SALES.
4. 005 COMM. & INFORM. EQP. & SERV
REASONS: A) MAJOR EXPANSION PLANNED IN TELECOMMUNICATIONS. B) CANADIAN QUALITY RECOGNIZED. C) SOLID BASE OF CANADIAN PRODUCTS IN MARKET.
5. 008 TRANSPORT SYS, EQUIP, COMP, SERV.
REASONS: A) MAJOR URBAN TRANSPORT EXPANSION STARTED. B) RAILWAYS NEED EXTENSIVE UPGRADING AND SPARES. C) COMPANIES ALREADY IN MARKET BEST POSITIONED FOR SALES.
6. 003 GRAINS AND OILSEEDS
REASONS: A) WHEAT PRIMARILY OF INTEREST TO WHEAT BOARD. B) FOLLOW UP CIDA CANOLA OIL DONATIONS FOR COMMERCIAL SALES.

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

1. 003 GRAINS AND OILSEEDS
2. 001 AGRI & FOOD PRODUCTS & SERVICE
3. 010 MINE, METAL, MINERAL PROD & SRV
4. 005 COMM. & INFORM. EQP. & SERV
5. 008 TRANSPORT SYS, EQUIP, COMP, SERV.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 639 LIMA

Market: 426 PERU

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	260.00M	\$ 250.00M	\$ 200.00M	\$ 235.00M
Canadian Exports \$	26.00M	\$ 26.00M	\$ 4.00M	\$ 19.00M
Canadian Share of Import Market	10.00%	10.00%	2.00%	8.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	030 %
ii) 068 CHILE	015 %
iii) 370 NEW ZEALAND	010 %

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) DAIRY PRODUCTS	\$ 67.00 M
ii) TRACTORS	\$ 14.00 M
iii) FERTILIZERS	\$ 15.00 M
iv) ANIMALS AND POULTRY	\$ 3.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada

Export and Investment Promotion Planning System

MISSION: 639 LIMA

COUNTRY: 426 PERU

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: ONTARIO POULTRY SEMINAR

Results Expected: INCREASE FAMILIARITY WITH CANADIAN POULTRY.

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

Activity: PRESENTATION TO MAJOR IMPORTERS HIGHLIGHTING CANADIAN PRODUCTS.

Results Expected: STIMULATE ADDITIONAL IMPORTS OF GREEN PEAS AND LENTILS.

Activity: IMPROVE MARKET POTENTIAL FOR CANADIAN PURE BREED CATTLE BY SETTING UP INFORMATION SESSIONS BETWEEN CANADA FARMERS AND CATTLE BREEDERS.

Results Expected: ESTABLISH CANADA AS RELIABLE SUPPLIER OF PUREBREED CATTLE, SEMEN AND EMBRYOS.

Activity: CONDUCT MARKET SURVEY FOR AGRICULTURE EQUIPMENT TO IDENTIFY POTENTIAL MARKET FOR CANADIAN PRODUCTS.

Results Expected: SEND REPORT TO CANADIAN MANUFACTURERS TO STIMULATE THEIR INTEREST IN THIS GROWING MARKET.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 639 LIMA

Market: 426 PERU

Sector: 003 GRAINS AND OILSEEDS

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	280.00M	\$ 260.00M	\$ 149.00M	\$ 232.00M
Canadian Exports \$	27.00M	\$ 25.00M	\$ 2.50M	\$ 17.00M
Canadian Share of Import Market	10.00%	10.00%	2.00%	7.00%

Major Competing Countries

Market Share

i) 001 ARGENTINA	040 %
ii) 577 UNITED STATES OF AMERICA	035 %
iii) 011 AUSTRALIA	003 %
iv) 112 FRANCE	003 %
v) 004 PARAGUAY	000 %

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are good market prospects

Current Total Imports	
In Canadian \$	
i) WHEAT	\$ 220.00 M
ii) CANOLA OIL	\$ 35.00 M
iii) BARLEY	\$ 7.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada

Export and Investment Promotion Planning System

MISSION: 639 LIMA

COUNTRY: 426 PERU

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- participation in trade missions
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: SENIOR MILLERS TO ATTEND CANADIAN INTERNATIONAL GRAINS INSTITUTE COURSE IN WINNIPEG.

Results Expected: INCREASE FAMILIARITY WITH CANADIAN GRAINS.

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

Activity: IN CONJUNCTION WITH AN IMMINENT SHIPMENT OF CANOLA OIL VIA CIDA FOOD AID TO PROMOTE INFORMATION ON USES AND ADVANTAGES OF OIL IN ORDER TO INCREASE FURTHER PURCHASES.

Results Expected: OBTAIN LARGER SHARE OF PERUVIAN VEGETABLE OIL MARKET FOR CANADA.

Activity: TO CONDUCT MARKET SURVEY IDENTIFYING POTENTIAL FOR CANADA.

Results Expected: SEND REPORT TO CANADIAN EXPORTERS OF CANOLA TO STIMULATE THEIR INTEREST IN THE MARKET.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 639 LIMA

Market: 426 PERU

Sector: 004 DEFENCE PROGRAMS, PRODUCTS, SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	200.00M	\$ 200.00M	\$ 300.00M	\$ 300.00M
Canadian Exports \$	3.00M	\$ 0.25M	\$ 0.10M	\$ 0.00M
Canadian Share of Import Market	1.50%	0.01%	0.00%	0.00%

Major Competing Countries

Market Share

i) 112 FRANCE	025 %
ii) 577 UNITED STATES OF AMERICA	025 %
iii) 128 GERMANY WEST	015 %
iv) 232 ISRAEL	015 %
v) 237 ITALY	010 %
vi) 553 UNION OF SOVIET SOC REP	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) AIRCRAFT AND PARTS	\$ 60.00 M
ii) AMMUNITION	\$ 15.00 M
iii) SECURITY	\$ 10.00 M
iv) ARMAMENT	\$ 25.00 M
v) VEHICLES	\$ 10.00 M
vi) REMOTE SENSING	\$ 14.00 M
vii) MARINE ELECTRONICS	\$ 10.00 M
viii) COMMUNICATIONS	\$ 4.00 M
ix) INTELLIGENCE ELEC	\$ 5.00 M
x) FLIGHT SIMULATORS	\$ 15.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: EXECUTIVE JET, 8 HELICOPTERS, SPARE PARTS FOR BUFFALO, TWIN OTTERS

Approximate Value: \$ 60 M

Financing Source: 024 BC

For further info. please contact:

EMBASSY, LIMA TLX# 36-25323

Export and Investment Promotion Planning System

MISSION: 639 LIMA

COUNTRY: 426 PERU

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- ii) Project Name: SECURITY EQUIPMENT
Approximate Value: \$ 1.5 M
Financing Source: 012 DOM
For further info. please contact:
EMBASSY, LIMA TLX# 36-25323

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:
ARMED FORCES/POLICE INCOMING MISSIONS REQUIRED (1). SCHOLARSHIPS PROGRAM FOR PERUVIAN ARMED AND POLICE FORCES' OFFICERS (2)

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: COMPLETE REPORT ON RECENT SECURITY PRODUCTS MISSION TO CANADA AND INITIATE FOLLOW UP TO FURTHER PROMOTE CANADIAN PRODUCTS.

Results Expected: SALES OF 0.5 MILLION STRONG POSSIBILITY.

Export and Investment Promotion Planning System

MISSION: 639 LIMA

COUNTRY: 426 PERU

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

Activity: PROMOTE DEMONSTRATION UNITS OF SECURITY RELATED EQUIPMENT TO BE TESTED BY PERUVIAN ARMED FORCES IN TERRITORY, BOTH INDIVIDUAL AND TRADE FAIR.

Results Expected: ENHANCE MARKETING POSSIBILITIES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 639 LIMA

Market: 426 PERU

Sector: 005 COMM. & INFORM. EGP. & SERV

Subsector: 053 TELECOMMUNICATIONS (INC SPACE)

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	25.00M	\$ 20.00M	\$ 10.00M	\$ 15.00M
Canadian Exports \$	5.00M	\$ 3.00M	\$ 1.00M	\$ 0.80M
Canadian Share of Import Market	20.00%	15.00%	10.00%	5.00%

Major Competing Countries

Market Share

i) 265 JAPAN	025 %
ii) 112 FRANCE	020 %
iii) 577 UNITED STATES OF AMERICA	020 %
iv) 354 NETHERLANDS	010 %
v) 047 BRAZIL	005 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are
good market prospects

Current Total Imports

In Canadian \$

i) PABX	\$ 6.00 M
ii) RURAL TELECOMMUNICATIONS	\$ 3.00 M
iii) EARTH STATIONS	\$ 4.00 M
iv) MICROWAVE	\$ 2.50 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: RURAL TELECOM (86/87)
Approximate Value: \$ 7 M
Financing Source: 011 CIDA
For further info. please contact:
CDN EMBASSY LIMA TLX# 36-25323

ii) Project Name: TELEPHONE EXPANSION (87/88)
Approximate Value: \$ 30 M
Financing Source: 012 DOM
For further info. please contact:
CDN EMBASSY LIMA TLX# 36-25323

Export and Investment Promotion Planning System

MISSION: 639 LIMA

COUNTRY: 426 PERU

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- iii) Project Name: SATELLITE NETWORK (87/88)
 Approximate Value: \$ 18 M
 Financing Source: 012 DDM
 For further info. please contact:
 CDN EMBASSY LIMA TLX# 36-25323

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- high tariffs
- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- support provided by the PEMD program
- participation in trade fairs
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: ASSESSING RESULTS OF INVITEES TO EXPO 86 PAID FROM CIDA FUNDS.

Results Expected: RECORD ADDITIONAL AGENCIES ESTABLISHED AND SOME SALES.

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

Activity: TO CONDUCT A MARKET SURVEY IDENTIFYING POTENTIAL FOR CANADIAN TELECOM AND SATELLITE PRODUCTS.

Results Expected: TO PRODUCE A REPORT IN FY 87/88. SEND TO ACTIVE CANADIAN EXPORTERS.

Export and Investment Promotion Planning System

MISSION: 639 LIMA

COUNTRY: 426 PERU

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

Activity: WORK WITH CIDA AND PERUVIAN PLANNING INSTITUTE TO HAVE TELECOMMUNICATIONS AN AREA OF CONCENTRATION FOR CANADIAN TECHNICAL ASSISTANCE

Results Expected: DEVELOP INCREASED EXPORTS VIA CIDA FUNDING IN EFFORT TO ESTABLISH PRODUCT LOYALTY AND ADDITIONAL SALES.

Activity: DEVELOP EVEN CLOSER COORDINATION WITH PERUVIAN DIRECTORATE IN CHARGE OF INTERAMERICAN TELECOMMUNICATIONS CONFERENCE IN LIMA, AUGUST 1987.

Results Expected: MORE SPEAKERS FROM CANADA AND RAISE AWARENESS OF CANADIAN EXPERTISE

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 639 LIMA

Market: 426 PERU

Sector: 008 TRANSPORT SYS. EQUIP. COMP. SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	125.00M	\$ 100.00M	\$ 80.00M	\$ 100.00M
Canadian Exports \$	7.50M	\$ 6.00M	\$ 5.50M	\$ 6.00M
Canadian Share of Import Market	6.00%	6.00%	6.80%	6.00%

Major Competing Countries

Market Share

i) 265 JAPAN	035 %
ii) 577 UNITED STATES OF AMERICA	020 %
iii) 047 BRAZIL	015 %
iv) 128 GERMANY WEST	008 %
v) 112 FRANCE	006 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) FABRICS, RUBBER COATED TIRES	\$ 15.00 M
ii) AUTO & TRUCK PARE PARTS	\$ 5.00 M
iii) SANITATION VEHICLES	\$ 3.00 M
iv) URBAN TRANSPORT CONSULT	\$ 10.00 M
v) TIRES	\$ 5.00 M
vi) BUSES (SCHOOL BUSES SUFFICIENT)	\$ 10.00 M
vii) HEAVY TRUCKS	\$ 10.00 M
viii) LOCOMOTIVES	\$ 1.00 M
ix) LOCOMOTIVES - SPARE PARTS	\$ 4.00 M
x) SPECIALTY TRANSPORT AMBULANCES, ARMoured CARS	\$ 1.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: URBAN TRAIN SYSTEM
Approximate Value: \$ 300 M
Financing Source: 012 DOM 024 BC
For further info. please contact:
CDN EMBASSY LIMA TLX# 36-25323

Export and Investment Promotion Planning System

MISSION: 639 LIMA

COUNTRY: 426 PERU

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: GARBAGE TRUCKS

Approximate Value: \$ 5 M

Financing Source: 024 BC

For further info. please contact:

CDN EMBASSY LIMA TLX # 36-25323

iii) Project Name: ENAFER SPARE PARTS AND LOCOMOTIVE PROJECT.

Approximate Value: \$ 20 M

Financing Source: 001 IBRD 025 OTHER

For further info. please contact:

CDN EMBASSY LIMA TLX# 36-25323

iv) Project Name: URBAN BUSES

Approximate Value: \$ 5 M

Financing Source: 024 BC

For further info. please contact:

CDN EMBASSY LIMA TLX # 36-25323

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- non competitive financing from Canada
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- difficulties in obtaining credit facilities in Canada
- other factor(s) described by the Trade Office as follows:

PLEASE NOTE: DUE TO DIVERSITY OF SECTOR, ANSWERS ABOVE ARE AN INDICATION OF OVERALL PERCEPTION OF GENERAL IMPEDIMENT TO INCREASE MARKET PENETRATION.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

Export and Investment Promotion Planning System

MISSION: 639 LIMA

COUNTRY: 426 PERU

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: PROMOTION OF CANADIAN INTERESTS IN PURSUIT OF URBAN TRAIN SYSTEM PROJECT.

Results Expected: CONSULTANCY PLUS EQUIPMENT, VALUED BETWEEN 20-30 MILLION, AND SALE ON USED EQUIPMENT.

Activity: PROMOTIONAL MAILING CAMPAIGN (INCLUDING: AUTOMOTIVE SPARE PARTS, ACCESSORIES AND TIRES).

Results Expected: INCREASE AWARENESS OF CANADIAN CAPABILITY OF KEY IMPORTERS.

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

Activity: TECHNICAL INSPECTION TEAM TO CANADA TO EVALUATE TORONTO TRANSIT COMMISSION USED CARS AND COOPERATIVE REFURBISHING PLAN.

Results Expected: MAJOR CONTRACT FOR CANADA.

Activity: SUPPORT OF SPARE PARTS MANUFACTURERS AND OEM SUPPLIERS IN UPCOMING TENDERS FOR LOCOMOTIVES AND SPARE PARTS.

Results Expected: CANADA COULD WIN IMPORTANT 8 LOCOMOTIVES TENDER AND OBTAIN SIGNIFICANT SPARE PARTS SALES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 639 LIMA

Market: 426 PERU

Sector: 010 MINE, METAL, MINERAL PROD & SRV

Subsector: 106 EQUIPMENT AND MACHINERY

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	120.00M	\$ 120.00M	\$ 160.00M	\$ 170.00M
Canadian Exports \$	15.00M	\$ 15.00M	\$ 18.00M	\$ 20.00M
Canadian Share of Import Market	12.50%	12.50%	11.30%	11.70%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	030 %
ii) 047 BRAZIL	020 %
iii) 507 SWEDEN	010 %
iv) 001 ARGENTINA	008 %
v) 128 GERMANY WEST	008 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are
good market prospects

Current Total Imports

In Canadian \$

i) VEHICLES	\$ 8.00 M
ii) DRILLING EQUIPMENT	\$ 3.00 M
iii) DRILL STEELS AND BITS	\$ 5.00 M
iv) ROOF BOLTS	\$ 5.00 M
v) SHAFT TIMBERS	\$ 2.00 M
vi) CHEMICALS	\$ 20.00 M
vii) EXPLOSIVE ITEMS	\$ 40.00 M
viii) DIAMOND DRILLING EQUIPMENT	\$ 1.00 M
ix) CONVEYOR SYSTEMS	\$ 1.00 M
x) PUMPS	\$ 3.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: ORCOPAMPA EXPANSION
Approximate Value: \$ 30 M
Financing Source: 028 TO/DETER
For further info. please contact:
CDN EMBASSY LIMA TLX# 36-25323

Export and Investment Promotion Planning System

MISSION: 639 LIMA

COUNTRY: 426 PERU

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- ii) Project Name: LA OROYA SMELTER UPGRADING
Approximate Value: \$ 50 M
Financing Source: 028 TO/DETER
For further info. please contact:
CDN EMBASSY LIMA TLX# 36-25323
- iii) Project Name: SIMSA ZINC REFINERY
Approximate Value: \$ 150 M
Financing Source: 028 TO/DETER
For further info. please contact:
CDN EMBASSY LIMA TLX# 36-25323
- iv) Project Name: SAN ANTONIO
DE POTO PLACER GOLD
Approximate Value: \$ 50 M
Financing Source: 004 UNDP 025 OTHER
For further info. please contact:
CDN EMBASSY LIMA TLX# 36-25323

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade fairs
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- the adequacy of exporter information in Canadian Directories
- sourcing assistance from Canadian federal/provincial governments departments

Export and Investment Promotion Planning System

MISSION: 639 LIMA

COUNTRY: 426 PERU

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CIDA LINE OF CREDIT

Results Expected: OBTAIN CIDA CREDIT FACILITY TO EXPAND/DIVERSIFY A)PURCHASER AND B) CDN SUPPLIERS INTREST AND MARKET KNOWLEDGE.

Activity: RELOCATION OF CENTROMIN OFFSHORE PURCHASING OFFICE FROM NEW YORK TO TORONTO WHICH ANNUALLY PURCHASES CDN \$60 MILLION OF GOODS.

Results Expected: INDICATIONS ARE NOW NEGATIVE DUE TO LACK OF CANADIAN SUPPORT (FINANCIAL) FOR PROPOSAL ALTHOUGH GOVT OF ONTARIO HAS SHOWN SOME INTEREST.

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

Activity: SECTORIAL REPORTS ON COPPER, COBALT AND TIN AND ASSIST LEAD-ZINC STUDY GROUP VISIT TO PERU.

Results Expected: INCREASE KNOWLEDGE OF PERU MINERAL DEVELOPMENTS BY EMR AND MINERAL STUDY GROUP.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		
Mission: 639 LIMA		
Sector: 001 AGRI & FOOD PRODUCTS & SERVICE		
024 MISSION INCOMING		
AGRICULTURAL BUYERS MISSION FROM PERU		1287
AGRICULTURAL BUYERS MISSION FROM PERU		1287
Sector: 004 DEFENCE PROGRAMS, PRODUCTS, SERV		
024 MISSION INCOMING		
DEFENCE MISSION FROM PERU		1087
DEFENCE MISSION FROM PERU		1087
Sector: 005 COMM. & INFORM. EQP. & SERV		
020 MISSION OUTGOING		
TELECOMMUNICATIONS MISSION TO TECHNOTRON '87		
024 MISSION INCOMING		
TELECOM MISSION TO TECHNOTRON		0388
Sector: 006 ELECTRONICS EQUIP. & SERV		
020 MISSION OUTGOING		
TELECOM MISSION TO TECHNOTRON		0388
TELECOMMUNICATIONS MISSION TO TECHNOTRON '87, PERU		0000
Sector: 007 POWER & ENERGY EQUIP. & SERV.		
020 MISSION OUTGOING		
ELECTRICAL SEMINAR IN LIMA, PERU	LIMA	0188
Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.		
020 MISSION OUTGOING		
AUTOMOTIVE PARTS MISSION TO PERU		0687
AUTOMOTIVE PARTS MISSION TO PERU		0687
024 MISSION INCOMING		
RAIL/TRANSIT MISSION FROM PERU		
Sector: 010 MINE, METAL, MINERAL PROD & SRV		
024 MISSION INCOMING		
BUYERS FM PERU TO CDN MINING & IND'L EGPT. EXH.		0487
MINING MISSION FROM PERU AND BOLIVIA		0987
Sector: 016 INDUSTRIAL MACHIN, PLANTS, SERV.		
020 MISSION OUTGOING		
ELECTRICAL SEMINAR IN LIMA, PERU	LIMA	0188

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		
Mission: 639 LIMA		
Sector: 016 INDUSTRIAL MACHIN. PLANTS. SERV.		
024 MISSION INCOMING		
MINING MISSION FROM PERU AND BOLOVIA		0987
BUYERS FROM LAC TO CDN MINING AND INDUSTRIAL EQUIP SUDBURY		0487
Sector: 999 MULTIPLE SECTORS		
010 FAIRS		
PACIFIC INT'L TRADE FAIR, LIMA, PERU	LIMA	1187
PACIFIC INT'L TRADE FAIR, LIMA, PERU	LIMA	1187
Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 639 LIMA		
Sector: 001 AGRI & FOOD PRODUCTS & SERVICE		
010 FAIRS		
AGROTEC	LIMA	1188
020 MISSION OUTGOING		
CATTLE, SEMEN SEMINAR	AREQUIPA/TRUJILLO	1089
024 MISSION INCOMING		
FOOD PROCESSING	TORONTO/MONTREAL	1088
Sector: 004 DEFENCE PROGRAMS, PRODUCTS, SERV		
024 MISSION INCOMING		
SECURITY EQUIPMENT, AIRPORT UPGRADING	TORONTO/MTL/OTTAWA	0589
Sector: 005 COMM. & INFORM. EQP. & SERV		
010 FAIRS		
TECNOTRON	LIMA	0489
024 MISSION INCOMING		
COMMUNICATIONS TELECOM	TORONTO/MONTREAL	0588
Sector: 010 MINE, METAL, MINERAL PROD & SRV		
010 FAIRS		
PERU/CANADA MINING SYMP.	LIMA	1188

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 639 LIMA		
Sector: 010 MINE, METAL, MINERAL PROD & SRV		
024 MISSION INCOMING MINING EQUIPMENT	ONTARIO/BC	1089
Sector: 011 OIL & GAS EQUIPMENT, SERVICES		
024 MISSION INCOMING PETROLEUM EQUIPMENT	CALGARY/EDM. /VNCVR	0688
Sector: 012 PETROCHEM & CHEM PROD, EGP, SERV		
024 MISSION INCOMING CHEMICAL AND BY PRODUCTS-PLASTICS, ETC.	TORONTO/MONTREAL	0189

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 640 BOGOTA

Country: 073 COLOMBIA

COLOMBIAN CONTINUES TO BE THE ONLY COUNTRY IN LATIN AMERICA NOT TO HAVE MISSED ANY FOREIGN DEBT PAYMENTS OR TO HAVE RESCHEDULED ITS DEBT AND HAS ONE OF THE HEALTHIEST ECONOMIES IN LATIN AMERICA. THIS IS DUE TO SEVERAL FACTORS THE MOST IMPORTANT BEING THE INCREASE OVER THE FIRST PART OF 1986 IN THE INTERNATIONAL PRICES OF COFFEE. FOREIGN EXCHANGE EARNINGS FOR COFFEE, NORMALLY 1.5 BILLION DOLLARS, ARE EXPECTED TO REACH ABOUT 3.0 BILLION FOR 1986. AS WELL COLOMBIA WILL SOON BE EXPORTING OVER 200,000 BARRELS OF OIL PER DAY AND IS NOW EXPORTING 6 MILLION TONS OF COAL PER YEAR INCREASING TO 15 MILL. TON/YR IN 1989. CONSEQUENTLY EXPORTS FOR 1986 ARE EXPECTED TO REACH \$5.5 BILLION & IMPORTS SLIGHTLY OVER \$4 BILLION COLOMBIA SHOULD BE ABLE TO INCREASE ITS FOREIGN RESERVES CURRENTLY STANDING AT \$2.5 BILLION AND TO PAY DOWN SOME OF ITS HIGH COST SHORT TERM FOREIGN DEBT, NOW STANDING AT US \$13 BILLION. COLOMBIA'S INFLATION RATE IS 14%. THE NEW GOVERNMENT WHICH TOOK POWER IN AUGUST HAS PROMISED TO CREATE JOBS IN ORDER TO LOWER THE UNEMPLOYMENT RATE BUT THUS FAR (DEC. 1986) HAS NOT SPECIFIED HOW IT INTENDS TO DO SO OR HOW IT PROPOSES TO GUIDE COLOMBIA'S ECONOMY. WE EXPECT THAT A NEW 4-YEAR DEVELOPMENT PLAN WILL BE PUT FORWARD AND WILL FOCUS MORE OR LESS ON THE SAME SECTORS AS THE OUTGOING ADMINISTRATION HAD FOCUSED UPON WITH THE EXCEPTION THAT AGRICULTURE MAY GET A MORE IMPORTANT PIECE OF THE PIE. THIS COUNTRY'S AGRICULTURAL SECTOR HAS LONG SUFFERED FROM NEGLECT BUT THE NEW LIBERAL GOVERNMENT HAS PROMISED TO CHANGE THAT SITUATION. IN TERMS OF IMPORT RESTRICTIONS WE EXPECT THAT THE CURRENT RESTRICTIONS WILL BE LIFTED GRADUALLY PROVIDED THAT THE COFFEE BONANZA CONTINUES. SHOULD THE PRICE OF COFFEE CONTINUE TO FALL, RESTRICTIONS COULD BE IMPLEMENTED AGAIN. OUR MAIN SECTORS OF CONCENTRATIONS FOR 1987-88 WILL BE AGROINDUSTRY, AGRICULTURE, MINING, ENERGY AND COMMUNICATIONS AND TRANSPORTATION WHERE WE HAVE SEVERAL MAJOR PROJECTS IN THE PIPELINE.

Export and Investment Promotion Planning System

REPT: SYN-GEO 87/88 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 640 BOGOTA

Market: 073 COLOMBIA

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

1. 008 TRANSPORT SYS, EQUIP, COMP, SERV.

REASONS: COLOMBIAN TOPOGRAPHY IS IDEALLY SUITED TO USE OF CDN STOL AIRCRAFT. NEW GOVT HAS INCREASED EMPHASIS ON RLWYS. BOGOTA MASS TRANSIT SYST. PHASE III SHLD BE STARTED IF PHASE I IS SUCCESSFULLY COMPLETED.

2. 007 POWER & ENERGY EQUIP. & SERV.

REASONS: OPPS. EXIST TO COMPLETE EXISTING HEPS (RIO GRANDE. THEREAFTER PRIORITY WILL BE TRANS/DISTR. WHERE WE HAVE JUST WON \$80M CONTRACT. OPPS EXISTS FOR SALE OF NUCLEAR REACTOR (MEDICAL ISOTAPES).

3. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: NEW GOVT LIKELY TO GIVE PRIORITY TO SECTOR. DESPITE VARIED CLIMATE AND QUALITY PASTURES, COLOMBIA IMPORTS GRAINS, EDIBLE OIL & LIVESTOCK. OPPS. FOR MCHNRY (ESP. PROCESSING) & BREED STOCK (POULTRY & CATTLE).

4. 010 MINE, METAL, MINERAL PROD & SRV

REASONS: COLOMBIA HAS DEPOSITS OF COAL, GOLD, NICKEL, COPPER, POTASH. THUS FAR ONLY COAL HAS BEEN DEVELOPED. GOOD OPPORT. EXIST FOR EQPT. TECH., SRVCS AND J.V.. CDN ADVICE ON MINERALS POLICY HAS BEEN REQUESTED.

5. 005 COMM. & INFORM. EGP. & SERV

REASONS: COLOMBIA HAS MANY ISOLATED VILLAGES & TOWNS. GOVT HAS DECIDED TO EXPAND ITS TEL. NETWORK TO PROVIDE UNIVERSAL ACCESS TO TELECOMS. OPPS FOR RURAL TELS., MOBILE TELS., WORKPLACE AUTOMATION.

6. 011 OIL & GAS EQUIPMENT, SERVICES

REASONS: COLOMBIA HAS RECENTLY BECOME A NET EXPORTER OF OIL. IT SHORTLY WILL BE EXPORTING OVER 200,000 BARRELS A DAY; THEREFORE GOOD OPPORT. EXIST IN FIELD OF EQUIPMENT, TECHNOLOGY AND SERVICES.

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

1. 003 GRAINS AND OILSEEDS
2. 007 POWER & ENERGY EQUIP. & SERV.
3. 008 TRANSPORT SYS, EQUIP, COMP, SERV.
4. 010 MINE, METAL, MINERAL PROD & SRV
5. 009 FOREST PRODUCTS, EQUIP, SERVICES
6. 012 PETROCHEM & CHEM PROD, EGP, SERV

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 640 BOGOTA

Market: 073 COLOMBIA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	400.00M	\$ 386.00M	\$ 371.00M	\$ 353.00M
Canadian Exports \$	21.00M	\$ 17.50M	\$ 6.80M	\$ 22.30M
Canadian Share of Import Market	5.25%	4.53%	1.83%	6.32%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	045 %
ii) 001 ARGENTINA	021 %
iii) 011 AUSTRALIA	018 %
iv) 068 CHILE	007 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

In Canadian \$

i) WHEAT	\$ 80.00 M
ii) UREA	\$ 50.00 M
iii) BARLEY	\$ 20.00 M
iv) FISH MEAL	\$ 10.00 M
v) LENTILS	\$ 5.00 M
vi) DAIRY CATTLE	\$ 0.50 M
vii) BABY CHICKS	\$ 0.05 M
viii) CANOLA OIL	\$ 0.30 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: BARLEY - BAVARIA
Approximate Value: \$ 20 M
Financing Source: 013 NFR
For further info. please contact:
BOGOTA

Export and Investment Promotion Planning System

MISSION: 640 BOGOTA

COUNTRY: 073 COLOMBIA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: AGRICULTURE EQUIPMENT

Approximate Value: \$ 10 M

Financing Source: 012 DOM

For further info. please contact:

EMB/BOGOTA TEL:217-5555, TLX:35-44568

iii) Project Name: CANOLA CRUDE OIL AND SEEDS

Approximate Value: \$ 10 M

Financing Source: 013 NFR

For further info. please contact:

CDN EMB/BOGOTA, TEL:217-5555, TLX:35-44568

iv) Project Name: FOOD PROCESSING EQUIPMENT

Approximate Value: \$ 1 M

Financing Source: 013 NFR

For further info. please contact:

CDN EMB/BOGOTA, TEL:217-5555, TLX:35-44568

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: SWINE SEMINAR AND FOLLOW UP 1984

Results Expected: FIRST SIGNIFICANT SALES NOW MATERIALIZING

Export and Investment Promotion Planning System

MISSION: 640 BOGOTA

COUNTRY: 073 COLOMBIA

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: RECENT SIGNATURE OF MOU ON AGRICULTURE. NEED TO INITIATE 1ST ROUND OF TALKS.

Results Expected: TRANSFER OF TECHNOLOGY AND DOOR OPENERS FOR COMMERCIAL EXPORTS TO COLOMBIA.

Activity: A) CANOLA OIL INTRODUCTION.
B) WHEAT.

Results Expected: \$ 1 MILLION. (A)
\$ 20 MILLION. (B)

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

Activity: SEMINAR ON LIVESTOCK

Results Expected: PROMOTE SALES OF HOLSTEIN COWS AND CANADIAN SWINE.

Activity: ATTENDANCE OF COLOMBIAN FIRM TO GRAINS INSTITUTE COURSES.

Results Expected: PROMOTE FURTHER SALES OF WHEAT AND BARLEY.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 640 BOGOTA

Market: 073 COLOMBIA

Sector: 005 COMM. & INFORM. EQP. & SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	79.76M	\$ 75.90M	\$ 71.58M	\$ 75.35M
Canadian Exports \$	5.18M	\$ 3.95M	\$ 3.48M	\$ 3.24M
Canadian Share of Import Market	6.50%	5.20%	4.90%	4.30%

Major Competing Countries

Market Share

i) 265 JAPAN	38 %
ii) 128 GERMANY WEST	25 %
iii) 112 FRANCE	18 %
iv) 577 UNITED STATES OF AMERICA	10 %
v) 616 OTHER COUNTRIES	009 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) SWITCHING EQUIPMENT	\$ 2.00 M
ii) RADIO TELEPHONE SYSTEM	\$ 1.00 M
iii) TURNKEY PROJECTS	\$ 0.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: TERRITORIOS NACIONALES
Approximate Value: \$ 80 M
Financing Source: 027 BILATERAL 023 EDC
For further info. please contact:
CDN EMB/BOGOTA TEL: 217-5555 TLX: 35-44568

ii) Project Name: TELECOM SECTORIAL TURNKEY PROJECT
Approximate Value: \$ 20 M
Financing Source: 027 BILATERAL 023 EDC
For further info. please contact:
CDN EMB./BOGOTA TEL: 217-555 TLX: 35-44568

Export and Investment Promotion Planning System

MISSION: 640 BOGOTA

COUNTRY: 073 COLOMBIA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- iii) Project Name: CONDOR SATELLITE
Approximate Value: \$ 500 M
Financing Source: 028 TO/DETER
For further info. please contact:
CDN EMS/BOGOTA TEL:217-5555 TLX:35-44568

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: TERRITORIOS NACIONALES PROJECT - TO OBTAIN BIDDERS TO REPLACE ATI/IMC.

Results Expected: TO GET A PORTION OF THE PROJECT.

Export and Investment Promotion Planning System

MISSION: 640 BOGOTA

COUNTRY: 073 COLOMBIA

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: BCI NATIONAL LONG TERM TELECOMMUNICATIONS STUDY

Results Expected: 1.0 MILLION OF TECH ASSIST. SALES AND LEADS ON THE FUTURE EQUIP. REQ.

Activity: TELECOM: TRAINING PROJECT LABVOLT - ITEC.

Results Expected: \$ 0.2 MILLION OF LAB TRAINING EQUIPMENT.

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

Activity: TERRITORIOS NACIONALES PROJECT \$ 80 MILLION IN 3 PARTS EDC SECT. 31 LIKELY REQUIRED.

Results Expected: \$ 5 MILLION PORTION OF PROJECT.

Activity: TELECOM REGIONAL TURNKEY PROJECT 3 OR 4 AT \$5 TO \$10 MILLION EACH

Results Expected: \$10 MILLION

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 640 BOGOTA

Market: 073 COLOMBIA

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	358.60M	\$ 488.90M	\$ 697.00M	\$ 880.80M
Canadian Exports \$	58.90M	\$ 53.00M	\$ 38.50M	\$ 21.70M
Canadian Share of Import Market	16.42%	10.84%	5.62%	2.46%

Major Competing Countries

Market Share

i) 265 JAPAN	065 %
ii) 128 GERMANY WEST	020 %
iii) 577 UNITED STATES OF AMERICA	005 %
iv) 616 OTHER COUNTRIES	010 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) GENERATION EQUIPMENT	\$ 120.00 M
ii) TRANSMISSION EQUIPMENT	\$ 85.00 M
iii) STATIONS AND SUBSTATIONS	\$ 80.00 M
iv) YARD CONTROL EQUIPMENT	\$ 28.00 M
v) SERVICES-CONSULTING	\$ 5.00 M
vi) NUCLEAR REACTOR RESEARCH	\$ 5.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: SUPPLY OF GENERATORS TO RIOGRANDE BY CGE
Approximate Value: \$ 17 M
Financing Source: 023 EDC 027 BILATER
For further info. please contact:
CDN EMB/BOGOTA TEL:217-5555 TLX:35-44568

ii) Project Name: CONTROL SYSTEM FOR GUAVIDO BY CAE
ELECTRONICS
Approximate Value: \$ 7 M
Financing Source: 023 EDC 027 BILATER
For further info. please contact:
CDN EMB/BOGOTA TEL:217-5555 TLX:35-44568

Export and Investment Promotion Planning System

MISSION: 640 BOGOTA

COUNTRY: 073 COLOMBIA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: 2ND CIRCUIT, 500 KV LINE SAN CARLOS-
SABANALARGA

Approximate Value: \$ 100 M

Financing Source: 023 EDC 027 BILATER

For further info. please contact:

CDN EMB/BOGOTA TEL:217-5555 TLX:35-44568

iv) Project Name: AECL RESEARCH NUCLEAR REACTOR

Approximate Value: \$ 10 M

Financing Source: 023 EDC 027 BILATER

For further info. please contact:

CDN EMB/BOGOTA TEL:217-5555 TLX:35-44568

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the existence of a bilateral economic/trade arrangement between Canada and this country
- the availability of competitive Canadian financing

Export and Investment Promotion Planning System

MISSION: 640 BOGOTA

COUNTRY: 073 COLOMBIA

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FINALIZE AECL RESEARCH NUCLEAR REACTOR.

Results Expected: \$ 10 MILLION

Activity: FOLLOW UP CGE OFFER FOR RIOGRANDE GENERATORS.

Results Expected: \$ 17 MILLION INCREASED EXPORTS FROM CANADA.

Activity: FINALIZE B. G. CHECO CONTRACT WITH ISA.

Results Expected: \$ 75 MILLION

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

Activity: FOLLOW UP ON SEVERAL TENDERS TO BE ANNOUNCED SHORTLY.

Results Expected: \$ 6 MILLION INCREASED EXPORTS FROM CANADA.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 640 BOGOTA

Market: 073 COLOMBIA

Sector: 008 TRANSPORT SYS. EQUIP. COMP. SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	400.00M	\$ 268.00M	\$ 294.50M	\$ 300.00M
Canadian Exports \$	90.00M	\$ 57.60M	\$ 58.90M	\$ 66.70M
Canadian Share of Import Market	23.00%	21.50%	20.00%	22.20%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	32 %
ii) 265 JAPAN	29 %
iii) 128 GERMANY WEST	15 %
iv) 112 FRANCE	010 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Well established and growing

Products/services for which there are
good market prospects

Current Total Imports

In Canadian \$

i) AIRCRAFT	\$ 20.00 M
ii) RAIL AND METRO	\$ 15.00 M
iii) SPARE PARTS	\$ 20.00 M
iv) SPECIAL MOTOR VEHICLES	\$ 2.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: NATIONAL RAILWAY
Approximate Value: \$ 5 M
Financing Source: 001 IBRD
For further info. please contact:
CDN EMB/BOGOTA TEL: 217-5555 TLX: 35-44568

ii) Project Name: URBAN TRANSIT FEEDER SYSTEMS
Approximate Value: \$ 10-20 M
Financing Source: 028 TO/DETER
For further info. please contact:
CDN EMB/BOGOTA TEL: 217-5555 TLX: 35-44568

Export and Investment Promotion Planning System

MISSION: 640 BOGOTA

COUNTRY: 073 COLOMBIA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- high tariffs

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: DASH 8 AND AF TRAINING AIRPLANES TO SATENA, ACES AND AF

Results Expected: 25 MILLION

Activity: GREATER SHARE OF IBRD PROJECT FOR FNC

Results Expected: 5 MILLION

Activity: PUT PACKAGE TOGETHER FOR BOGOTA METRO - \$ 500 MILL. PROJECT

Results Expected: \$ 30 MILLION

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

Activity: SEMINAR ON TRANSPORTATION SYSTEMS AVAILABLE FROM CANADA (AIRCRAFT AND MASS TRANSPORTATION).

Results Expected: INCREASE AWARENESS OF CANADIAN CAPACITY.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 640 BOGOTA

Market: 073 COLOMBIA

Sector: 010 MINE, METAL, MINERAL PROD & SRV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	210.00M	\$ 180.00M	\$ 140.00M	\$ 66.00M
Canadian Exports \$	18.00M	\$ 14.00M	\$ 2.60M	\$ 1.20M
Canadian Share of Import Market	8.60%	7.80%	1.86%	1.82%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	008 %
ii) 237 ITALY	5.0 %
iii) 112 FRANCE	004 %
iv) 128 GERMANY WEST	002 %
v) 051 UNITED KINGDOM	2.0 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) MINING MACH. + PARTS	\$ 100.00 M
ii) TRUCKS	\$ 20.00 M
iii) MAINTENANCE EQUIPMENT	\$ 5.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: CARBONES DEL CARIBE, LA LOMA, AND EL JAGUARD COAL PROJECT

Approximate Value: \$ 20 M

Financing Source: 027 BILATER 023 EDC

For further info. please contact:

CDN EMB/BOGOTA TEL:217-5555 TLX:35-44568

ii) Project Name: GUAINIA GOLD CHOCO AND VALLE GOLD DEPOSITS.

Approximate Value: \$ 1 M

Financing Source: 011 CIDA 025 OTHER

For further info. please contact:

CDN EMB/BOGOTA TEL:217-5555 TLX:35-44568

Export and Investment Promotion Planning System

MISSION: 640 BOGOTA

COUNTRY: 073 COLOMBIA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: MAINTENANCE AT EL CERREJON COAL AND CERROMATOSO NICKEL

Approximate Value: \$ 5 M

Financing Source: 027 BILATER 023 EDC

For further info. please contact:

CDN EMB/BOGOTA TEL:217-5555 TLX:35-44568

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:

MARKET IS STEADY AND GROWS. CANADA IS CLOSELY OBSERVING NEW DEVELOPMENTS IN THE SECTOR KEEPING CONTACT WITH COS WHO HAVE SHOWN INTEREST IN PARTICIPATING IN UPGROWING MINING PROJECTS.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: 30 OF 170 T TRUCKS-WABCO/EUCLID INTERCORE

Results Expected: \$30 MILLION

Export and Investment Promotion Planning System

MISSION: 640 BOGOTA

COUNTRY: 073 COLOMBIA

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: AIR FILTER PLANT - INTERCOR

Results Expected: \$ 1 MILLION

Activity: WASH PLANT STUDY AND POSSIBLE PLANT

Results Expected: \$30 MILLION

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

Activity: ARRANGE VISIT OF SENIOR EMR OFFICIAL(S) TO COLOMBIA TO ASSIST COLOMBIA IN ITS MINING POLICY AND FOLLOW UP MISSION TO CANADA TO MEET WITH INTERESTED CAPABLE PARTIES.

Results Expected: INCREASED SALES OF EQUIPMENT AND SERVICES TO THIS SECTOR.

Activity: FOLLOW UP ON CARBOCOL PLANS TO DEVELOP "EL DESCANSO" COAL DEPOSIT AND SIMINERA'S "LA LOMA" DEPOSIT.

Results Expected: SALES OF \$ 500,000 OF CONSULTING SERVICES AND DEVELOPE OPPORTUNITIES FOR EQUIPMENT SALES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 640 BOGOTA

Market: 073 COLOMBIA

Sector: 011 OIL & GAS EQUIPMENT, SERVICES

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	285.00M	\$ 246.20M	\$ 312.00M	\$ 225.60M
Canadian Exports \$	20.00M	\$ 12.80M	\$ 14.90M	\$ 8.70M
Canadian Share of Import Market	7.00%	5.20%	4.77%	3.85%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	080 %
ii) 047 BRAZIL	002 %
iii) 265 JAPAN	002 %
iv) 616 OTHER COUNTRIES	016 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports In Canadian \$

i) PUMPING EQUIPMENT	\$ 28.00 M
ii) PIPES AND SUCCER RODS	\$ 45.00 M
iii) DRILLING EQUIPMENT	\$ 62.00 M
iv) VALVES	\$ 19.00 M
v) SERVICES-CONSULTING	\$ 22.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: EXPANSION OF BARRANCABERMEJA REFINERY
Approximate Value: \$ 80 M
Financing Source: 023 EDC 028 TO/DETER
For further info. please contact:
MISSION

ii) Project Name: APIAY GAS SEPARATOR PLANT
Approximate Value: \$ 10 M
Financing Source: 023 EDC 028 TO/DETER
For further info. please contact:
MISSION

Export and Investment Promotion Planning System

MISSION: 640 BOGOTA

COUNTRY: 073 COLOMBIA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: ECOPEPETROL TOPPING PLANT
Approximate Value: \$ 5 M
Financing Source: 023 EDC 028 TO/DETER
For further info. please contact:
MISSION

iv) Project Name: OXY-WATER INJECTION TIBU ENHANCED
RECOVERY(2 PROJ.)
Approximate Value: \$ 80 M
Financing Source: 023 EDC 028 TO/DETER
For further info. please contact:
MISSION

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems.

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the existence of a bilateral economic/trade arrangement between Canada and this country

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FOLLOW UP SEVERAL OIL AND GAS MISSION DURING PAST 20 MONTHS.

Results Expected: \$ 1 MILLION INCREASED EXPORTS FROM CANADA.

Export and Investment Promotion Planning System

MISSION: 640 BOGOTA

COUNTRY: 073 COLOMBIA

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FOLLOW UP CALGARY OIL AND GAS SHOW JUNE 86 AND INTERCAN 85.

Results Expected: \$ 1 MILLION INCREASED EXPORTS FROM CANADA.

Activity: FINALIZE INGERSOLL-RAND SALE OF PUMPING UNITS.
FINALIZE EDC LINE OF CREDIT WITH ECOPETROL.

Results Expected: \$ 10 MILLION
\$ 25 MILLION

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

Activity: PARTICIPATION WITH INFORMATION BOOTH IN CONGRESO ANDINO DE PETROLEOS.

Results Expected: \$ 1 MILLION

Activity: TO COMMERCIALIZE OPPORTUNITIES ARISING FROM PCIC - ECOPETROL ARRANGEMENT.

Results Expected: \$ 5 MILLION

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		
Mission: 640 BOGOTA		
Sector: 001 AGRI & FOOD PRODUCTS & SERVICE		
010 FAIRS AGROEXPO 87, BOGOTA, COL.	BOGOTA, COL	0687
020 MISSION OUTGOING FOOD PROCESSING MISSION TO COLOMBIA, BOGOTA/CALI	BOGOTA//CALI	0687
Sector: 005 COMM. & INFORM. EGP. & SERV TELIDON DEMOS	BOGOTA	0087
Sector: 006 ELECTRONICS EQUIP. & SERV		
020 MISSION OUTGOING SECURITY PRODUCTS MISSION	BOGOTA/CALI/MADELLIN	1187
Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.		
010 FAIRS ASONAR - INFO BOOTH	BOGOTA	0288
Sector: 011 OIL & GAS EQUIPMENT, SERVICES		
020 MISSION OUTGOING INTERCAN	CANADA/EDMONTON	0687
Sector: 016 INDUSTRIAL MACHIN, PLANTS, SERV.		
020 MISSION OUTGOING CANADIAN HARDWARE SHOW	TORONTO	0587

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 640 BOGOTA		
Sector: 001 AGRI & FOOD PRODUCTS & SERVICE		
010 FAIRS AGROEXPO 89, BOGOTA, COL.	BOGOTA	0789
020 MISSION OUTGOING AGRICULTURAL MISSION TO COL.	BOGOTA/CALI/MEDELLIN	0289
Sector: 005 COMM. & INFORM. EGP. & SERV		
024 MISSION INCOMING TELECOMMUNICATION MISSION TO CANADA	TOR/OTT/MTL/EDM/SK/V	0489

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 640 BOGOTA		
Sector: 005 COMM. & INFORM. EQP. & SERV		
024 MISSION INCOMING TELECOMMUNICATION MISSION TO CANADA HITECH OTTAWA	TOR/OTT/MTL/EDM/SK/V OTTAWA	0489 0389
Sector: 008 TRANSPORT SYS. EQUIP. COMP. SERV.		
024 MISSION INCOMING CDN AUTOMOTIVE SHOW CDN AUTOMOTIVE SHOW, TORONTO	TORONTO TORONTO	0488 0489
Sector: 011 OIL & GAS EQUIPMENT. SERVICES		
020 MISSION OUTGOING CALGARY PETROLEUM SHOW	CANADA/CALGARY	0688
Sector: 016 INDUSTRIAL MACHIN. PLANTS. SERV.		
020 MISSION OUTGOING CANADIAN HARDWARE SHOW	TORONTO	0588
Sector: 999 MULTIPLE SECTORS		
010 FAIRS BOGOTA INTERNATIONAL FAIR INFO BOOTH	BOGOTA	0788

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 643 CARACAS

Country: 594 VENEZUELA

1986 WAS THE YEAR OF THE "REVERSE OIL-SHOCK" FOR VENEZUELA, A COUNTRY WHOSE WHOLE ECONOMY IS DEPENDENT ON THE PETROLEUM INDUSTRY. AS A RESULT, TOTAL IMPORTS FELL BUT CANADIAN EXPORTS SO FAR THIS YEAR HAVE INCREASED BY 5.7%, PUTTING OUR MARKET SHARE AT CLOSE TO 4% WHEN COMPARED TO 3.8% IN 1984. PRESSURES TO RESTRICT IMPORTS ARE INCREASING, AND IN PARTICULAR FOR SOME ITEMS THAT ARE EXTREMELY IMPORTANT TO CANADA SUCH AS WHEAT, AUTO PARTS, PULP AND AGRICULTURE AND FOOD PRODUCTS.

A MODEST RECOVERY OF OIL PRICES HAS STARTED SLOWLY AND COULD, IF IT CONTINUES, RELEASE SOME PRESSURE ON DOLLAR AVAILABILITY. THERE IS LITTLE HOPE, HOWEVER, OF EITHER A GENUINE OPENING UP TO THE WORLD ECONOMY OR OF REDUCTIONS IN THE SUBSIDIZED-DOLLAR, BUREAUCRATIC SYSTEM OF IMPORTATION.

THE POST EXPECTS TOTAL IMPORTS IN 1987 TO BE RELATIVELY STABLE AT AROUND U.S. \$ 6 BILLION WITH OUR OWN EXPORTS SHOWING A SMALL INCREASE. WE WILL CONTINUE TO CONCENTRATE ON THE AGRICULTURE SECTOR IN GENERAL, ON MARKET MAINTENANCE FOR EXISTING PRODUCTS AND ON LARGE PROJECTS THAT ARE PRESENTLY UNDERWAY, I. E. BAUXIVEN, NURGAS, UVERITO. MORE EMPHASIS WILL BE PLACED ON MARKET INTELLIGENCE, STRATEGY AND REPORTING TO COUNTER THE MORE STRINGENT IMPORTING ENVIRONMENT CAUSED BY DEBT REPAYMENT AND THE POLITICAL DESIRABILITY OF IMPORT SUBSTITUTION.

THE DOMINICAN REPUBLIC, WHICH JUST RECENTLY ELECTED A NEW GOVERNMENT, APPEARS TO BE DETERMINED TO PUT ITS HOUSE IN BETTER FINANCIAL ORDER. THE POST EXPECTS INCREASED ACTIVITY IN THE D. R., PARTICULARLY IF MULTI-LATERAL FINANCING RESUMES, AS IS GENERALLY BELIEVED. ALREADY, THIS TERRITORY REPRESENTS A BETTER EXPORT MARKET THAN MANY COUNTRIES OF SOUTH AMERICA, WITH 1986 EXPORTS PROJECTED AT MORE THAN \$45 MILLION.

IN THE NETHERLANDS ANTILLES, THE SIGNIFICANT DEVELOPMENTS LAST YEAR WERE THE INDEPENDENCE OF ARUBA AND THE RE-OPENING OF THE CURACAO REFINERY (UNDER LEASE TO PDVSA). AN ASSESMENT OF THESE MARKETS WILL BE MADE DURING THE CURRENT FY AND THE POST EXPECTS TO RECOMMEND THAT AN HONORARY COMMERCIAL REPRESENTATIVE BE NAMED FOR ARUBA NEXT YEAR.

Export and Investment Promotion Planning System

REPT: SYN-GEO 87/88 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: GENERAL SECTOR OF AGRICULTURE IS HIGHEST DEVELOPMENT PRIORITY OF VENEZUELAN GOVERNMENT AND RECEIVES INCREASINGLY LARGE SHARE OF BUDGET.

2. 009 FOREST PRODUCTS, EQUIP, SERVICES

REASONS: PULP AND PAPER ARE SUBJECT OF LARGE PROJECTS SUCH AS UVERITO IN ADDITION TO REGIONAL INTEGRATION ACTIVITIES THREATENING OUR ACCESS.

3. 005 COMM. & INFORM. EQP. & SERV

REASONS: EXPANDING MARKET RECEIVING PRIORITY FROM VENEZUELAN GOVERNMENT. PHONE SYSTEM EXPANSION INTO CELLULAR AND DATA PROCESSING.

4. 010 MINE, METAL, MINERAL PROD & SRV

REASONS: NUMBER OF LARGE PROJECTS (BAUXITE, COAL, GOLD) FALL DIRECTLY IN OUR AREAS OF SPECIALTY.

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

1. 003 GRAINS AND OILSEEDS

2. 009 FOREST PRODUCTS, EQUIP, SERVICES

3. 008 TRANSPORT SYS, EQUIP, COMP, SERV.

4. 001 AGRI & FOOD PRODUCTS & SERVICE

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 011 ANIMAL, POULTRY BREEDING STOCK

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	20.10M	\$ 16.60M	\$ 11.60M	\$ 11.50M
Canadian Exports \$	7.50M	\$ 5.50M	\$ 3.70M	\$ 3.50M
Canadian Share of Import Market	87.03%	33.13%	31.10%	30.43%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	060 %
ii) 075 CANADA	035 %
iii) 073 COLOMBIA	005 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are
good market prospects

Current Total Imports

i) LIVE CATTLE	In Canadian \$	\$ 11.60 M
ii) BABY CHICKS	\$	3.30 M
iii) SEMEN/EMBRYOS	\$	1.20 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- No factors reported by mission

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: PIEDEMONTTE BARINAS INTEGRATED DAIRY PROJECT.

Results Expected: PARTICIPATION OF CANADIAN SUPPLIERS.

Activity: PREPARATION OF BOVINE-EMBRYO PROJECT.

Results Expected: PARTICIPATION OF CANADIAN SUPPLIERS.

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

Activity: VISITING FARMS/ASSOCIATIONS IN INTERIOR OF COUNTRY TO PROMOTE MORE IMPORTS OF CANADIAN CATTLE.

Results Expected: INCREASED SALES.

Activity: AGRICULTURE AND FOOD PRODUCTS - MARKET STRATEGY REPORT.

Results Expected: DEVELOPMENT OF MARKETING PRIORITIES AND STRATEGY.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 013 SEEDS & SPECIAL CROPS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	66.70M	\$ 62.40M	\$ 44.40M	\$ 40.10M
Canadian Exports \$	14.40M	\$ 12.70M	\$ 8.30M	\$ 7.90M
Canadian Share of Import Market	21.59%	20.35%	18.69%	19.70%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	078 %
ii) 075 CANADA	020 %
iii) 616 OTHER COUNTRIES	002 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) GREEN PEAS	\$ 21.40 M
ii) LENTILS	\$ 17.30 M
iii) BEANS	\$ 13.40 M
iv) SEED POTATOES	\$ 8.70 M
v) OTHER BEANS	\$ 1.30 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- No factors reported by mission

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- support provided by the PEMD program
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: COMPLETE INVESTIGATION FOR MARKETING OF CDN SUNFLOWER SEED.

Results Expected: INCREASE MARKET FOR CDN SUPPLIERS.

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

Activity: SEEKING NEW IMPORTERS FOR BEANS/SPECIAL CORPS/PEAS.

Results Expected: INCREASED SALES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 015 SEMI & PROCESSED FOOD & DRINK

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	7.00M	\$ 7.60M	\$ 9.00M	\$ 9.70M
Canadian Exports \$	0.45M	\$ 0.44M	\$ 0.49M	\$ 0.45M
Canadian Share of Import Market	6.43%	5.79%	5.44%	4.64%

Major Competing Countries

Market Share

i) 370 NEW ZEALAND	050 %
ii) 026 AUSTRIA	008 %
iii) 075 CANADA	006 %
iv) 577 UNITED STATES OF AMERICA	032 %
v) 616 OTHER COUNTRIES	000 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports
In Canadian \$
\$ 7.00 M
\$ 0.54 M

- i) MILK POWDERS (SKIM)
- ii) GELATIN (EDIBLE)

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- No factors reported by mission

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: COMPLETE MARKET ACTIVITIES PROMOTING MILK REPLACERS FOR ANIMALS.

Results Expected: TO OPEN MARKET FOR CDN SUPPLIERS.

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

Activity: GELATIN SALES IMPROVING STEADILY - TO VISIT MORE IMPORTERS AND FURTHER PROMOTE PRODUCT.

Results Expected: INCREASED SALES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 003 GRAINS AND OILSEEDS

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	229.30M	\$ 268.90M	\$ 236.30M	\$ 215.40M
Canadian Exports \$	82.00M	\$ 96.60M	\$ 25.50M	\$ 0.00M
Canadian Share of Import Market	35.76%	35.92%	10.79%	0.00%

Major Competing Countries

Market Share

- i) 577 UNITED STATES OF AMERICA
- ii) 075 CANADA

065 %
035 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector:

100 \$M AND UP

Current status of Canadian exports:

Well established and growing

Products/services for which there are
good market prospects

- i) WHEAT
- ii) SUNFLOWER SEED
- iii) MUSTARD SEED
- iv) FLAXSEED

Current Total Imports	
In Canadian \$	
\$	268.00 M
\$	0.65 M
\$	0.21 M
\$	0.12 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- No factors reported by mission

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: COMPLETE MARKET INVESTIGATION AND IDENTIFY MARKET FOR CDN MALT.

Results Expected: OBTAIN SHARE OF MARKET FOR CDN SUPPLIERS.

Activity: COMPLETE MARKET IDENTIFICATION ON POSSIBILITIES OF CDN FEED WHEAT FOR ANIMAL FEEDS.

Results Expected: OBTAIN A MARKET FOR CDN SUPPLIERS.

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

Activity: PROMOTE CDN OIL SEED IMPORTS BY INCREASED VISITS TO IMPORTERS.

Results Expected: INCREASED SALES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 004 DEFENCE PROGRAMS, PRODUCTS, SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	285.00M	\$ 228.00M	\$ 195.00M	\$ 285.00M
Canadian Exports \$	4.10M	\$ 3.20M	\$ 2.15M	\$ 3.20M
Canadian Share of Import Market.	1.44%	1.40%	1.10%	1.12%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	050 %
ii) 237 ITALY	015 %
iii) 112 FRANCE	015 %
iv) 499 SPAIN	010 %
v) 594 VENEZUELA	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) AIRCRAFT REFURBISH	\$ 62.00 M
ii) COMMUNICATIONS	\$ 5.00 M
iii) AIR-TO-GROUND ROCKETS	\$ 0.00 M
iv) AIRCRAFT MAINTENANCE	\$ 4.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.i) Project Name: REPLACEMENT OR REFURBISHING OF ASW
AIRCRAFT

Approximate Value: \$ 60 M

Financing Source: 012 DOM

For further info. please contact:

EMBASSY TEL: 951-6166 TLX: 23377

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- the apparent limited sectoral capability in Canada compared to other competing export countries
- other factor(s) described by the Trade Office as follows:
CANADIAN MANUFACTURERS' PRODUCTS ARE MORE GEARED TO THE U. S. AND NATO COUNTRIES; CONSEQUENTLY, CANADIAN COMPANIES DO NOT REGARD LATAM AND VENEZUELA AS PRIORITY AREAS.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE TO BUILD AGENTS AND REPRESENTATIVES LISTS AND MATCH WITH CANADIAN COMPANIES.

Results Expected: ADDITIONAL REPRESENTATION AGREEMENTS, WHICH WILL PERMIT CANADIAN COMPANIES TO ACT MORE QUICKLY.

Activity: BUILD MILITARY GROUP CONTACTS AND INFORM COMPANIES OF UNANNOUNCED CONTRACTS.

Results Expected: MORE BUSINESS/SALES.

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

Activity: CIVILIAN AND MILITARY COMMUNICATIONS SYSTEMS SURVEY.

Results Expected: WILL BETTER ENABLE POST TO UNCOVER TRADE OPPORTUNITIES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 005 COMM. & INFORM. EGP. & SERV

Subsector: 053 TELECOMMUNICATIONS (INC SPACE)

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	82.23M	\$ 63.26M	\$ 50.61M	\$ 48.20M
Canadian Exports \$	1.80M	\$ 1.16M	\$ 0.42M	\$ 1.04M
Canadian Share of Import Market	2.19%	1.83%	0.83%	2.16%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	033 %
ii) 507 SWEDEN	019 %
iii) 265 JAPAN	015 %
iv) 128 GERMANY WEST	011 %
v) 112 FRANCE	006 %
vi) 237 ITALY	004 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

In Canadian \$

i) RADIO TRANSMITTERS AND RECEIVERS	\$ 11.17 M
ii) CARRIER APPARATUS FOR TELECOMMUNICATIONS	\$ 16.42 M
iii) RURAL AND MOBILE TELEPHONE SYSTEMS	\$ 7.86 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: MOBILE TELEPHONE SYSTEMS
Approximate Value: \$ 30 M
Financing Source: 012 DOM
For further info. please contact:
EMBASSY TEL: 951-6166 TLX: 23377

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FINDING ADEQUATE AGENTS TO REPRESENT CANADIAN COMPANIES.

Results Expected: INCREASE IN THE NUMBER OF CANADIAN COMPANIES REPRESENTED.

Activity: PROMOTION OF CANADIAN EXPERTISE IN TELECOMMUNICATIONS TO THE GOVERNMENT TELEPHONE COMPANY (CANTV).

Results Expected: INCREASE AWARENESS OF CANADIAN CAPABILITIES IN THIS SECTOR AND TECHNICAL ASSISTANCE PROGRAM BY BELL CANADA INT. (BCI).

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

Activity: ASSESS THE DEVELOPMENTS IN THE VENEZUELAN TELECOMMUNICATIONS INDUSTRY.

Results Expected: TECHNOLOGY TRANSFER AGREEMENTS BETWEEN CANADIAN AND VENEZUELAN COMPANIES.

02/03/87

DEPARTMENT OF EXTERNAL AFFAIRS

Page: 190

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

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

Activity: CIVILIAN AND MILITARY COMMUNICATIONS SYSTEMS SURVEY.

Results Expected: IDENTIFY SIZE OF POTENTIAL MARKET.
DRAW MARKET TO ATTENTION OF CANADIAN EXPORTERS.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 005 COMM. & INFORM. EGP. & SERV

Subsector: 054 COMPUTERS, SOFTWARE & SYSTEMS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	187.50M	\$ 176.90M	\$ 168.48M	\$ 153.16M
Canadian Exports \$	2.90M	\$ 2.15M	\$ 1.80M	\$ 2.00M
Canadian Share of Import Market	1.54%	1.21%	1.06%	1.30%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	083 %
ii) 047 BRAZIL	007 %
iii) 349 MEXICO	002 %
iv) 265 JAPAN	002 %
v) 001 ARGENTINA	002 %
vi) 075 CANADA	001 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) ANALOG COMPUTER EQUIPMENT	\$ 23.80 M
ii) MAIN FRAMES AND MINI-COMPUTERS	\$ 36.80 M
iii) WORD PROCESSORS AND MICRO-COMPUTERS	\$ 13.50 M
iv) SOFTWARE	\$ 25.00 M
v) PERIPHERALS	\$ 35.40 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- competitive export pricing for this market

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FIND ADEQUATE REPRESENTATIVES FOR CANADIAN COMPANIES IN THE FIELD OF COMPUTER HARDWARE AND SOFTWARE.

Results Expected: INCREASE IN THE NUMBER OF AGENTS IN VENEZUELA REPRESENTING CANADIAN COMPANIES.

Activity: PROMOTION OF EDUCATIONAL HARDWARE AND SOFTWARE FOR THE VENEZUELAN EDUCATION SYSTEM (PRIMARY AND HIGH SCHOOL).

Results Expected: POTENTIAL USE OF CANADIAN TECHNOLOGY BY THE MINISTRY OF EDUCATION.

Activity: INTRODUCTION OF CANADIAN SOFTWARE PRODUCTS TO THE PETROLEUM INDUSTRY FOR SPECIALIZED APPLICATIONS.

Results Expected: SALES OF CANADIAN SOFTWARE TO THE PETROLEUM INDUSTRY.

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

Activity: MAJOR ECONOMIC/COMMERCIAL REPORT ON THE DEVELOPMENT OF THE VENEZUELAN INFORMATICS INDUSTRY.

Results Expected: BETTER ASSESSMENT OF MARKET FOR CANADIAN COMPANIES. BRING MORE COMPANIES TO MARKET.

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

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

Activity: CONTACTING VENEZUELAN COMPANIES AND THE INFORMATICS ASSOCIATION TO MAKE AUDIO-VISUAL PRESENTATIONS.

Results Expected: BUILD AN AWARENESS OF CANADIAN EXPERTISE IN THIS SECTOR. GENERATE MORE ENQUIRIES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 071 HYDRO

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	22.00M	\$ 22.00M	\$ 28.00M	\$ 36.00M
Canadian Exports \$	1.10M	\$ 1.10M	\$ 2.10M	\$ 1.40M
Canadian Share of Import Market	5.00%	5.00%	7.50%	3.90%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	035 %
ii) 112 FRANCE	020 %
iii) 128 GERMANY WEST	020 %
iv) 038 BELGIUM	015 %
v) 499 SPAIN	010 %

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are
good market prospects

Current Total Imports
In Canadian \$
\$ 0.00 M

i) IN MEDIUM TERM, TURBINES AND GENERATORS

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: MANCAGUA II HYDRO-12X200 MW
Approximate Value: \$ M
Financing Source: 012 DOM 024 BC
003 IADB

For further info. please contact:
EMBASSY TEL: 951-6166 TLX:23377

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- No factors reported by mission

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: MONITOR PROGRESS ON MANCAGUA II AND OTHER PROJECTS.

Results Expected: POST WILL BE ABLE TO INFORM COMPANIES OF POTENTIAL INVOLVEMENT.

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

Activity: ELECTRICITY GENERATION AND TRANSMISSION SURVEY.

Results Expected: ENABLE POST TO BETTER SPOT TRADE OPPORTUNITIES.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		
Mission: 658 BRIDGETOWN		
Sector: 016 INDUSTRIAL MACHIN. PLANTS, SERV.		
024 MISSION INCOMING ENERGY(PETROLEUM)MISSION FROM BARBADOS		0487
Sector: 017 SERVICE INDUSTRIES		
024 MISSION INCOMING "HOSTEX" HOTEL SHOW IN TORONTO FM BARBADOS & ANTIG TORONTO		0487
Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 658 BRIDGETOWN		
Sector: 001 AGRI & FOOD PRODUCTS & SERVICE		
020 MISSION OUTGOING FOOD PRODUCTS MISSIONS	ANTIGUA/GRENADA	0589
HOTEL/RESTAURANT EQUIPMENT MISSION	ANTIGUA/ST. MAARTEEN	0588
Sector: 013 CONSUMER PRODUCTS		
024 MISSION INCOMING HARDWARE BUYERS	TORONTO	0289
Sector: 017 SERVICE INDUSTRIES		
020 MISSION OUTGOING TRADING HOUSES	ST. VINCENT/DOMINICA	1189
Sector: 999 MULTIPLE SECTORS		
020 MISSION OUTGOING HARDWARE/ELECTRICAL/CONSUMER PRODUCTS MISSION	ANTIGUA/ST. LUCIA	1088

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 074 TRANSMISSION

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	30.00M	\$ 22.00M	\$ 22.70M	\$ 28.00M
Canadian Exports \$	2.00M	\$ 1.00M	\$ 1.10M	\$ 1.70M
Canadian Share of Import Market	6.60%	4.50%	4.80%	6.10%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	040 %
ii) 112 FRANCE	020 %
iii) 499 SPAIN	015 %
iv) 047 BRAZIL	015 %
v) 128 GERMANY WEST	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) BUILDING OF TRANSMISSION LINES	\$ 0.00 M
ii) TRANSMISSION EQUIPMENT, CABLE, TRANSFORMER	\$ 6.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- No factors reported by mission

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- use of Canadian Government export promotion activities

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

Activity: ELECTRICITY GENERATION AND TRANSMISSION SURVEY.

Results Expected: SHOULD PRESENT CLEARER PICTURE OF WHERE TRADE OPPORTUNITIES LIE.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 075 CONTROL SYSTEMS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	14.00M	\$ 22.40M	\$ 11.80M	\$ 5.60M
Canadian Exports \$	3.00M	\$ 10.00M	\$ 0.10M	\$ 0.03M
Canadian Share of Import Market	21.43%	44.64%	0.85%	0.60%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	035 %
ii) 112 FRANCE	010 %
iii) 265 JAPAN	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects:

i) CONTROL SYSTEMS

Current Total Imports
In Canadian \$
\$ 22.40 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- No factors reported by mission

Some Canadian exporters to this market in this sector(sub-sector)
have enjoyed success previously as a result of a variety of
factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: AFTER INCREASE IN TRANSMISSION CAPABILITY, THERE SHOULD BE NEED FOR CONTROL SYSTEMS. POST WILL ALERT CDN COS. TO OPPORTUNITIES.

Results Expected: INCREASED BUSINESS.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 008 TRANSPORT SYS. EQUIP. COMP. SERV.

Subsector: 081 AUTOMOTIVE

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	1100.00M	\$ 1231.51M	\$ 1026.26M	\$ 1051.56M
Canadian Exports \$	143.00M	\$ 177.73M	\$ 97.69M	\$ 130.13M
Canadian Share of Import Market	13.00%	14.40%	9.52%	12.30%

Major Competing Countries

	Market Share
i) 577 UNITED STATES OF AMERICA	040 %
ii) 265 JAPAN	014 %
iii) 047 BRAZIL	013 %
iv) 075 CANADA	009 %
v) 051 UNITED KINGDOM	008 %
vi) 237 ITALY	003 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Mature with little growth

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) CKD'S FOR PASSENGER VEHICLES	\$ 579.60 M
ii) CKD'S FOR TRUCKS AND PICK-UPS OF 4000 KGS MAX.	\$ 135.45 M
iii) AFTER MARKET PARTS	\$ 233.20 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: PROMOTION OF CANADIAN MANUFACTURERS OF AFTER-MARKET PARTS, TO LOCAL AGENTS.

Results Expected: INCREASE IN THE NUMBER OF AGENTS FOR CANADIAN AUTO-PARTS.

Activity: PROMOTION OF ORIGINAL EQUIPMENT (OEM) MANUFACTURERS TO LOCAL ASSEMBLERS AND AUTO-PARTS MAKERS.

Results Expected: POSSIBILITY OF JOINT VENTURE OF TECHNOLOGY TRANSFER BY CANADIAN MANUFACTURERS.

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

Activity: AUDIO-VISUAL PRESENTATIONS OF CANADIAN EXPERTISE TO LOCAL ASSEMBLERS AND OEM MANUFACTURERS.

Results Expected: AWARENESS OF CANADIAN TECHNOLOGY IN THIS SECTOR AND PROMOTION OF JOINT VENTURES/LICENSING AGREEMENTS.

Activity: AUTOMOTIVE JOINT VENTURES/LICENSING SURVEY.

Results Expected: BETTER ASSESSMENT OF ACTIVITY. MORE LICENSING AGREEMENTS.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	435.00M	\$ 450.00M	\$ 492.00M	\$ 518.00M
Canadian Exports \$	78.00M	\$ 84.00M	\$ 91.00M	\$ 96.00M
Canadian Share of Import Market	18.00%	19.00%	17.00%	18.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	043 %
ii) 068 CHILE	013 %
iii) 504 FINLAND	010 %
iv) 047 BRAZIL	006 %
v) 507 SWEDEN	005 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) NEWSPRINT	\$ 98.00 M
ii) PULP	\$ 135.00 M
iii) EQUIPMENT	\$ 15.00 M
iv) SERVICES	\$ 7.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: UVERITO NEWSPRINT AND PULP MILL
Approximate Value: \$ 600 M
Financing Source: 012 DOM 023 EDC
024 BC

For further info. please contact:
POST TLX: 23377 EXTOTT/LST 613-996-5549

ii) Project Name: CONARE FOREST PLANTATIONS
Approximate Value: \$ 60 M
Financing Source: 012 DOM 003 IADB
For further info. please contact:
POST TLX: 23377 EXTOTT/LST 613-996-5549

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- No factors reported by mission

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: POST HAS BEEN REPORTING ON NEWSPRINT + PULP MARKET DEVELOPMENTS, PULP + NEWSPRINT PROJECT AND IS IN THE PROCESS OF FOLLOWING UP.

Results Expected: INCREASED AWARENESS AND RECOMMENDATIONS TO CANADIAN SUPPLIERS ON MARKET STRATEGY.

Activity: CONTINUE TO GATHER MARKET INFORMATION ON PROJECT AND COMPETITION ON UVERITO NEWSPRINT + PULP MILL.

Results Expected: CANADIAN PARTICIPATION AS A FOREIGN PARTNER IN THE PROJECT.

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

Activity: TO CONDUCT A NEWSPRINT + PULP MARKET SURVEY.

Results Expected: MAINTAIN KNOWLEDGE OF MARKET AND REPORT CHANGES AND SITUATION.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 010 MINE, METAL, MINERAL PROD & SRV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	890.00M	\$ 1.08M	\$ 1.12M	\$ 1.26M
Canadian Exports \$	28.00M	\$ 32.00M	\$ 32.00M	\$ 36.00M
Canadian Share of Import Market	3.10%	2.90%	2.80%	2.90%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	054 %
ii) 047 BRAZIL	008 %
iii) 265 JAPAN	005 %
iv) 426 PERU	005 %
v) 038 BELGIUM	004 %
vi) 540 SURINAM	003 %

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) WIRE ROD	\$ 26.00 M
ii) ZINC	\$ 14.00 M
iii) IRON/STEEL TUBING	\$ 32.00 M
iv) SCRAP IRON	\$ 23.00 M
v) ASBESTOS	\$ 4.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: CARBOZULIA COAL PROJECT
Approximate Value: \$ 350 M
Financing Source: 012 DOM 023 EDC
024 BC

For further info. please contact:
POST TLX: 23377 EXTOTT/LST 996-5549

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: BAUXIVEN - BAUXITE PROJECT
Approximate Value: \$ 420 M
Financing Source: 012 DOM 003 IADB
024 BC
For further info. please contact:
POST TLX: 23377 EXTOTT/LST 996-5549

iii) Project Name: TACHIRA COAL PROJECT
Approximate Value: \$ 77 M
Financing Source: 012 DOM 024 BC
For further info. please contact:
POST TLX: 23377 EXTOTT/LST 996-5549

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

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

Activity: PRESENTATION TO THE VENEZUELAN ASSOCIATION OF MINING AND METALLURGICAL COMPANIES ON CANADIAN CAPABILITIES IN PRODUCTS AND SERVICES.

Results Expected: INCREASED AWARENESS OF CANADIAN CAPABILITIES AND TRANSFER OF TECHNOLOGY AND JOINT VENTURES OPPORTUNITIES.

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

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

Activity: TO CONDUCT A MARKET SURVEY ON VENEZUELA COAL/GOLD INDUSTRY AND ESTABLISH A MARKET STRATEGY OF CANADIAN COMPANIES.

Results Expected: INCREASED CANADIAN PARTICIPATION IN THESE SECTORS.

Activity: TO CONDUCT AN ASBESTOS MARKET SURVEY.

Results Expected: REPORT TO THE CANADIAN ASBESTOS INDUSTRY ON MARKET SITUATION.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 011 OIL & GAS EQUIPMENT, SERVICES

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	566.00M	\$ 612.00M	\$ 696.00M	\$ 748.00M
Canadian Exports \$	10.00M	\$ 12.00M	\$ 12.00M	\$ 14.00M
Canadian Share of Import Market	1.70%	1.90%	1.70%	1.80%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	068 %
ii) 265 JAPAN	012 %
iii) 128 GERMANY WEST	006 %
iv) 051 UNITED KINGDOM	004 %
v) 237 ITALY	003 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) GAS TURBINES	\$ 26.00 M
ii) GAS PROD MACH	\$ 18.00 M
iii) CONTROL SYSTEMS - OIL INDUSTRY	\$ 15.00 M
iv) COMPUTER/SOFTWARE	\$ 15.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: NURGAS PROJECT - CORPOVEN GAS PIPELINE
800 KMS

Approximate Value: \$ 630 M

Financing Source: 012 DOM

For further info. please contact:

POST TLX: 23377

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- support provided by the PEMD program
- participation in trade missions
- use of provincial governments export promotion activities

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTACT ALBERTA OIL + GAS MISSION MEMBERS WHO VISITED APRIL 86 AND OCT. 86 TO ENSURE CONTACTS MADE ARE FOLLOWED UP AND BUSINESS CONNECTIONS ESTABLISHED.

Results Expected: HAVE MORE LOCAL AGENTS AND INCREASE OUR MARKET SHARE.

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

Activity: CONTACT OIL + GAS INDUSTRY LOCAL AGENTS TO INTEREST THEM IN CANADIAN OIL + GAS PRODUCTION EQUIPMENT MANUFACTURERS.

Results Expected: INCREASED NUMBER OF AGENTS.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 643 CARACAS

Market: 594 VENEZUELA

Sector: 016 INDUSTRIAL MACHIN, PLANTS, SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	2295.00M	\$ 2250.00M	\$ 2253.54M	\$ 1802.28M
Canadian Exports \$	10.00M	\$ 7.00M	\$ 4.32M	\$ 1.66M
Canadian Share of Import Market	0.43%	0.31%	0.19%	0.09%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	057 %
ii) 237 ITALY	012 %
iii) 128 GERMANY WEST	008 %
iv) 112 FRANCE	004 %
v) 499 SPAIN	003 %
vi) 512 SWITZERLAND	003 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) PLASTIC AND RUBBER IND. MACHINERY	\$ 63.48 M
ii) BOTTLING AND PACKAGING EQUIPMENT	\$ 50.89 M
iii) COMPRESSORS AND TURBO-COMPRESSORS	\$ 106.46 M
iv) VENTILATORS	\$ 45.40 M
v) MOULD AND DIES FOR METALS AND PLASTICS	\$ 32.00 M
vi) PARTS AND ACCESSORIES FOR CHAIN SAWS	\$ 3.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

Export and Investment Promotion Planning System

MISSION: 643 CARACAS

COUNTRY: 594 VENEZUELA

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: PROMOTION OF CANADIAN CAPABILITIES AND TECHNOLOGY IN THE MACHINERY AND TOOLING INDUSTRY.

Results Expected: INCREASE IN THE NUMBER OF AGENTS REPRESENTING CANADIAN COMPANIES.

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

Activity: DEVELOP A MARKET STUDY OF THE POTENTIAL FOR IMPORT SUBSTITUTION AND TRANSFER OF CANADIAN TECHNOLOGY.

Results Expected: PROMOTE TECHNOLOGY TRANSFER AGREEMENTS TO LOCAL MANUFACTURERS.

Activity: MAKE AN AUDIO-VISUAL PRESENTATION TO THE VENEZUELAN TOOL AND MACHINERY ASSOCIATION ON CANADIAN TECHNOLOGY IN THE SECTOR.

Results Expected: INCREASE THE AWARENESS OF CANADIAN EXPERTISE IN THIS SECTOR. GENERATE MORE ENQUIRIES.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		
Mission: 643 CARACAS		
Sector: 001 AGRI & FOOD PRODUCTS & SERVICE		
010 FAIRS		
BARQUISIMETO LIVESTOCK SHOW,	VENEZUELA	BARQUISIMETO 1187
020 MISSION OUTGOING		
FOOD MANUFACTURERS JOINT	VENTURERS MISSION TO	0288
024 MISSION INCOMING		
LIVESTOCK MISSION FROM	VENEZUELA	1187
FLOUR MILLERS MISSION FROM	VENEZUELA	0987
Sector: 003 GRAINS AND OILSEEDS		
020 MISSION OUTGOING		
CANOLA OIL AND MEAL MISSION TO VENEZUELA		0388
PULSE MISSION TO VENEZUELA		1187
Sector: 006 ELECTRONICS EQUIP. & SERV		
020 MISSION OUTGOING		
TELECOMMUNICATIONS MISSION TO CARACAS, MARACAIBO, VE CARACAS		0587
Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.		
020 MISSION OUTGOING		
AUTOMOTIVE AFTERMARKET MISSION TO VENEZUELA (HARD P		0000
Sector: 010 MINE, METAL, MINERAL PROD & SRV		
020 MISSION OUTGOING		
MEDICAL HEALTH CARE PRODUCTS	MISSION TO VENEZUELA	0000
024 MISSION INCOMING		
VETERINARY PHARMACEUTICALS	MISSION FROM VENEZUE	0787
Sector: 013 CONSUMER PRODUCTS		
020 MISSION OUTGOING		
SUMMER SPORTS EQUIPMENT MISS. TO CARACAS AND MARGA CARACAS		0987
SUMMER APPAREL MISSION TO	MARGARITA & CURACAO MARGARITA	0687
Sector: 016 INDUSTRIAL MACHIN, PLANTS, SERV.		
020 MISSION OUTGOING		
MEAT & POULTRY PROCESSING	MACHINERY MISSION TO	0587

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		

Mission: 643 CARACAS

Sector: 016 INDUSTRIAL MACHIN. PLANTS, SERV.

020 MISSION OUTGOING		
IRRIGATION MISSION TO	VENEZUELA	0487
ELECTRICAL EQUIPMENT MISSION	TO CARACAS AND PTO. D CARACAS	0987
VEGETABLE OIL PROCESSING MACH. AND EQUIP. MISS. TO VE		0687

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		

Mission: 643 CARACAS

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

020 MISSION OUTGOING		
DAIRY PRODUCTS PROCESSING MISSION		0589
AGRICULTURE EQUIPMENT MISSION	VENEZ. /DOM. REP.	0488

024 MISSION INCOMING		
LIVESTOCK IMPROVEMENT MISSION	QUEBEC/ONTARIO	0989

Sector: 003 GRAINS AND OILSEEDS

020 MISSION OUTGOING		
VEGETABLE OIL PROCESSING MISSION		1088

Sector: 005 COMM. & INFORM. EGP. & SERV

010 FAIRS		
INFORVEN	CARACAS	0988
INFORVEN	CARACAS	0989
INFORMATICA	CARACAS	0789
INFORMATICA	CARACAS	0788

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

010 FAIRS		
EXPOMOTRIX	CARACAS	1089

Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES

024 MISSION INCOMING		
PULP & PAPER PROJECT SOURCING MISSION	QUEB. /ONT. /B. C.	1089

Sector: 011 OIL & GAS EQUIPMENT, SERVICES

010 FAIRS		
LATIN AMERICAN OIL SHOW	MARACAIBO	0688

02/03/87

DEPARTMENT OF EXTERNAL AFFAIRS

Page: 213

Export and Investment Promotion Planning System

Type of Event

Location

Date

Promotional projects proposed for the two following fiscal years.

Mission: 643 CARACAS

Sector: 016 INDUSTRIAL MACHIN, PLANTS, SERV.

010 FAIRS
FERRE

CARACAS

0789

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 644 MEXICO

Country: 349 MEXICO

THE SHARP DECLINE IN OIL PRICES IN EARLY 1986 COMBINED WITH A SIGNIFICANT REDUCTION IN THE VOLUME OF OIL EXPORTS RESULTED IN A SUBSTANTIAL REDUCTION IN THE MEXICAN TRADE SURPLUS AND LED TO CURRENT ACCOUNT AND BALANCE OF PAYMENTS DEFICITS. IN ADDITION, THE GOVERNMENT SAW ITS INCOME SLASHED DRAMATICALLY AS OIL RECEIPTS HAD BEEN EXPECTED TO ACCOUNT FOR SOME 45% OF ALL INCOME IN 1986. THE ALREADY-HIGH PUBLIC DEFICIT WAS THUS EXACERBATED AND THIS LED TO SOME ATTEMPTS AT CUTTING EXPENDITURES WHICH HAVE AFFECTED THE LIKELY AFFECT THE PUBLIC INVESTMENT ENVELOPE MORE THAN THE PUBLIC INVESTMENT ENVELOPE MORE THAN THE OPERATIONS. THE FORECAST FOR ECONOMIC GROWTH HAS THEREFORE BEEN REDUCED TO MINUS 3-4% FROM AN INITIAL FORECAST OF 0%. TENTATIVE AGREEMENT WITH CREDITORS COVERING THE RENEGOTIATION OF THE DEBT MAY SIGNAL A RETURN TO POSITIVE GROWTH RATES IN 1987.

DESPITE TRADE LIBERALISATION MEASURES AND MEXICO'S ACCESSION TO GATT, MEXICO'S TOTAL IMPORTS ARE EXPECTED TO DECLINE IN 1986 AND MAY REMAIN AT LOWER LEVELS IN 1987 IF THE NEW CREDITS ARE USED EXCLUSIVELY TO SERVICE THE DEBT INSTEAD OF MEETING THE NEEDS OF INDUSTRY.

ABOUT ONE-HALF OF CANADIAN EXPORTS (INCLUDING AUTOMOTIVE COMPONENTS, FOOD RAW MATERIALS AND LIVESTOCK FOR DAIRY OR BREEDING PURPOSES) EITHER SUPPLY A HIGH-PRIORITY EXPORT INDUSTRY OR MEET AN ESSENTIAL DOMESTIC REQUIREMENT. AS SUCH THEY ARE UNLIKELY TO BE AFFECTED BY ANY REDUCTION IN TOTAL IMPORT DEMAND. OTHERS, SUCH AS ASBESTOS, PULP AND SOME FABRICATED METAL ITEMS USED IN CONSTRUCTION OR IN THE MANUFACTURE OF ITEMS FOR DOMESTIC CONSUMPTION, MAY REFLECT THE GENERAL DECLINE IN ECONOMIC ACTIVITY. CANADIAN EXPORTS SHOULD NOT, THEREFORE, BE AS AFFECTED AS THOSE OF SOME OF OUR COMPETITORS, AND OUR MARKET SHARE (APPROXIMATELY 2%) MIGHT EVEN INCREASE SLIGHTLY.

Export and Investment Promotion Planning System

REPT: SYN-GED 87/88 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: MEXICO'S NEED TO SUPPLEMENT ITS PRODUCTION & DESIRE TO IMPROVE QUALITY & QUANTITY OF ITS OWN FOOD PRODUCTION CREATES DEMAND FOR FOOD RAW MATERIALS, PRODUCTION TECHNOLOGY, EQUIPT. & QUALITY BREEDING STOCK.

2. 008 TRANSPORT SYS, EQUIP, COMP, SERV.

REASONS: MEXICO HAS FUNDING TO IMPROVE ITS ROAD & RAIL TRANSPORT SYSTEMS AND MUST IMPROVE ITS URBAN SYSTEMS. GROWING EXPORT ORIENTED AUTOMOTIVE INDUSTRY WILL CONTINUE TO NEED COMPONENTS & PROD. EQPT, TECHNOLOGY.

3. 005 COMM. & INFORM. EQP. & SERV

REASONS: MEXICO'S OWN COMMUNICATIONS AND DP REQUIREMENTS OFFER SALES OPPORTUNITIES FOR EQUIPMENT AND COMPONENTS. ADDITIONALLY, ITS EXPORT IN THIS SECTOR ARE GROWING BY MULTIPLES WITH A RESULTING DEMAND FOR COMP.

4. 007 POWER & ENERGY EQUIP. & SERV.

REASONS: INSTALLED GENERATION CAPACITY SHOULD GROW 11% IN 1986. GROWTH MAY DROP TO 2000MW/YEAR AFTER 1986 BUT THE REPAIR & REPLACEMENT OF EXISTING CAPACITY WILL OFFER OPPORTUNITIES

5. 011 OIL & GAS EQUIPMENT, SERVICES

REASONS: THE PETROLEUM INDUSTRY WILL CONTINUE TO BE MEXICO'S BIGGEST EXPORT EARNER. EXPLORATION AND EXPLOITATION WILL PROCEED THOUGH AT A LOWER RATE. EXISTING REFINERIES WILL BE IMPROVED AND EXPANDED.

6. 010 MINE, METAL, MINERAL PROD & SRV

REASONS: MINING PRODUCTION VALUED AT JUST \$1 BILLION WAS 4% OF GDP IN 1985 AND WAS THE SECOND LARGEST NON PETROLEUM EXPORT EARNER. WHILE INVESTMENT IS EXPECTED TO FALL IN 1986 THEY SHOULD RECOVER IN 1987.

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

1. 008 TRANSPORT SYS, EQUIP, COMP, SERV.
2. 010 MINE, METAL, MINERAL PROD & SRV
3. 001 AGRI & FOOD PRODUCTS & SERVICE
4. 003 GRAINS AND OILSEEDS
5. 009 FOREST PRODUCTS, EQUIP, SERVICES
6. 012 PETROCHEM & CHEM PROD, EQP, SERV

Export and Investment Promotion Planning System

• 87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 011 ANIMAL, POULTRY BREEDING STOCK

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	130.00M	\$ 140.00M	\$ 177.00M	\$ 50.00M
Canadian Exports \$	15.00M	\$ 7.00M	\$ 22.00M	\$ 14.00M
Canadian Share of Import Market	11.50%	5.00%	12.40%	28.00%

Major Competing Countries

Market Share

i) 349 MEXICO	70 %
ii) 577 UNITED STATES OF AMERICA	25 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector:

30-60 \$M

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

i) DAIRY ANIMALS	In Canadian \$
ii) HOGS	\$ 135.00 M
iii) BEEF BREEDING STOCK	\$ 9.00 M
iv) POULTRY STOCK	\$ 48.00 M
	\$ 3.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- other factor(s) described by the Trade Office as follows:

USA CLOSENESS TO THE MKT GIVES IT A BIG COMPETITIVE EDGE. TEMPORARY PRICE UNCOMPETITIVENESS IN DAIRY ANIMALS DUE TO US FARM BILL NOT EXPECTED TO CONTINUE BEYOND 1986 FY.

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE CONTACTS WITH LIVESTOCK BUYERS + GOVERNMENT OFFICIALS.

Results Expected: IDENTIFY OPPORTUNITIES ENHANCE IMAGE.

Activity: CONTINUE EXPLAINING EDC FINANCING PROGRAMS TO THOSE POTENTIAL BUYERS REQUIRING IT.

Results Expected: ASSIST SALES

Activity: CONTINUE ASSISTING ALBERTA GOVERNMENT ON JALISCO PROJECTS

Results Expected: OBTAIN SALES OF ALBERTA CATTLE TO JALISCO

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 013 SEEDS & SPECIAL CROPS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	200.00M	\$ 220.00M	\$ 230.00M	\$ 203.00M
Canadian Exports \$	1.50M	\$ 0.50M	\$ 0.09M	\$ 0.05M
Canadian Share of Import Market	0.75%	0.22%	0.04%	0.02%

Major Competing Countries

Market Share

i) 349 MEXICO	80 %
ii) 577 UNITED STATES OF AMERICA	15 %

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

Current status of Canadian exports: No Export results to date

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) PULSES	\$ 60.00 M
ii) SEED POTATOES	\$ 5.00 M
iii) ALFALFA SEED	\$ 20.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- the unsuitability of Canadian products for this market
- the apparent limited sectoral capability in Canada compared to other competing export countries
- non-tariff protectionist measures which are difficult to overcome
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:

CANADA DOESN'T GROW ALFALFA & PULSE VARIETIES WANTED BY MXICANS.

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- No factors reported by mission

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- product/service information from Canadian companies

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE CONTACTS WITH PHYTOSANITARY AUTHORITIES TO FACILITATE ENTRANCE OF OUR SEED POTATOES TO MEXICO

Results Expected: FACILITATE SALES

Activity: CONTINUE PROMOTION IE SENDING BOOKLETS IDENTIFYING CANDIDATES FOR MISSIONS AND COURSES ON POTATO TECHNOLOGY

Results Expected: ENHANCE OUR IMAGE/INCREASE SALES

Activity: KEEP IN CONTACT WITH PULSE DEALERS AND CONASUPO

Results Expected: IDENTIFY OPPORTUNITIES

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

Activity: IDENTIFY BEST COOPERATORS TO TEST ALFALFA VARIETIES GROWN IN CANADA FOR ADAPTABILITY TO MEXICO

Results Expected: FIND ALFALFA VARIETIES TO COMPETE IN LOCAL MARKET

Activity: CONDUCT PULSES MARKETING STUDY

Results Expected: IDENTIFY OPPORTUNITIES/CONSTRAINTS

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 014 MEATS & MEAT BY-PRODUCTS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	140.00M	\$ 140.00M	\$ 131.00M	\$ 58.00M
Canadian Exports \$	7.00M	\$ 6.00M	\$ 5.00M	\$ 3.00M
Canadian Share of Import Market	5.00%	4.20%	3.80%	5.10%

Major Competing Countries

Market Share

i) 349 MEXICO	90 %
ii) 577 UNITED STATES OF AMERICA	9 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

In Canadian \$

i) OFFALS	\$ 80.00 M
ii) SELECT CUTS	\$ 10.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:

US PROXIMITY TO THE MKT

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- No factors reported by mission

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUAL CONTACTS WITH MEAT RENDERING INDUSTRY

Results Expected: IDENTIFY OPPORTUNITIES

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

Activity: CONDUCT MINI STUDY ON THIS SUBSECTOR DURING 1987 AT LATEST

Results Expected: IDENTIFY MAJOR ACTORS, NEEDS, NEW OPPORTUNITIES

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 003 GRAINS AND OILSEEDS

Subsector: 031 CEREAL GRAINS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	1200.00M	\$ 1600.00M	\$ 753.00M	\$ 1009.00M
Canadian Exports \$	5.00M	\$ 12.00M	\$ 4.00M	\$ 13.00M
Canadian Share of Import Market	0.50%	0.75%	0.50%	1.20%

Major Competing Countries	Market Share
i) 349 MEXICO	70 %
ii) 577 UNITED STATES OF AMERICA	25 %

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) FEED WHEAT	\$ 13.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- the unsuitability of Canadian products for this market
- the apparent limited sectoral capability in Canada compared to other competing export countries
- other factor(s) described by the Trade Office as follows:
BARLEY, OUR MAIN FEED GRAIN, IS NOT ACCEPTED IN MEXICO AND WE DON'T PRODUCE SORGHUM WHICH THEY LIKE, FEED WHEAT, WHICH HAS GOOD MARKET IN MEXICO, IS NOT PRODUCED IN REGULAR BASIS IN CANADA. WE ARE NOT PRICE COMPETITIVE IN CORN.

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- use of Canadian Government export promotion activities
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE ASSISTING CWB AS REQUIRED

Results Expected: FACILITATE SALES

Activity: CONTINUE CONTACTS WITH CONASUPO AND PRIVATE SECTORS INCLUDING COMMODITY DEALERS

Results Expected: IDENTIFY OPPORTUNITIES ENHANCE CANADA'S IMAGE

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 003 GRAINS AND OILSEEDS

Subsector: 032 OILSEEDS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	375.00M	\$ 400.00M	\$ 369.00M	\$ 418.00M
Canadian Exports \$	44.00M	\$ 40.00M	\$ 33.00M	\$ 33.00M
Canadian Share of Import Market	11.70%	10.00%	8.90%	8.30%

Major Competing Countries

Market Share

i) 349 MEXICO	50 %
ii) 577 UNITED STATES OF AMERICA	30 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) CANOLA	\$ 30.00 M
ii) FLAXSEED	\$ 25.00 M
iii) RAW OILS	\$ 40.00 M
iv) SUNFLOWER SEED	\$ 50.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- other factor(s) described by the Trade Office as follows:

OUR SOYA PRODUCTION SECTOR IS NOT COMPETITIVE VIS A VIS USA SOYA.
LIMITING US TO CANOLA AND LITTLE OF FLAXSEED

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE PROMOTING CANADA WITH OILSEEDS INDUSTRY AND FEED MANUFACTURERS

Results Expected: INCREASE SALES/IDENTIFY OPPORTUNITIES

Activity: CONTINUE CONTACTS WITH COMMODITY DEALERS/ASSIST THEM TO OBTAIN EDC FINANCING

Results Expected: INCREASE SALES

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

Activity: PARTICIPATION OF CANADA IN OILSEEDS PROTEIN SEMINAR ORGANIZED BY MEX OIL AND FATS ASSOCIATION

Results Expected: INCREASE CANOLA ACCEPTANCE AMONG FEED FORMULATORS IN MEXICO

Activity: CONFERENCE/SEMINAR ON CANOLA USE IN FEED RATIONS (TO TAKE PLACE 1 OR 2 DAYS BEFORE OR AFTER EVENT MENTIONED IN 7.8 I)

Results Expected: INCREASE CANOLA ACCEPTANCE AMONG FEED FORMULATORS IN MEXICO

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 004 DEFENCE PROGRAMS, PRODUCTS, SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	40.00M	\$ 40.00M	\$ 50.00M	\$ 50.00M
Canadian Exports \$	0.60M	\$ 0.20M	\$ 0.50M	\$ 0.50M
Canadian Share of Import Market	1.50%	1.00%	1.00%	1.00%

Major Competing Countries

Market Share

i) 349 MEXICO	35 %
ii) 577 UNITED STATES OF AMERICA	20 %
iii) 512 SWITZERLAND	12 %
iv) 499 SPAIN	10 %
v) 112 FRANCE	10 %

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are good market prospects

Current Total Imports

In Canadian \$

i) RADAR + SONAR EQPT	\$ 10.00 M
ii) EQPT FOR FRIGATE PROGM	\$ 20.00 M
iii) REMOTE CONTROL CAMERAS	\$ 1.00 M
iv) SAR AMPHIBIOUS AIRCRAFT	\$ 10.00 M
v) PARACHUTES	\$ 1.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be high
- approval of technical standards can present problems in the case of some imported products

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- the unsuitability of Canadian products for this market
- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome
- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: REGULAR MARKETING ASSISTANCE TO CDN COMPANIES SEEKING TO CONTACT MEXICAN ARMED FORCES OR AGENTS

Results Expected: REGISTER NEW AGENTS AND NEW SALES

Activity: ASSIST EFFORTS BY CANADAIR (CL-215 TURBOPROP) AND DE HAVILLAND (BUFFALOES FOR OVERHAUL AND SALE).

Results Expected: OBTAIN MEXICAN GOVERNMENT'S COMMITMENT TO LOOK AT CL-215 AND BUFFALOES IN ITS ACQUISITIONS PLANS.

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

Activity: ESTABLISH DISTRIBUTION SYSTEM AMONG DEFENCE OFFICIALS AND AGENTS OF BROCHURES, MAGAZINES, CATALOGUES PROMOTING-CDN EQUIPMENT/PRODUCT

Results Expected: GREATER AWARENESS OF CDN CAPABILITIES IN DEFENCE SECTOR

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

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

Activity: ESTABLISH SYSTEMATIC VISITS TO DEFENCE OFFICIALS AND AGENTS TO LEARN ABOUT MEXICAN DEFENCE NEEDS AND PROJECTS AND REPORT TO CANADA

Results Expected: BETTER UNDERSTANDING IN CANADA OF MEXICAN DEFENCE SECTOR

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 005 COMM. & INFORM. EQP. & SERV

Subsector: 053 TELECOMMUNICATIONS (INC SPACE)

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	243.00M	\$ 231.00M	\$ 220.00M	\$ 210.00M
Canadian Exports \$	5.00M	\$ 4.40M	\$ 3.80M	\$ 3.30M
Canadian Share of Import Market	2.00%	1.90%	1.70%	1.60%

Major Competing Countries

Market Share

i) 349 MEXICO	80 %
ii) 577 UNITED STATES OF AMERICA	12 %
iii) 265 JAPAN	3 %
iv) 507 SWEDEN	3 %
v) 616 OTHER COUNTRIES	002 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) TV RECEIVER	\$ 7.00 M
ii) TELEPHONE EXCHANGE PARTS AND TELEGRAPHS	\$ 92.00 M
iii) EXCHANGES	\$ 6.00 M
iv) (SHF)RADIO TELEPHONE TRANCIVERS	\$ 6.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: RURAL TELEPHONE PROJECT
Approximate Value: \$ 36 M
Financing Source: 003 IADB
For further info. please contact:
EXTOTT/LCT/G. WEBER 613-995-0460

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:

THOUGH MARKET PROSPECTS ARE NOT SO NEW EXPLORATIONS BY CANADIAN EXPORTERS HAS BEEN SUPERFICIAL

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- the adequacy of exporter information in Canadian Directories
- product/service information from Canadian companies

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE SEARCHING FOR CANADIAN MANUFACTURERS WITH EXPORTING CAPABILITY OF TELECOMMUNICATIONS EQUIPMENT.

Results Expected: INCREASED CANADIAN PRESENCE IN THIS MARKET.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 005 COMM. & INFORM. EGP. & SERV

Subsector: 054 COMPUTERS, SOFTWARE & SYSTEMS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	176.00M	\$ 168.00M	\$ 153.00M	\$ 146.00M
Canadian Exports \$	9.00M	\$ 8.00M	\$ 5.00M	\$ 5.00M
Canadian Share of Import Market	5.00%	4.50%	3.50%	3.50%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	78 %
ii) 112 FRANCE	2 %
iii) 128 GERMANY WEST	2 %
iv) 349 MEXICO	13 %
v) 616 OTHER COUNTRIES	005 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) PERIPHERALS	\$ 76.00 M
ii) COMPONENTS	\$ 16.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- product/service information from Canadian companies

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: TO CONTINUE PROMOTING CANADIAN INDUSTRIES CAPABILITY IN THIS SUBSECTOR AMONG LOCAL RELATED COMPANIES

Results Expected: INCREASE AWARENESS OF CANADIAN CAPABILITY

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

Activity: TO IMPLEMENT A PROGRAM OF VISITS TO GUADALAJARA CITY, AREA OF MAIN CONCENTRATION OF EDP EQUIPMENT MANUFACTURERS.

Results Expected: DEVELOP A CLOSER RELATIONSHIP WITH MANUFACTURERS AND DETECT OPPORTUNITIES FOR CANADIAN INDUSTRY

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	370.00M	\$ 322.00M	\$ 280.00M	\$ 200.00M
Canadian Exports \$	28.00M	\$ 19.00M	\$ 22.10M	\$ 9.10M
Canadian Share of Import Market	7.50%	6.00%	7.80%	4.50%

Major Competing Countries

Market Share

i) 349 MEXICO	75 %
ii) 577 UNITED STATES OF AMERICA	13 %
iii) 265 JAPAN	5 %
iv) 128 GERMANY WEST	3 %
v) 616 OTHER COUNTRIES	004 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) STEAM GENERATORS	\$ 101.00 M
ii) TURBINES	\$ 70.00 M
iii) TURBO GENERATORS	\$ 16.00 M
iv) MEASURING EQUIPMENT	\$ 11.00 M
v) SUBSTATIONS	\$ 6.00 M
vi) METAL PIPING	\$ 6.00 M
vii) WATTHOUR METERS	\$ 4.00 M
viii) INTERRUPTORS	\$ 4.00 M
ix) PUMPS AND MOTO PUMPS	\$ 1.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:

LACK OF CANADIAN EXPORTERS APPARENTLY INTERESTED IN THIS SECTOR.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- product/service information from Canadian companies

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: TO CONTINUE SEARCHING FOR CANADIAN MANUFACTURERS OF PRODUCTS THAT MEXICO IS IMPORTING INVITING THEM TO SEND US THEIR LITERATURE TO PROMOTE THEIR PRODUCTS LOCALLY

Results Expected: INCREASE AWARENESS OF CANADIAN CAPABILITY IN THE SECTOR AND INCREASED CANADIAN EXPORTS

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

Subsector: 081 AUTOMOTIVE

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	2240.00M	\$ 2100.00M	\$ 2040.00M	\$ 1806.00M
Canadian Exports \$	80.00M	\$ 76.00M	\$ 77.60M	\$ 57.00M
Canadian Share of Import Market	3.50%	3.60%	3.80%	3.20%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	45 %
ii) 128 GERMANY WEST	18 %
iii) 265 JAPAN	12 %
iv) 349 MEXICO	12 %
v) 112 FRANCE	5 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) OFF RAD SPECIAL VEHICLES	\$ 60.00 M
ii) AIRPORT/FIRE TRUCKS	\$ 56.00 M
iii) AFTER MKT AUTO PARTS	\$ 406.00 M
iv) AUTOMOTIVE PTSD OEM	\$ 462.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- non-tariff protectionist measures which are difficult to overcome
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:

A) PROTECTED MARKET. B) SIMILARITY OF CDN AUTOMOTIVE PRODUCTS TO THOSE MADE IN MEXICO.

THROUGH USA PARENT. D)PARTS FOR JAPANESE, GERMAN, FRENCH ARE NOT
USUALLY MADE IN CANADA.

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: PERSUE OPPORTUNITIES FOR OFF ROAD VEHICLES FOR PEMEX AND ON-SITE CONSTRUCTION START UP PROJECTS AS WELL AS AIRPORT EMERGENCY VEHICLES

Results Expected: TO INTRODUCE 2-3 CDN MFRS WITH POTENTIAL SALES OF 4-6 MILLION DLLS.

Activity: PROMOTE WITH LOCAL AUTO PARTS MFG INDUSTRY, CDN PRODUCTION MACHINERY/EQUIPMENT FOR MFG PARTS IN LOCAL MARKET

Results Expected: ONE BUYING CONNECTION

Activity: ASSIST CDN AUTO PARTS MFRS TO ENTER MKT VIA IN - BOND BORDER ASSEMBLY INDUSTRY TO MANUFACTURE FOR LOCAL OEM AND AFTER PARTS MKT AS WELL AS EXPORT.

Results Expected: ESTABLISH 4 FIRMS AND TAKE ADVANTAGE OF IN-BOND INDUSTRY FOR SALES TO LOCAL MKT OEM

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

Activity: PREPARATION OF MKT INFO BOOKLET ON FREE ZONE/BORDER ASSEMBLY INDUSTRY FOR POTENTIAL CDN MFRS (OTHERWISE LIMITED TO MARKET BECAUSE OF LOCAL PRODUCTION TO PRODUCE LOCALLY AND REEXPORT FROM MEXICO TO USA MKT, ETC. AS WELL SUPPLYING LOCAL OEM.

Results Expected: INCREASED CDN SALES VIA ASSEMBLY INDUSTRY WITH INCREASED CDN PARTICIPATION IN LOCAL MKT

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

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

Activity: PROVIDE FULL SUPPORT TO AGRICULTURE EQUIPEMENT MANUFACTURERS ON RE-ENTRY INTO MKT WHERE THEY PREVIOUSLY ENJOYED MANY SUCCESSFULL YEARS IN LOCAL MFG. OPERATION.

Results Expected: RE-ENTRY INTO LOCAL MKT OF WELL KNOWN PRODUCT PROVIDING INCREASED SALE OF CDN PARTS FOR LOCAL ASSEMBLY.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

Subsector: 082 URBAN TRANSIT

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	60.00M	\$ 55.00M	\$ 60.00M	\$ 70.00M
Canadian Exports \$	7.00M	\$ 6.00M	\$ 7.00M	\$ 5.00M
Canadian Share of Import Market	12.00%	11.00%	12.00%	7.00%

Major Competing Countries

Market Share

i) 349 MEXICO	55 %
ii) 577 UNITED STATES OF AMERICA	20 %
iii) 112 FRANCE	8 %
iv) 265 JAPAN	5 %
v) 128 GERMANY WEST	3 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) LIGHT RAIL SYSTEMS	\$ 0.00 M
ii) HEAVY RAIL SYSTEMS	\$ 0.00 M
iii) BUS COMPONENTS	\$ 10.00 M
iv) RAIL VEHICLE COMPONENTS	\$ 10.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: LIGHT (STREET) RAIL VEHICLES IN DF
Approximate Value: \$ 50 M
Financing Source: 012 DOM 023 EDC
001 IBRD

For further info. please contact:
D. BUTLER TLX 017-71191 DRIE OTT/FAMR (613)992-4936

ii) Project Name: LIGHT RAIL SYSTEM GUADALAJARA
Approximate Value: \$ 50 M
Financing Source: 023 EDC 001 IBRD
012 DOM

For further info. please contact:
D. BUTLER TLX 017-71191 DRIE OTT/FAMR (613)992-4936

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: HEAVY RAIL SYSTEM-STATE OF MEXICO,
MARTIN CARERRA - ECATAPA

Approximate Value: \$ 350 M

Financing Source: 023 EDC 012 DOM
025 OTHER

For further info. please contact:

D. BUTLER TLX: 017-71191 DRIEOTT/FARMR/613 992-4936

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: SUPPORT UTDC, BOMBARDIER, SNC IN PROMOTION OF URBAN TRANSIT PROJECT
IN DF, STATE OF MEXICO, GUADALAJARA, MONTERREY

Results Expected: MAINTAIN GOOD MARKET POSITION TO BENEFIT FROM
INVESTMENT DECISIONS EXPECTED IN NEXT
PRESIDENCY

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 008 TRANSPORT SYS. EQUIP. COMP. SERV.

Subsector: 084 RAIL

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	163.00M	\$ 163.00M	\$ 173.00M	\$ 218.00M
Canadian Exports \$	20.00M	\$ 20.00M	\$ 26.00M	\$ 9.00M
Canadian Share of Import Market	12.00%	12.00%	15.00%	4.00%

Major Competing Countries

Market Share

i) 349 MEXICO	45 %
ii) 577 UNITED STATES OF AMERICA	41 %
iii) 265 JAPAN	3 %
iv) 128 GERMANY WEST	1 %
v) 051 UNITED KINGDOM	1 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are
good market prospects

Current Total Imports

i) RAIL	In Canadian \$	\$ 61.00 M
ii) ROLLING STOCK + PTS	\$	20.00 M
iii) LOCOMOTIVE + PTS	\$	35.00 M
iv) TRAINING + TECH ASSIST	\$	0.30 M
v) SIGNAL EQUIPMENT	\$	20.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: RAILWAY SECTOR PROJECT

Approximate Value: \$ 350 M

Financing Source: 001 IBRD

For further info. please contact:

LCT G. WEBER(613)996-5270 D. BUTLER TLX 017-71191

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: MAINTAIN CONTACTS WITH RRS PERIODIC CALLS AND SOURCE SUPPLIERS FOR REQUIREMENTS FOUND

Results Expected: NEW SUPPLIER- RR RELATIONSHIPS

Activity: CONTINUE FOLLOW-UP ON UTILIZATION OF IBRD RR LOAN

Results Expected: PARTICIPATION IN RR MODERNIZATION PROGRAM

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	700.00M	\$ 700.00M	\$ 792.00M	\$ 645.00M
Canadian Exports \$	28.00M	\$ 26.00M	\$ 27.00M	\$ 25.00M
Canadian Share of Import Market	5.60%	3.70%	3.40%	3.80%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	40 %
ii) 349 MEXICO	30 %
iii) 128 GERMANY WEST	10 %
iv) 507 SWEDEN	8 %
v) 075 CANADA	3 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) WOOD PULP	\$ 254.00 M
ii) SPECIALTY PAPER	\$ 70.00 M
iii) PAPER MILL MACHINERY	\$ 28.00 M
iv) FOREST HARVESTING EQPT	\$ 20.00 M
v) LUMBER	\$ 54.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: GRUPO INDUSTRIAL DURANGO PROJECT-70,000
TON CELLULOSE PLANT CELULOSA Y PAPEL DUR
Approximate Value: \$ 11.8 M
Financing Source: 012 DOM
For further info. please contact:
R. AUBRY(IRPI)954-3023 LCT G. WEBER 995-0460

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- ii) Project Name: KRAFT PULP-CIA INDUSTRIAL DE ATENQUIQUE
S. A. EXPANSION TO 189,000 TON/ANNUM BY 88
Approximate Value: \$ M
Financing Source: 012 DOM
For further info. please contact:
R. AUBRY (IRPI) 954-3023

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:
IN PLANT EXPANSIONS, CURRENTLY LOCAL FINANCING RESOURCES LIMITED.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: COMPLETION OF FORESTRY/LUMBER/PAPER PRODUCTS MKT BOOKLET (UP-DATE

Results Expected: INCREASED PROMOTION BY CANADIAN EXPORTERS/
SUPPLIERS TO THIS MARKET

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

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

Activity: ACTIVELY PROMOTE SALE OF BANK NOTE CURRENCY PAPER FOR LOCAL MINT WITH CANADIAN SUPPLIERS.

Results Expected: INITIAL SALES OF BANK NOTE PAPER TO LOCAL MINT.

Activity: DEVELOP GRUPO INDUSTRIAL DURANGO AND ATENQUIGUE ON CURRENT NEW PLANT AND EXPANSION PLANS. ALSO INVESTIGATE OTHER EXPANSION PLANS WITH CARTON MFRS.

Results Expected: INCREASED SALES PER CDN PLANT EQUIPMENT/AND CONSULTING SERVICES.

Activity: CONTINUING CONTACT WITH FORESTRY SECTOR OF MEX DEPT OF AGRICULTURE FOR NEW FOREST EXPLOITATION PROJECTS FOR SALE OF SITE CUTTING/CLEARING AND HARVESTING MACHY SALES.

Results Expected: INCREASE SALES OF CDN EQUIP AND CONSULTING EXPERTIES FOR FORESTRY.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 010 MINE, METAL, MINERAL PROD & SRV

Subsector: 102 MINERALS AND MINERAL PRODUCTS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	330.00M	\$ 320.00M	\$ 378.00M	\$ 269.00M
Canadian Exports \$	28.00M	\$ 26.00M	\$ 32.00M	\$ 28.00M
Canadian Share of Import Market	8.00%	8.00%	8.00%	10.00%

Major Competing Countries

Market Share

i) 349 MEXICO	50 %
ii) 577 UNITED STATES OF AMERICA	40 %
iii) 115 MOROCCO	6 %
iv) 051 UNITED KINGDOM	2 %
v) 073 COLOMBIA	2 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

In Canadian \$

i) COAL	\$ 66.00 M
ii) ASBESTOS	\$ 48.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: MICARE THERMAL
Approximate Value: \$ 10 M
Financing Source: 012 DOM 013 NFR
For further info. please contact:
D. BUTLER TLX 017 71 191

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- the apparent limited sectoral capability in Canada compared to other competing export countries
- non-tariff protectionist measures which are difficult to overcome

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: MAINTAIN CONTACT WITH METALLURGICAL AND THERMAL COAL BUYERS

Results Expected: ASSIST CDN SUPPLIERS TO DEFEND MARKET SHARE AGAINST AUSTRALIAN/COLOMBIAN COMPETITORS

Activity: MAINTAIN CONTACT WITH ASBESTOS CEMENT INDUSTRY AND GOVERNMENT TO DETECT AND WORK TO NEUTRALISE ANY TENDENCIES TO PROHIBIT ASBESTOS
B) OBTAIN SUPPORTING ACTION AGAINST PROHIBITION ELSEWHERE.

Results Expected: DEFEND MARKET

Activity: MONITOR PROGRESS OF NEW THERMAL POWER PLANT BY REGULAR CONTACTS WITH MICARE

Results Expected: SHARE IN SUPPLY OF THERMAL COAL FOR NEW PLANT

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 010 MINE, METAL, MINERAL PROD & SRV

Subsector: 106 EQUIPMENT AND MACHINERY

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	80.00M	\$ 80.00M	\$ 82.00M	\$ 70.00M
Canadian Exports \$	6.00M	\$ 6.00M	\$ 5.00M	\$ 8.00M
Canadian Share of Import Market	8.00%	8.00%	6.00%	11.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	045 %
ii) 349 MEXICO	040 %
iii) 112 FRANCE	005 %
iv) 507 SWEDEN	003 %
v) 128 GERMANY WEST	003 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

In Canadian \$

i) ORE & MINERAL PROC. EQUIP.	\$ 50.00 M
ii) DRILLING EQUIPT.	\$ 10.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: DEVELOPMENT OF SMALL AND MEDIUM SIZED MINE

Approximate Value: \$ 250 M

Financing Source: 001 IBRD

For further info. please contact:

D BUTLER TLX 017-71-191

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- use of Canadian Government export promotion activities
- competitive export pricing for this market

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FOLLOW UP OPPORTUNITIES OFFERED BY IBRD SMALL/MEDIUM SIZED MINING LOAN.

Results Expected: INCREASED EQUIPMENT/SERVICE SALES.

Activity: SEND MEXICAN BUYERS TO ONTARIO MINING SHOW IN SPRING 1987 AS INVITED BY DRIE.

Results Expected: NEW CONTACTS BETWEEN MEXICAN MINING INDUSTRY AND CDN SUPPLIERS.

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

Activity: IN COOPERATION WITH MEXICAN MINING MINISTRY, ASSIST CDN COMPANIES TO PARTICIPATE IN MINE DEVELOPMENT PROJECTS THUS INDIRECTLY PROMOTING EQUIPMENT/SERVICE SALES.

Results Expected: JOINT VENTURE MINE PROJECT WITH SIGNIFICANT PROCUREMENT FOR CDA.

02/03/87

DEPARTMENT OF EXTERNAL AFFAIRS

Page: 248

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

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

Activity: REVIEW MINING SECTOR REQUIREMENTS CAREFULLY, IDENTIFY HIGH POTENTIAL EQUIPMENT SALES OPPORTUNITIES AND ASSIST CDN SUPPLIERS TO PURSUE THEM.

Results Expected: IDENTIFICATION OF 3 NEW PRIORITY PROMOTION AREAS IN MINING EQUIP/SERV MARKET.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 011 OIL & GAS EQUIPMENT, SERVICES

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	55.00M	\$ 52.50M	\$ 50.70M	\$ 87.80M
Canadian Exports \$	3.00M	\$ 0.50M	\$ 0.05M	\$ 0.20M
Canadian Share of Import Market	0.05%	0.00%	0.00%	0.00%

Major Competing Countries

Market Share

i) 349 MEXICO	60 %
ii) 577 UNITED STATES OF AMERICA	25 %
iii) 128 GERMANY WEST	6 %
iv) 047 BRAZIL	5 %
v) 616 OTHER COUNTRIES	004 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) GAS PROCESSING EGPT	\$ 8.00 M
ii) DRILLING EQUIPMENT	\$ 13.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:

MARKET PROSPECTS, THOUGH NOT NEW, HAVE BEEN MODIFIED BY ECONOMIC SITUATION IN GENERAL AND WORLD OIL MARKET SITUATION IN PARTICULAR THIS HAS NOT BEEN ADEQUATELY EXPLORED BY EXPORTERS.

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: FROM SURVEY OF POTENTIAL CDN SUPPLIERS AND PEMEX ACQUISITION PROGRAM IDENTIFY AND ASSIST NEW CDN SUPPLIERS TO SHARE IN MEXICAN EQUIPMENT MARKET.

Results Expected: INTRODUCTION OF 5 NEW SUPPLIERS TO PEMEX

Activity: FOLLOW UP ON CONTACTS MADE DURING MISSIONS TO/FROM PEMEX AND DURING POSSIBLE TECHNICAL SEMINAR IN FY 86/87 TO DEVELOP EQUIPMENT/SERVICES SALES

Results Expected: INCREASE DIVERSITY OF PRODUCTS/SERVICES SOLD

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN
 Mission: 644 MEXICO
 Market: 349 MEXICO
 Sector: 015 CONSTRUCTION INDUSTRY
 Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	336.00M	\$ 350.00M	\$ 398.00M	\$ 476.00M
Canadian Exports \$	1.00M	\$ 1.00M	\$ 1.00M	\$ 2.60M
Canadian Share of Import Market	0.29%	0.28%	0.25%	0.54%

Major Competing Countries

Market Share

i) 349 MEXICO	75 %
ii) 577 UNITED STATES OF AMERICA	15 %
iii) 047 BRAZIL	5 %
iv) 051 UNITED KINGDOM	2 %

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

Current status of Canadian exports: Market share declining

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) CONSULTING-RECONSTRUCTION	\$ 17.00 M
ii) HEAVY CONSTRUCTION EGPT	\$ 30.00 M
iii) BUILDING MATERIALS	\$ 244.00 M
iv) PRE-FAB UNITS/PARTS	\$ 87.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: EARTHQUAKE-CONSULTING SERVICES REHABILITATION & RECONSTRUCTION PROJECT

Approximate Value: \$ 17 M

Financing Source: 001 IBRD

For further info. please contact:

LCT G. WEBER 995-0460

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be high

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- the unsuitability of Canadian products for this market
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:

PRIMARY FORCE WILL BE TOWARDS PRE-FAB TECHNOLOGY TRANSFER. -J. V.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: COORDINATE WITH LOCAL IMPLEMENTING AGENCY BANOBRAS FOR CONSULTING OPPORTUNITIES IN REHABILITATION AND RECONSTRUCTION PROJECT (IBRD). 1985 EARTHQUAKE.

Results Expected: ESTABLISH 5 TO 6 CDN CONSULTING FIRMS FOR RECONSTRUCTION PROGRAM.

Activity: TO CONTINUE ACTIVE CONTACT WITH COFI OF BC ON PRE-FAB HOUSING CONCEPT FOR LOW COST HOUSING SYSTEM.

Results Expected: ACCEPTANCE OF HOUSING SYSTEM AND SALES OF CONSTRUCTION LUMBER/PLYWOOD FOR PROJECT.

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

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

Activity: TO INVESTIGATE REPLACEMENT OF CONSTRUCTION EQUIPMENT REQUIREMENTS NEEDED FOR RECONSTRUCTION OF SITES AND DAMAGED BUILDINGS.

Results Expected: ESTABLISH/INCREASE HEAVY CONSTRUCTION EQPT SALES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 644 MEXICO

Market: 349 MEXICO

Sector: 016 INDUSTRIAL MACHIN. PLANTS, SERV.

Subsector: 161 MANUFACT & MATERIAL PLANT, EQP.

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	840.00M	\$ 875.00M	\$ 847.00M	\$ 756.00M
Canadian Exports \$	9.00M	\$ 11.00M	\$ 10.00M	\$ 5.40M
Canadian Share of Import Market	1.07%	1.25%	1.18%	0.67%

Major Competing Countries

Market Share

i) 349 MEXICO	50 %
ii) 577 UNITED STATES OF AMERICA	30 %
iii) 128 GERMANY WEST	8 %
iv) 237 ITALY	5 %
v) 051 UNITED KINGDOM	2 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) WASTE DISPOSAL EQUIP	\$ 60.00 M
ii) PACKAGING MACHY	\$ 22.00 M
iii) BOTTLING EQUIPMENT	\$ 46.00 M
iv) CONVEYOR SYSTEMS	\$ 32.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: SOLID WASTE MANAGEMENT PILOT PROJECT
MONTERREY AND 7 URBAN AREAS

Approximate Value: \$ 60 M

Financing Source: 001 IBRD

For further info. please contact:

G. WEBER/LCT 995-0460

ii) Project Name: WASTE DISPOSAL PROJECT FOR FEDERAL DISTRICT(MEXICO CITY)

Approximate Value: \$ 15 M

Financing Source: 012 DOM

For further info. please contact:

G. WEBER/LCT 995-0460

Export and Investment Promotion Planning System

MISSION: 644 MEXICO

COUNTRY: 349 MEXICO

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: PROVIDING ACTIVE SUPPORT TO R EMERY FOR ESTABLISHMENT OF EGG CARTON/FRUIT CARTON PLANT IN CHIHUAHUA

Results Expected: JV FOR MFG IN MEXICO FOR EXPT MKT PENETRATION OF MKT BY CDN ENGINEERING CO

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

Activity: OBTAIN LISTS OF GARBAGE WASTE DISPOSAL PROJECTS UNDER SERIOUS CONSIDERATION ALSO WITH WB FINANCING AND PROMOTE PARTICIPATION BY APPROPRIATE CDN SUPPLIERS

Results Expected: ACTIVE PROMOTION BY WASTE DISPOSAL EQUIPMENT SUPPLIERS/CONSULTANTS.

Activity: CANVAS CARTON/PACKAGING MFRS VIA IND. CHAMBER RELATING TO EXPANSION PLANS/EQUIPMENT RENOVATION J.V. INTEREST FOR EXPANSION IN MKT

Results Expected: INTRODUCE 4 EQUIPMENT MFRS TO MKT.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		
Mission: 644 MEXICO		
Sector: 001 AGRI & FOOD PRODUCTS & SERVICE		
010 FAIRS AGRO-MEX-AGRICULTURAL SHOW IN MEXICO CITY	MEXICO CITY	0000
020 MISSION OUTGOING UTILITIES EQUIPMENT SEMINAR INMEXICO	MEXICO CITY	0987
024 MISSION INCOMING ALFAFA SEED BUYERS FROM MEXICO		0087
SWINE BREEDING STOCK BUYERS FROM MEXICO		0587
CATTLE BUYERS FROM MEXICO		0487
Sector: 003 GRAINS AND OILSEEDS		
020 MISSION OUTGOING CANOLA SEED MISSION TO MEXICO (STAND BY)	MEXICO CITY	0087
Sector: 006 ELECTRONICS EQUIP. & SERV		
024 MISSION INCOMING TELECOM. OFFICIALS TO CDA (6) TECHN. SYMP.		0087
Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.		
024 MISSION INCOMING MEXICAN RAILWAY AND URBAN TRANSPORTATION OFFICIALS		0087
MEXICAN RAILWAY AND URBAN TRANSPORTATION OFFICIALS		0587
Sector: 010 MINE, METAL, MINERAL PROD & SRV		
024 MISSION INCOMING MINING EQPT. BUYERS TO CDA (3 REPRESENTATIVES)	TORONTO, VANCOUVER	0987
Sector: 011 OIL & GAS EQUIPMENT, SERVICES		
024 MISSION INCOMING OIL AND GAS EQPT. BUYERS (2) FROM MEXICO	CALGARY	0087
Sector: 016 INDUSTRIAL MACHIN, PLANTS, SERV.		
010 FAIRS MEXICAN MINING CONGRESS	ACAPULCO	1087
020 MISSION OUTGOING AUTOMOTIVE PARTS MANUFACTURING EQUIPMENT MISSION		0288

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		
Mission: 644 MEXICO		
Sector: 016 INDUSTRIAL MACHIN. PLANTS. SERV.		
024 MISSION INCOMING MINING EQUIPMENT BUYERS FROM MEXICO/TECN. SYMP. BUYERS FROM MEXICO (2)	NORTH BAY	0987 0087
Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 644 MEXICO		
Sector: 001 AGRI & FOOD PRODUCTS & SERVICE		
020 MISSION OUTGOING MEAT PRODUCTS	MEXICO D. F.	1089
024 MISSION INCOMING POULTRY HOG BUYERS STRAWBERRY PLANTETS BUYERS POTATOES	ONTARIO, QUE. ONTARIO, QUE. NOVA SCOTIA NEW BRUNSWICK	0489 0988 0688 0789
Sector: 003 GRAINS AND OILSEEDS		
020 MISSION OUTGOING CANOLA (ON STAND-BY '87)	MEXICO, D. F. ETC.	0389
Sector: 005 COMM. & INFORM. EQP. & SERV		
024 MISSION INCOMING DATA PROCESSING TO CDN COMPUTER SHOW	TORONTO	1188
Sector: 007 POWER & ENERGY EQUIP. & SERV.		
020 MISSION OUTGOING ELECTRICAL EQUIPMENT	MEXICO, D. F.	0190
Sector: 008 TRANSPORT SYS. EQUIP. COMP. SERV.		
020 MISSION OUTGOING RAIL EQUIPMENT SUPPLIERS	MEXICO, D. F.	0189
Sector: 011 OIL & GAS EQUIPMENT, SERVICES		
020 MISSION OUTGOING OIL AND GAS REFINING	MEXICO, D. F. & E. COAS	0290

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 644 MEXICO		
Sector: 012 PETROCHEM & CHEM PROD, EQP, SERV		
020 MISSION OUTGOING PLASTICS MACHINERY	MEXICO	0589
Sector: 013 CONSUMER PRODUCTS		
010 FAIRS CONSUMER GOODS DUTY FREE ZONES	MEXICO BORDER AREAS	0588
020 MISSION OUTGOING TOURIST IND. EQUIPMENT	MEXICO, D. F. ACAPULCO	0289

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 645 SAN JOSE

Country: 164 COSTA RICA

COSTA RICA - CANADIAN EXPORTS IN 1985 = \$20M/CANADIAN EXPORTS IN 1986 (7 MONTHS) = \$16M. THE COSTA RICAN MARKET HAS REGISTERED UNSPECTACULAR BUT FAIRLY BROAD BASED GAINS OVER THE LAST YEAR. THERE ARE FLUCTUATIONS WITH INTERMITTENT FOREIGN EXCHANGE SCARCITIES AND CONCERN OVER FOREIGN DEBT. THERE IS A CERTAIN AMOUNT OF CONSTANT SUPPORT FROM AMERICAN ASSISTANCE. TRADITIONAL EXPORTS HAVE KEPT PACE AND WE HAVE HAD SOME REWARDING SPOT SALES (EG \$175,000 IN TAXI METERS). SINCE 1985, POST HAS BEEN WORKING VERY CLOSELY ON AN ANIMAL HEALTH PROGRAM (PROGASA) FINANCED BY IADB, WHICH EXECUTING AGENCY (MINISTRY OF AGRICULTURE) HAS SUBMITTED TO THE CONGRESS FOR FINAL APPROVAL PERHAPS IN 2-3 WEEKS. THIS PROJECT WILL REQUIRE CONSULTING SERVICES, BREEDING CATTLE AND FARM EQUIPMENT FOR AN AMOUNT OF \$21 MILLIONS. POST WILL COORDINATE AND ASSIST THE POTENTIAL CANADIAN SUPPLIERS, LOCAL AGENTS AND LOCAL AUTHORITIES. THIS PROJECT MIGHT BECOME OUR FIRST PRIORITY FOR NEXT FISCAL YEAR DUE TO THE LARGE POTENTIAL FOR CANADIAN FIRMS. WE SHALL UNDERTAKE FURTHER RESEARCH TO ANTICIPATE SPECIFIC EMERGING SECTORS. WE FORESEE CONTINUED ADVANCE ASSIGNING PRIORITY TO PROJECTS AND CONSULTING FIELDS (RAILWAYS). WITH THE ADVENT OF A NEW COMMERCIAL OFFICER PURPOSEFULLY EXPOSED TO I. F. I. OPERATION WE SHALL ENDEAVOUR TO ESTABLISH A MORE SYSTEMIZED STRUCTURAL APPROACH TO PROJECT RELATED ACTIVITIES. WE DO NOT ANTICIPATE ANY EVENT WHICH WOULD SUGGEST DRASTIC CHANGE.

Export and Investment Promotion Planning System

REPT: SYN-GEO 87/88 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 164 COSTA RICA

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: DEFICIENCY OF AN ADEQUATE ANIMAL HEALTH PROGRAM FOR DAIRY AND BEEF CATTLE.

2. 008 TRANSPORT SYS, EQUIP, COMP, SERV.

REASONS: PROPOSED REHABILITATION OF RAILWAYS TRANSPORT SYSTEM AND TRADITIONAL PARTICIPATION ON THIS FIELD SINCE 1975.

3. 005 COMM. & INFORM. EQP. & SERV

REASONS: REGION IS ATTAINING TECHNOLOGICAL TAKE OFF.

4. 014 EDUCATION, MEDICAL, HEALTH PROD

REASONS: VERY LITTLE MANUFACTURING OF THESE PRODUCTS IN COSTA RICA. MOST OF THE PRODUCTS USED ARE IMPORTED.

5. 007 POWER & ENERGY EQUIP. & SERV.

REASONS: STUDIES TO BE UNDERTAKEN IN THE FIELD OF HYDRO GENERATION, AND PROSPECTS FOR ELECTRICAL INTEGRATION.

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

1. 009 FOREST PRODUCTS, EQUIP, SERVICES

2. 012 PETROCHEM & CHEM PROD, EQP, SERV

3. 005 COMM. & INFORM. EQP. & SERV

4. 001 AGRI & FOOD PRODUCTS & SERVICE

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 164 COSTA RICA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	227.00M	\$ 219.00M	\$ 216.00M	\$ 218.00M
Canadian Exports \$	14.00M	\$ 13.00M	\$ 13.00M	\$ 12.00M
Canadian Share of Import Market	6.20%	5.90%	6.00%	5.50%

Major Competing Countries	Market Share
i) 577 UNITED STATES OF AMERICA	080 %
ii) 616 OTHER COUNTRIES	014 %

Cumulative 3 year export potential for CDN products in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) ANIMAL AND POULTRY	\$ 9.00 M
ii) SEED, FERTILIZERS AND VETERINARY PRODUCTS	\$ 50.00 M
iii) CONSULTING SERVICES	\$ 14.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 164 COSTA RICA

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: TO ASSIST CANADIAN EXPORTERS TO PARTICIPATE ON LOCAL INTERNATIONAL TENDERS.

Results Expected: 10-20% ANNUALLY DURING NEXT 3 YEARS
(88, 89, 90).

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

Activity: TO OBTAIN REPUTABLE LOCAL AGENTS FOR LOCAL DISTRIBUTION.

Results Expected: INCREASE ANNUAL SALES BY 10-15% THROUGH
DIVERSIFICATION OF PRODUCTS EXPORTED.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 164 COSTA RICA

Sector: 005 COMM. & INFORM. EGP. & SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	22.00M	\$ 17.00M	\$ 12.00M	\$ 12.00M
Canadian Exports \$	3.00M	\$ 2.00M	\$ 1.00M	\$ 1.00M
Canadian Share of Import Market	13.64%	11.76%	8.33%	8.33%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	040 %
ii) 265 JAPAN	040 %
iii) 616 OTHER COUNTRIES	020 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports In Canadian \$
\$ 15.00 M
\$ 12.00 M

- i) COMMUNICATIONS
- ii) BROADCASTING

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: UPCOMING PUBLIC TENDER'S
Approximate Value: \$ 25 M
Financing Source: 028 TO/DETER
For further info. please contact:
COSTA RICA; TLX#2179 OTT TEL: (613)996-5460

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be
low

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 164 COSTA RICA

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: TO ASSIST CANADIAN MANUFACTURERS TO PARTICIPATE IN UPCOMING CONTRACTS/PROJECTS.

Results Expected: INCREASE CANADIAN SHARE OF MARKET TO AT LEAST 20% BY 1989/90.

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

Activity: TO APPOINT REPUTABLE AGENTS.

Results Expected: INCREASE CANADIAN EXPORTS BY 20-25% BY 1988.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 164 COSTA RICA

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	13.00M	\$ 13.00M	\$ 12.00M	\$ 11.00M
Canadian Exports \$	2.00M	\$ 2.00M	\$ 1.00M	\$ 2.00M
Canadian Share of Import Market	15.00%	15.00%	8.00%	18.00%

Major Competing Countries	Market Share
i) 265 JAPAN	070 %
ii) 577 UNITED STATES OF AMERICA	015 %
iii) 616 OTHER COUNTRIES	015 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) CONSULTING SERVICES	\$ 15.00 M
ii) TRANSMISSION EQUIPMENT	\$ 10.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: SIGUIRRES PROJECT
Approximate Value: \$ 15 M
Financing Source: 028 TO/DETER
For further info. please contact:
COSTA RICA TLX#2179 DOMCAN OTT TEL: (613)996-5460

ii) Project Name: ANGOSTURA PROJECT
Approximate Value: \$ 25 M
Financing Source: 028 TO/DETER
For further info. please contact:
COSTA RICA TLX#2179 DOMCAN OTT TEL: (613)996-5460

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 164 COSTA RICA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- non competitive financing from Canada
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: TO ASSIST CANADIAN FIRMS TO APPOINT LOCAL AGENTS, BRIEF THEM ON DOING BUSINESS IN COSTA RICA & ALERT THEM TO OPPORTUNITIES/DEVELOPMENTS AS APPROPRIATE.

Results Expected: INCREASE CANADIAN SHARE OF THE MARKET TO 25/30% BY 1989.

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

Activity: TO ASSIST CANADIAN FIRMS AND LOCAL AGENTS ON UPCOMING HYDRO-ELECTRICAL PROJECTS.

Results Expected: DOUBLE CANADIAN EXPORTS IN 1988.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 164 COSTA RICA

Sector: 008 TRANSPORT SYS. EQUIP. COMP. SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	72.00M	\$ 67.00M	\$ 64.00M	\$ 87.00M
Canadian Exports \$	2.00M	\$ 2.00M	\$ 1.80M	\$ 2.00M
Canadian Share of Import Market	2.70%	2.90%	2.80%	2.20%

Major Competing Countries	Market Share
i) 265 JAPAN	070 %
ii) 577 UNITED STATES OF AMERICA	010 %
iii) 128 GERMANY WEST	010 %
iv) 616 OTHER COUNTRIES	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) CONSULTING SERVICES	\$ 5.00 M
ii) URBAN TRANSIT	\$ 4.00 M
iii) RAIL	\$ 4.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: COSTA RICA RAILWAY REHABILITATION
Approximate Value: \$ 15 M
Financing Source: 028 TO/DETER
For further info. please contact:
COSTA RICA TLX#2179 OTT TEL: (613)996-5460

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 164 COSTA RICA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- non competitive financing from Canada
- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- difficulties in obtaining credit facilities in Canada
- other factor(s) described by the Trade Office as follows:

COSTA RICA IN CRISIS (ECONOMIC & FINANCIAL) DURING 1982-85 PERIOD.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: TO ASSIST CANADIAN FIRMS TO PARTICIPATE IN UPCOMING RAILWAY PROJECTS.

Results Expected: GRADUALLY INCREASE EXPORTS OVER NEXT 2 YEARS AND THEN SUBSTANTIALLY BY 3RD YEAR.

02/03/87

DEPARTMENT OF EXTERNAL AFFAIRS

Page: 268

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 164 COSTA RICA

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

Activity: TO ASSIST CANADIAN CONSULTING FIRM AND ITS LOCAL AGENTS.

Results Expected: OBTAIN CONSULTING CONTRACTS IN 1987 OR 88.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 164 COSTA RICA

Sector: 014 EDUCATION, MEDICAL, HEALTH PROD

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	86.00M	\$ 81.00M	\$ 78.00M	\$ 82.00M
Canadian Exports \$	2.00M	\$ 3.00M	\$ 3.00M	\$ 4.00M
Canadian Share of Import Market	2.30%	3.70%	3.80%	4.80%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	040 %
ii) 265 JAPAN	025 %
iii) 128 GERMANY WEST	020 %
iv) 616 OTHER COUNTRIES	015 %

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

Current status of Canadian exports: Market share declining

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) PHARMACEUTICALS	\$ 35.00 M
ii) HOSPITAL & MEDICAL EQUIPMENT	\$ 30.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: PUBLIC TENDERS IN NEXT TWO YEARS
 Approximate Value: \$ 55 M
 Financing Source: 013 NFR
 For further info. please contact:
 CDN EMBASSY TLX#2179 EXT OTT TEL: (613)996-5460

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 164 COSTA RICA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- non competitive financing from Canada
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: TO GET MORE CANADIAN FIRMS TO INVESTIGATE THIS MARKET & TO ASSIST THEM IN APPOINTING AGENTS/DISTRIBUTORS.

Results Expected: IN MEDIUM TERM, TO GRADUALLY INCREASE CANADIAN SHARE OF MARKET TO 10%.

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

Activity: TO PUBLICIZE & PROMOTE OPPORTUNITIES BY PREPARING ARTICLE FOR CANADEXPORT & CONTRACTING ASSOCIATION.

Results Expected: REVERSE DECLINE & CHANGE TO GROWTH SITUATION BY 1988.

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 645 SAN JOSE

Country: 167 EL SALVADOR

LES EXPORTATIONS CANADIENNES VERS LE EL SALVADOR POUR LES 10 PREMIERS MOIS DE 1986 ETAIENT DE 9.75 M (1985-15 M) DANS UN MARCHE PRINCIPALEMENT DOMINE PAR LES FOURNISSEURS AMERICAINS. LES FABRICANTS CANADIENS ONT MAINTENU LEUR POSITION DANS LES SECTEURS TRADITIONNELS DES PATES ET PAPIERS FERTILIZANTS ET METAUX ET MINERAUX QUI COMPTENT POUR PLUS DE LA MOITIE DE NOS EXPORTATIONS VERS CE PAYS. L'ECONOMIE SALVADORIENNE QUI BENEFICIE D'UNE AIDE INTERNATIONALE MASSIVE (357 M EN 85 DONT 310 EN PROVENANCE DES E. U.) SE CARACTERISE PAR L'IMPORTANCE DU SECTEUR AGRICOLE QUI COMPTE POUR 24% DU PIB. L'INDUSTRIE MANUFACTURIERE (18% DU P. I. B.) PRINCIPALEMENT LE SECTEUR DE LA TRANSFORMATION ALIMENTAIRE Y SONT AUSSI IMPORTANTS. LE SECTEUR DE LA CONSTRUCTION A CONNU CES DERNIERES ANNEES UNE ACTIVITE INTENSE ET LES EFFETS DU RECENT TREMBLEMENT DE TERRE D'OCTOBRE 86 SUSCITERONT UNE FORTE ACTIVITE DANS CE SECTEUR DANS LE PROCHE FUTUR. UNE PRESENCE CANADIENNE PLUS IMPORTANTE, DE MEILLEURES FACILITES DE CREDIT ET UNE PARTICIPATION PLUS ACTIVE DES FIRMES CANADIENNES DANS LES PROJETS FINANCES PAR LES ORGANISMES INTERNATIONAUX POURRAIENT AUGMENTER CONSIDERABLEMENT NOS EXPORTATIONS VERS CE MARCHE.

Export and Investment Promotion Planning System

REPT: SYN-GEO 87/88 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 167 EL SALVADOR

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE
REASONS: SECTEUR LE PLUS IMPORTANT DANS L'ECONOMIE DU PAYS ET EFFORTS CONSIDERABLES FAITS PAR LE GOUVERNEMENT SALVADORIEN POUR DEVELOPPER ET MODERNISER CE SECTEUR.
2. 015 CONSTRUCTION INDUSTRY
REASONS: EFFORTS DE RECONSTRUCTION SUITE AU TREMBLEMENT DE TERRE D'OCTOBRE 86.
3. 007 POWER & ENERGY EQUIP. & SERV.
REASONS: PROJETS D'EXTENSION ET D'AUGMENTATION DE LA CAPACITE DU RESEAU ELECTRIQUE DU PAYS.

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

1. 012 PETROCHEM & CHEM PROD, EQP, SERV
2. 009 FOREST PRODUCTS, EQUIP, SERVICES
3. 010 MINE, METAL, MINERAL PROD & SRV
4. 001 AGRI & FOOD PRODUCTS & SERVICE

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 167 EL SALVADOR

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	70.00M	\$ 66.80M	\$ 65.00M	\$ 65.00M
Canadian Exports \$	3.50M	\$ 3.15M	\$ 3.25M	\$ 2.95M
Canadian Share of Import Market	5.00%	4.70%	5.00%	4.50%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	035 %
ii) 608 WEST EUROPE	011 %
iii) 613 CENTRAL AMERICA	026 %
iv) 614 SOUTH AMERICA	020 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

	Current Total Imports In Canadian \$
i) MACHINERIE AGRICOLE	\$ 18.00 M
ii) MACHINERIES POUR LA PREPARATION DES ALIMENTS.	\$ 14.00 M
iii) ANIMAUX VIVANTS	\$ 8.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: AMELIORATION DE LA PRODUCTION LAITIERE
(ACHATS D'ANIMAUX)

Approximate Value: \$ 10 M

Financing Source: 003 IADB

For further info. please contact:

EMBASSY, TLX#2179 DOMCAN OTT/LCT, TEL: (613)996-5460

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 167 EL SALVADOR

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- participation in trade missions
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- the adequacy of exporter information in Canadian Directories
- product/service information from Canadian companies

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONVAINCRE LES EXPORTATEURS CANADIENS DE PARTICIPER PLUS ACTIVEMENT AUX APPELS D'OFFRES INTERNATIONAUX.

Results Expected: INCREASE CAN. SHARE OF MARKET TO 8-10% BY 1989

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

Activity: METTRE EN CONTACT LES AGENTS LOCAUX DE BONNE REPUTATION AVEC DES FOURNISSEURS CANADIENS.

Results Expected: PLUS GRANDE PRESENCE CANADIENNE SUR CE MARCHÉ

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 167 EL SALVADOR

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	10.00M	\$ 8.00M	\$ 7.00M	\$ 7.00M
Canadian Exports \$	0.60M	\$ 0.10M	\$ 0.00M NA	\$ 0.00M NA
Canadian Share of Import Market	6.00%	0.06%	0.00%	0.00%

Major Competing Countries	Market Share
i) 265 JAPAN	040 %
ii) 577 UNITED STATES OF AMERICA	035 %
iii) 616 OTHER COUNTRIES	000 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) EGPT DE TRANSMISSION	\$ 3.00 M
ii) EGPT DE GENERATION	\$ 2.50 M
iii) MATERIEL ELECTRIQUE	\$ 2.50 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: EXPANSION DE LA CENTRALE ELECTRIQUE 5 DE NOVEMBRE(EN PROJET POUR 1987)
 Approximate Value: \$ 100 M
 Financing Source: 003 IADE
 For further info please contact:
 CDN EMBASSY TLX#2179 DOMCAN OTT/LCT TEL6139965460

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 167 EL SALVADOR

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- competitive export pricing for this market

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- the adequacy of exporter information in Canadian Directories
- product/service information from Canadian companies

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: MISE EN CONTACT DES IMPORTATEURS, SALVADORIENS AVEC LES FOURNISSEURS CANADIENS.

Results Expected: SLOW BUT STEADY GROWTH.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 167 EL SALVADOR

Sector: 015 CONSTRUCTION INDUSTRY

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	70.00M	\$ 60.00M	\$ 42.00M	\$ 37.00M
Canadian Exports \$	2.00M	\$ 0.10M	\$ 0.00M NA	\$ 0.00M NA
Canadian Share of Import Market	2.80%	0.01%	0.00% NA	0.00% NA

Major Competing Countries

Market Share

i) 613 CENTRAL AMERICA	035 %
ii) 577 UNITED STATES OF AMERICA	030 %
iii) 614 SOUTH AMERICA	020 %

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

Current status of Canadian exports: No Export results to date

Products/services for which there are good market prospects

Current Total Imports

In Canadian \$

i) MATERIAUX DE CONSTRUCTION	\$ 35.00 M
ii) EQUIPEMENT, ET MACHINERIE	\$ 15.00 M
iii) MATERIELS DIVERS	\$ 10.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: PROGRAMME D'URGENCE DE RECONSTRUCTION

Approximate Value: \$ 75 M

Financing Source: 003 IADB

For further info. please contact:

CDN EMBASSY TLX#2179 DOMCAN OTT, TEL: (613)996-5460

ii) Project Name: PROJET D'APPROVISIONNEMENT EN EAU
FOTABLE ANDA

Approximate Value: \$ 160 M

Financing Source: 003 IADB

For further info. please contact:

CDN EMBASSY TLX#2179 DOMCAN OTT, TEL: (613)996-5460

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 167 EL SALVADOR

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- No factors reported by mission

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- the adequacy of exporter information in Canadian Directories
- product/service information from Canadian companies

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: IDENTIFIER PRINCIPAUX IMPORTATEURS DE CE SECTEUR ET LES METTRE EN CONTACT AVEC DES FOURNISSEURS CANADIENS.

Results Expected: AUGMENTATION DES CONTACTS COMMERCIAUX ET DES VENTES.

Activity: DIFFUSER PARMI L'INDUSTRIE CANADIENNE LES APPELS D'OFFRES INTERNATIONAUX DANS CE SECTEUR.

Results Expected: PARTICIPATION PLUS ACTIVE DES FIRMES CANADIENNES SUR LE MARCHE.

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 645 SAN JOSE

Country: 178 NICARAGUA

LES EXPORTATIONS CANADIENNES VERS LE NICARAGUA SE CHIFFRAIENT POUR LES 10 PREMIERS MOIS DE 1986 A 20.8 MILLIONS DE DOLLARS UNE AUGMENTATION SENSIBLE COMPARATIVEMENT A 1985 (TOTAL 18.7M). DES VENTES IMPORTANTES ONT RECEMMENT ETE REALISEES PAR L'ENTREMISE DE MAISONS DE COMMERCE CANADIENNES POUR DES PRODUITS TELS QUE LE SUIF, LES CEREALES, LES PNEUS ET OUTILS DIVERS. MALGRE LES DIFFICULTES ECONOMIQUES DU PAYS ET LE MANQUE DE DEVISES, IL EXISTE POUR LES FOURNISSEURS CANADIENS DES OPPORTUNITES DANS LES SECTEURS JUGES DE PREMIERE PRIORITE PAR LE GOUVERNEMENT NICARAGUAYEN A SAVOIR L'AGRICULTURE (MACHINERIE, PIECES ET ENGRAIS) LES PECHEES, (PIECES ET EQUIPEMENT), LES PRODUITS MEDICAUX ET PHARMACEUTIQUES, L'INDUSTRIE, (MATIERES PREMIERS POUR LES PRODUITS DE CONSOMMATION ET COURANTE) ET LA CONSTRUCTION. LES SECTEURS DES COMMUNICATIONS ET DES PIECES DE RECHANGE POUR AUTOMOBILE OFFRENT AUSSI DES POSSIBILITES. DES PERSPECTIVES INTERRESANTES EXISTENT MAIS IL EST ESSENTIEL DE SUSCITER UNE AUGMENTATION DES CONTACTS COMMERCIAUX ENTRE LES FABRICANTS CANADIENS ET LES IMPORTATEURS DU NICARAGUA.

Export and Investment Promotion Planning System

REPT: SYN-GED 87/88 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 178 NICARAGUA

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: SECTEUR JUGE PRIORITAIRE ET BESOINS ELEVES POUR LES ENGRAIS MACHINERIE ET EQUIPEMENT. CREDIT FOURNISSEUR POURRAIT AUGMENTER CONSIDERABLEMENT LES VENTES CANADIENNES.

2. 014 EDUCATION, MEDICAL, HEALTH PROD

REASONS: FABRICATION LOCALE INEXISTANTE. LES IMPORTATIONS COUVRENT LA MAJORITE DES BESOINS QUI SONT ESSENTIELS.

3. 015 CONSTRUCTION INDUSTRY

REASONS: MARCHE POTENTIEL INTERRESSANT CONSIDERANT L'ABSENCE PRESQUE TOTALE DES FOURNISSEURS CANADIENS DE CE SECTEUR.

4. 002 FISHERIES, SEA PRODUCTS & SERV.

REASONS: L'INDUSTRIE DISPOSERA DE DEVISES EN 1987 ET CE SECTEUR EST DE PREMIERE IMPORTANCE POUR LE GOUVERNEMENT.

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE
2. 003 GRAINS AND OILSEEDS
3. 009 FOREST PRODUCTS, EQUIP, SERVICES

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 178 NICARAGUA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	120.00M	\$ 115.70M	\$ 114.00M	\$ 115.00M
Canadian Exports \$	8.00M	\$ 7.60M	\$ 7.50M	\$ 7.30M
Canadian Share of Import Market	6.70%	6.50%	6.50%	6.30%

Major Competing Countries

Market Share

i) 553 UNION OF SOVIET SOC REP	040 %
ii) 608 WEST EUROPE	010 %
iii) 607 COMECON	020 %
iv) 614 SOUTH AMERICA	020 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

i) MACHINERIE ET PIECES AGRICOLES	In Canadian \$
ii) HERBICIDES/PESTICIDES/FERTILIZANTS	\$ 40.00 M
	\$ 50.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: PIECES ET EQUIPEMENT AGRICOLE

Approximate Value: \$ 40-50 M

Financing Source: 024 BC

For further info. please contact:

CDN EMBASSY, TLX#2179 DOMCAN OTT/TEL: (613)996-5460

ii) Project Name: FERTILIZANTS - EQUIPEMENT AGRICOLE

Approximate Value: \$ 25-30 M

Financing Source: 024 BC

For further info. please contact:

CDN EMBASSY, TLX#2179 DOMCAN OTT/TEL: (613)996-5460

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 178 NICARAGUA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:
MANQUE DE CONTACTS ENTRE FOURNISSEURS CANADIENS ET ACHETEURS DU NICARAGUA

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- participation in trade missions
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- the adequacy of exporter information in Canadian Directories

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: PROCURER AUX IMPORTATEURS DU NICARAGUA PLUS D'INFORMATIONS SUR LE POSSIBILITES D'APPROVISIONNEMENT AU CANADA

Results Expected: AUGMENTATION DES CONTACTS COMMERCIAUX

Activity: CONTACTS DIRECTS REGULIERS AVEC LES PLUS IMPORTANTS IMPORTATEURS DU NICARAGUA

Results Expected: OBTENTION D'INFORMATIONS COMMERCIALES D'INTERET POUR LES FABRICANTS CANADIENS

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 178 NICARAGUA

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

Activity: ETABLISSEMENT D'UNE LISTE DES PRINCIPAUX CONTACTS ET BESOINS DU SECTEUR AGRICOLE

Results Expected: MEILLEURE INFORMATION POUR LES FOURNISSEURS POTENTIELS DU CANADA

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 178 NICARAGUA

Sector: 002 FISHERIES, SEA PRODUCTS & SERV.

Subsector: 023 MARINE HARV. PRODC MACH & EQUIP

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	7.00M	\$ 3.80M	\$ 0.00M NA	\$ 0.00M NA
Canadian Exports \$	1.00M	\$ 0.00M	\$ 0.00M NA	\$ 0.00M NA
Canadian Share of Import Market	14.00%	0.00%	0.00% NA	0.00% NA

Major Competing Countries	Market Share
i) 614 SOUTH AMERICA	030 %
ii) 608 WEST EUROPE	030 %
iii) 605 ASIA OR FAR EAST	020 %

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

Current status of Canadian exports: No Export results to date

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) PIECES DE MOTEURS	\$ 0.00 M
ii) EQPT DE COMMUNICATIONS	\$ 0.00 M
iii) OUTILS DE PECHE	\$ 0.00 M
iv) GENERATEUR	\$ 0.00 M
v) REFREGIRATION	\$ 0.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: REHABILITATION & AUGMENTATION DE LA
FLOTTE DE PECHE DU PAYS

Approximate Value: \$ 10 M

Financing Source: 003 IADB 024 BC

012 DOM

For further info. please contact:

CDN EMBASSY TLX#2179 DOMCAN OTT/TEL: (613)996-5460

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 178 NICARAGUA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:

ABSENCE TOTALE DU MARCHE DES FOURNISSEURS POTENTIELS CANADIENS

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- No factors reported by mission.

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

Activity: CONTACTS DIRECTS REGULIERS AVEC SUMIPESCA ENTREPRISE IMPORTATRICE D'ETAT POUT TOUT LE SECTEUR

Results Expected: DIFFUSION DES BESOINS A L'INDUSTRIE CANADIENNE ET ACCROISSEMENT DES VENTES

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 178 NICARAGUA

Sector: 014 EDUCATION, MEDICAL, HEALTH PROD

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	37.00M	\$ 35.00M	\$ 35.00M	\$ 34.70M
Canadian Exports \$	2.00M	\$ 1.20M	\$ 1.10M	\$ 0.90M
Canadian Share of Import Market	5.40%	3.40%	3.10%	2.60%

Major Competing Countries	Market Share
i) 128 GERMANY WEST	020 %
ii) 410 NORWAY	015 %
iii) 512 SWITZERLAND	020 %
iv) 192 PEOPLE'S REP OF CHINA	015 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) MEDICAMENTS	\$ 20.00 M
ii) EQUIPEMENT POUR HOPITAUX	\$ 14.00 M
iii) EQUIPEMENT POUR LABORATOIRE	\$ 2.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: APPLE D'OFFRES DE COFARMA ENTREPRISE
D'ETAT IMPORTATRICE

Approximate Value: \$ 5-10 M

Financing Source: 024 BC

For further info. please contact:

CDN EMBASSY, TLX#2179 DOMCAN OTT/TEL: (613)996-5460

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 178 NICARAGUA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties in obtaining credit facilities in Canada
- other factor(s) described by the Trade Office as follows:

LES CONTACTS COMMERCIAUX ENTRE LE CANADA ET LE NICARAGUA
DEVRAIENT ETRE PLUS NOMBREUX

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- competitive export pricing for this market

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

Activity: CONTACTS REGULIERS AVEC LES IMPORTATEURS NICARAGUAYENS AFIN DE
CONNAITRE LES FUTURS BESOIN DU SECTEUR

Results Expected: ACCROISSEMENT DES VENTES CANADIENNES.
AUGMENTATION DES CONTACTS

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 178 NICARAGUA

Sector: 015 CONSTRUCTION INDUSTRY

Subsector: 151 BUILDING PRODUCTS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	60.00M	\$ 75.00M	\$ 70.00M	\$ 65.00M
Canadian Exports \$	4.00M	\$ 3.00M	\$ 2.80M	\$ 2.50M
Canadian Share of Import Market	6.60%	4.00%	4.00%	4.20%

Major Competing Countries

Market Share

i) 613 CENTRAL AMERICA	025 %
ii) 608 WEST EUROPE	010 %
iii) 614 SOUTH AMERICA	020 %
iv) 607 COMECON	020 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) MATERIEL ELECTRIQUE	\$ 10.00 M
ii) EQUIPEMENT DE CONSTRUCTION ET PIECES	\$ 30.00 M
iii) MACHINERIE LOURDE	\$ 10.00 M
iv) EQUIPEMENT POUR HOTEL	\$ 5.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: PROJECT A L'ETUDE POUR LA CONSTRUCTION
D'HOTELS (MANAGUA)

Approximate Value: \$ 20 M

Financing Source: 012 DOM 024 BC

For further info. please contact:

CDN EMBASSY, TLX#2179 DOMCAN OTT/TEL: (613)996-5460

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 178 NICARAGUA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:

ABSENCE DES FOURNISSEURS CANADIENS SUR CE MARCHÉ

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- the adequacy of exporter information in Canadian Directories
- product/service information from Canadian companies

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: INFORMER LA SOCIÉTÉ D'ÉTAT CIMEK IMPORTATEUR PRINCIPAL DE CE SECTEUR DES CAPACITÉS CANADIENNES DANS CE DOMAINE

Results Expected: CONTACTS COMMERCIAUX PLUS NOMBREUX ET CROISSANCE SENSIBLE DES VENTES

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 645 SAN JOSE

Country: 181 PANAMA

PANAMA: CANADIAN EXPORTS 1985=\$52.5 M/. CANADIAN EXPORTS 1986 (7 MONTHS \$32.7 MILLION).

PANAMA AND PASS-ON SALES TO NORTHERN SOUTH AMERICA AND COLON FREE ZONE IS OUR MOST IMPORTANT MARKET. THE MARKET LENDS ITSELF TO DEVELOPMENT THROUGH A SLATE OF EXCELLENT TRADE FAIRS WHICH WE HAVE BEEN AND WILL CONTINUE TO EXPLOIT, CONFIDENT OF CONTINUING GAINS. THERE IS A WIDE VARIETY OF PRODUCTS. WE SHALL ALSO ACTIVELY PURSUE EMERGING PROJECTS EG. PORT EXPANSION, CANAL IMPROVEMENT AND REHABILITATION OF RAILWAY. WE SHALL BE AIDED IN OUR EFFORTS BY RELATIVELY FAVOURABLE ASSESSMENT BY EDC.

Export and Investment Promotion Planning System

REPT: SYN-GEO 87/88 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 181 PANAMA

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: AGRICULTURE AND FOOD DEFICIENCY OF MAIN MARKET AREA.

2. 008 TRANSPORT SYS, EQUIP, COMP, SERV.

REASONS: HIGH DEMAND FOR AUTOMOTIVE PARTS. PROSPECTIVE ENHANCEMENT OF PORT FACILITIES.

3. 005 COMM. & INFORM. EQP. & SERV

REASONS: COUNTRY IS ATTAINING TECHNOLOGICAL TAKE OFF.

4. 014 EDUCATION, MEDICAL, HEALTH PROD

REASONS: VERY LITTLE MANUFACTURING OF THESE PRODUCTS. MOST OF THE PRODUCTS USED ARE IMPORTED.

5. 007 POWER & ENERGY EQUIP. & SERV.

REASONS: STUDIES TO BE UNDERTAKEN IN THE FIELD OF HYDRO-GENERATION AND PROSPECTS FOR ELECTRICAL INTEGRATION.

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

1. 009 FOREST PRODUCTS, EQUIP, SERVICES

2. 012 PETROCHEM & CHEM PROD, EQP, SERV

3. 005 COMM. & INFORM. EQP. & SERV

4. 001 AGRI & FOOD PRODUCTS & SERVICE

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 181 PANAMA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	341.00M	\$ 328.00M	\$ 323.00M	\$ 327.00M
Canadian Exports \$	20.00M	\$ 19.00M	\$ 19.00M	\$ 18.00M
Canadian Share of Import Market	5.80%	5.70%	5.80%	5.50%

Major Competing Countries	Market Share
i) 577 UNITED STATES OF AMERICA	090 %
ii) 616 OTHER COUNTRIES	010 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector: 100 \$M AND UP

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) ANIMAL AND POULTRY	\$ 10.00 M
ii) SEED POTATOES	\$ 6.00 M
iii) SEED, FERTILIZERS & VETERINARY PRODUCTS	\$ 14.00 M
iv) CONSULTING SERVICES	\$ 7.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: INCOMING PUBLIC TENDERS & DIRECT SALES
IN NEXT 2 YEARS

Approximate Value: \$ 55 M

Financing Source: 012 DOM

For further info. please contact:

CDN EMBASSY, TLX#2179 DOMCAN OTT/TEL: (613)996-5460

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 181 PANAMA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: TO CONTINUE ASSISTING CANADIAN EXPORTERS ON THEIR EXPORTS TO OFFICIAL ENTITIES.

Results Expected: MARGINAL GROWTH IN SHORT TERM.

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

Activity: TO APPOINT ADDITIONAL DISTRIBUTORS.

Results Expected: INCREASE CAN. SHARE OF MARKET TO 10% BY 1988.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 181 PANAMA

Sector: 005 COMM. & INFORM. EGP. & SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	32.00M	\$ 43.00M	\$ 20.00M	\$ 15.00M
Canadian Exports \$	2.80M	\$ 2.50M	\$ 1.20M	\$ 1.00M
Canadian Share of Import Market	8.00%	6.00%	6.00%	6.60%

Major Competing Countries

Market Share

i) 265 JAPAN	060 %
ii) 577 UNITED STATES OF AMERICA	030 %
iii) 616 OTHER COUNTRIES	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports
In Canadian \$

i) TELECOMMUNICATIONS	\$ 18.00 M
ii) BROADCASTING	\$ 15.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: PUBLIC TENDERS NEXT TWO YEARS
Approximate Value: \$ 20 M
Financing Source: 028 TO/DETER
For further info. please contact:
CDN EMBASSY, TLX#2179 DOMCAN OTT/TEL: (613)996-5460

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 181 PANAMA

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: TO PROVIDE MARKET INFORMATION TO LOCAL FIRMS.

Results Expected: TO INCREASE CAN. SHARE OF MARKET BY 15-20%
FOR NEXT 3 YEARS.

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

Activity: TO APPOINT LOCAL AGENTS.

Results Expected: MARGINAL INCREASE IN SHORT TERM.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 181 PANAMA

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	20.00M	\$ 18.00M	\$ 17.00M	\$ 15.00M
Canadian Exports \$	3.00M	\$ 4.00M	\$ 3.00M	\$ 2.00M
Canadian Share of Import Market	15.00%	22.00%	17.00%	13.00%

Major Competing Countries

Market Share

i) 265 JAPAN	065 %
ii) 577 UNITED STATES OF AMERICA	020 %
iii) 616 OTHER COUNTRIES	015 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

i) CONSULTING SERVICES	In Canadian \$
ii) TRANSMISSION EQUIPMENT	\$ 10.00 M
	\$ 8.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: 6TH POWER PROJECT

Approximate Value: \$ 25 M

Financing Source: 028 TO/DETER

For further info. please contact:

CDN EMBASSY, TLX#2179 DOMCAN OTT/TEL: (613)996-5460

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 181 PANAMA

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- non competitive financing from Canada
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: TO INFORM CANADIAN FIRMS OF UPCOMING PROJECTS.

Results Expected: MARGINAL INCREASE IN SHORT TERM.

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

Activity: TO APPOINT REPUTABLE AGENTS FOR INTERESTED CAN. COS. & TO ASSIST THEM IN THE BIDDING PROCESS AS WHEN REQUIRED.

Results Expected:

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 181 PANAMA

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	108.00M	\$ 100.00M	\$ 96.00M	\$ 98.00M
Canadian Exports \$	3.00M	\$ 2.90M	\$ 3.00M	\$ 2.90M
Canadian Share of Import Market	2.70%	2.85%	3.10%	2.90%

Major Competing Countries

Market Share

i) 265 JAPAN	065 %
ii) 577 UNITED STATES OF AMERICA	015 %
iii) 128 GERMANY WEST	010 %
iv) 616 OTHER COUNTRIES	010 %

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) URBAN TRANSIT	\$ 6.00 M
ii) RAIL	\$ 5.00 M
iii) CONSULTING SERVICES	\$ 4.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: PANAMA RAILWAY REHABILITATION

Approximate Value: \$ 15 M

Financing Source: 028 TO/DETER

For further info. please contact:

CDN EMBASSY, TLX#2179 DOMCAN OTT/TEL: (613)996-5460

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 181 PANAMA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- non competitive financing from Canada
- the apparent limited sectoral capability in Canada compared to other competing export countries
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: TO ASSIST CANADIAN COMPANIES TO PARTICIPATE IN PANAMA RAILWAY INCOMING PROJECTS

Results Expected: POSITIVE IN MEDIUM TERM

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

Activity: TO OBTAIN REPUTABLE LOCAL AGENTS FOR CANADIAN COMPANIES

Results Expected: POSITIVE IN SHORT TERMS

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 645 SAN JOSE

Market: 181 PANAMA

Sector: 014 EDUCATION, MEDICAL, HEALTH PROD

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	129.00M	\$ 120.00M	\$ 117.00M	\$ 112.00M
Canadian Exports \$	3.00M	\$ 4.00M	\$ 4.00M	\$ 5.00M
Canadian Share of Import Market	2.30%	3.30%	3.40%	4.40%

Major Competing Countries	Market Share
i) 577 UNITED STATES OF AMERICA	050 %
ii) 265 JAPAN	020 %
iii) 128 GERMANY WEST	015 %
iv) 616 OTHER COUNTRIES	015 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) PHARMACEUTICALS	\$ 40.00 M
ii) HOSPITAL AND MEDICAL EQUIPMENT	\$ 35.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: INTERNATIONAL TENDERS AND DIRECT SALES

Approximate Value: \$ M

Financing Source: 013 NFR

For further info. please contact:

CDN EMBASSY, TLX#2179/OTT (613)996-5460

Export and Investment Promotion Planning System

MISSION: 645 SAN JOSE

COUNTRY: 181 PANAMA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- non competitive financing from Canada
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: TO ASSIST CANADIAN MANUFACTURERS THROUGH MISSIONS

Results Expected: POSITIVE IN MEDIUM TERM

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

Activity: TO APPOINT LOCAL AGENTS

Results Expected: POSITIVE IN SHORT TERM

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		
Mission: 645 SAN JOSE		
Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.		
010 FAIRS EXPOMOVIL 87/INC. FED. & PROV. MISSION	PANAMA CITY	1187
Sector: 999 MULTIPLE SECTORS		
010 FAIRS EXPOCOMER 88/INC. FED. & PROV. MISSIONS	PANAMA CITY	0388
EXPOCOMER 87/INC. FED. & PROV. MISSIONS	PANAMA CITY	0387
Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 645 SAN JOSE		
Sector: 001 AGRI & FOOD PRODUCTS & SERVICE		
010 FAIRS FIAGA 88/INC. FED. & PROV. MISSIONS	PANAMA CITY	0988
020 MISSION OUTGOING NEW BRUNSWICK AGRICULTURAL MISSION	PANAMA	0090
NEW BRUNSWICK AGRICULTURAL MISSION	PANAMA	0089
ONTARIO AGRICULTURE MISSION	C. RICA/PAN. /NICARAG.	0090
ONTARIO AGRICULTURE MISSION	C. RICA/PANAMA/NICARA	0089
Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.		
010 FAIRS EXPOMOVIL 89/INC. FED. & PROV. MISSIONS	PANAMA CITY	1189
Sector: 014 EDUCATION, MEDICAL, HEALTH PROD		
020 MISSION OUTGOING MEDICAL PRODUCTS OUTGOING MISSION	SAN JOSE/C. RICA/PAN.	1088
Sector: 999 MULTIPLE SECTORS		
010 FAIRS INTERNATIONAL FAIR OF EL SALVADOR	SAN SALVADOR	1088
EXPOCOMER 89/INC. FED. & PROV. MISSION	PANAMA CITY	0389
EXPOCOMER 90/INC. FED. & PROV. MISSIONS.	PANAMA CITY	0390
020 MISSION OUTGOING ONTARIO TRADE MISSION	PANAMA/COSTA RICA	0089

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 645 SAN JOSE		
Sector: 999 MULTIPLE SECTORS		
020 MISSION OUTGOING		
ONTARIO TRADE MISSION	PANAMA/COSTA RICA	0090
HARDWARE BLDG. MATERIAL OUTGOING MISS/SOLO DISPLAY	PANAMA CITY	0588.

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 646 GUATEMALA

Country: 172 GUATEMALA

CDN MERCHANSISE EXPORTS DROPPED FM \$21.5 MN. IN 1984, TO \$16.8MN. IN 1985, AND FOR THE FIRST 9 MTHS OF 1986 WERE ONLY \$10.4MN. THE MAJOR REASONS FOR THE DECLINE WERE THE ACUTE SHORTAGE OF FOREIGN EXCHANGE AND THE DRYING UP OF INT'L CREDIT. THE DOMINANT ECONOMIC EVENTS OF GUATEMALA'S FIRST YEAR OF DEMOCRATIC RULE IN HALF A CENTURY WERE: 1) THE EFFECTIVE DEVALUATION OF THE NATIONAL CURRENCY BY MEANS OF A THREE-TIERED EXCHANGE RATE WHICH ABANDONED APRITY WITH THE U.S. DOLLAR AND EFFECTED, INTER ALIA, A "FREE MARKET" RATE OF ALMOST 3 QUETZALES TO THE DOLLAR; 2) FAILURE TO REACH AGREEMENT WITH THE IMF, AND PARIS CLUB, RESCHEDULING OF THE EXTERNAL DEBT APPROXIMATELY 2.5 BN DOLLARS. BILATERAL ATTEMPTS TO RENEGOTIATE DEBTS AND SECURE NEW CREDIT; 3) A LARGE (70% INCREASE) OF TOTAL GOVERNMENT EXPENDITURES AMONG VARIOUS SECTORS AND A PROJECTED FURTHER INCREASE OF 20% FOR THE 1987 BUDGET YEAR, DESPITE AN ALMOST STAGNANT ECONOMY; 4) THE IMPLEMENTATION OF A MUCH STRICTER MONITORING AND CONTROLLING OF INT'L TRADE TRANSACTIONS IN ORDER TO REDUCE EXTENSIVE TAX EVASION AND CAPITAL FLIGHT AND TO PROVIDE THE GOVERNMENT WITH MAJOR INCREASES IN REVENUE; 5) STABILIZATION OF THE QUETZAL AT YEAR END (1986) AT APPROXIMATELY 2.5 TO THE U.S. DOLLAR DUE TO THE UNIFICATION OF THE EXCHANGE RATE AND THE GOVERNMENT'S RELATIVE GOOD FORTUNE GIVEN CURRENT TERMS OF TRADE FOR MAJOR GUATEMALAN EXPORTS, PLUS SOME SUCCESS IN SHORT TERM DEBT RESCHEDULING. FOR 1987, GOVERNMENT FORECASTS A 2-2.5% IN THE GNP, A REDUCTION IN THE INFLATION RATE TO 14% FROM 24%, A 3% INCREASE IN INDUSTRIAL PRODUCTION, A 2% INCREASE IN AGRICULTURE, A 1 1/4% INCREASE IN EXPORT TRADE AND A REBOUND IN TOURISM. GOVERNMENT IS HOPING FOR INFLUX OF FOREIGN FUNDS FROM THE IADB, W.B. AND OTHER SOURCES. THE GOVERNMENT'S CAPITAL INVESTMENT PROGRAM FOR THE CONSTRUCTION OF SCHOOLS, HOSPITALS, HOUSING AND ROADS SHOULD ALSO HELP TO STIMULATE GROWTH. AS REGARDS CANADIAN-GUATEMALAN RELATIONS WE APPEAR TO BE MAKING SLOW BUT STEADY PROGRESS TOWARD A RESOLUTION OF OUTSTANDING DEBTS OWED BY GUATEMALAN GOVERNMENT ENTITIES TO EDC. WE EXPECT THAT 1987 WILL BE THE BEGINNING OF A RECOVERY TO A MORE TRADITIONAL LEVEL OF CANADIAN EXPORTS SALES TO THIS MARKET.

Export and Investment Promotion Planning System

REPT: SYN-GEO 87/88 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 646 GUATEMALA

Market: 172 GUATEMALA

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

1. 007 POWER & ENERGY EQUIP. & SERV.

REASONS: THE 5TH WORLD BANK POWER (DISTRIBUTION) PROJ IN GUATEMALA OFFERS MULTILATERALLY FINANCED OPPORTUNITY FOR A NUMBER OF ITEMS IN WHICH CDN FIRMS HAVE SPECIAL EXPERTISE.

2. 008 TRANSPORT SYS. EQUIP. COMP. SERV.

REASONS: COMPLETION OF NEW PORT OF PUERTO GUETZAL AND POSSIBLE EXPANSION OF ANOTHER GUATEMALAN PORT MAY OFFER POSSIBILITIES FOR SALES OF BOTH EGPT AND LIMITED CONSULTING SERVICES.

3. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: MARKET EXISTS IN BOTH GUATEMAL AND HONDURAS FOR RANGE OF LIVESTOCK BREEDING AND RAISING EQUIPMENT.

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

1. 009 FOREST PRODUCTS, EQUIP, SERVICES
2. 012 PETROCHEM & CHEM PROD, EGP, SERV
3. 001 AGRI & FOOD PRODUCTS & SERVICE

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 646 GUATEMALA

Market: 172 GUATEMALA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	90.00M	\$ 80.00M	\$ 65.00M	\$ 57.50M
Canadian Exports \$	4.00M	\$ 3.00M	\$ 2.00M	\$ 3.80M
Canadian Share of Import Market	4.40%	3.60%	3.00%	6.60%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	065 %
ii) 616 OTHER COUNTRIES	020 %

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

Current status of Canadian exports:

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) WHEAT, GRAINS & CEREALS	\$ 0.00 M
ii) VEGETABLE OIL	\$ 0.00 M
iii) SPICES AND TEA	\$ 0.00 M
iv) BREEDING STOCK	\$ 0.00 M
v) ALCOHOLIC BEVERAGES	\$ 0.00 M
vi) CHOCOLATE & OTHER CANDIES	\$ 0.00 M
vii) DAIRY PRODUCTS	\$ 0.00 M
viii) FOOD ADDITIVES	\$ 0.00 M
ix) BABY FOODS	\$ 0.00 M
x) LARD	\$ 0.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

Export and Investment Promotion Planning System

MISSION: 646 GUATEMALA

COUNTRY: 172 GUATEMALA

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive financing from Canada
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- high tariffs
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:
DIFFICULT TO COMPETE WITH PROGRAMS SUCH AS: U.S. PL480 & GMS 102, WHICH ALLOW FOR GRANTS & CONCESSIONAL FINANCING FOR CERTAIN AGRICULTURAL COMMODITIES; AND DONATIONS OF FOODSTUFFS BY ITALIAN GOVT. AND U.N. FOOD PROGRAM.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: ADVISE CANADIAN EXPORTERS AS SOON AS TENDERS ARE ANNOUNCED, AND GUIDE AND ASSIST THEM AS APPROPRIATE DURING THE BIDDING PROCESS.

Results Expected: INCREASE EXPORTS BY 20% OVER CURRENT YEAR.

Activity: DEVELOP CLOSER CONTACT WITH NEW OFFICIALS IN GOVERNMENT DEPARTMENTS AND AGENCIES, AND OTHER MAJOR ORGANIZATIONS SUCH AS COOPERATIVES AND ASSOCIATIONS.

Results Expected: INCREASE EXPORTS NEXT YEAR BY AT LEAST 10% OVER THIS YEAR.

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

Activity: ENCOURAGE AND ASSIST IN DEVELOPING TWO-WAY TRADE WITH GUATEMALA.

Results Expected: CLOSER TIES WITH GUATEMALAN BUSINESS AND INDUSTRY SHOULD ENABLE US TO BE MORE AWARE OF TRADE OPPORTUNITIES AND INCREASE EXPORTS BY 10% ANNUALLY.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 646 GUATEMALA

Market: 172 GUATEMALA

Sector: 005 COMM. & INFORM. EGP. & SERV

Subsector: 054 COMPUTERS, SOFTWARE & SYSTEMS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	12.00M	\$ 10.00M	\$ 7.00M	\$ 5.00M
Canadian Exports \$	0.00M NA	\$ 0.00M NA	\$ 0.12M	\$ 0.00M NA
Canadian Share of Import Market	0.00%	0.00%	0.00%	0.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	073 %
ii) 047 BRAZIL	002 %
iii) 265 JAPAN	014 %
iv) 001 ARGENTINA	002 %
v) 128 GERMANY WEST	002 %
vi) 616 OTHER COUNTRIES	007 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) HARDWARE	\$ 0.00 M
ii) SOFTWARE	\$ 0.00 M
iii) PERIPHERALS	\$ 0.00 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:
ACUTE SHORTAGE OF FOREIGN EXCHANGE.

Export and Investment Promotion Planning System

MISSION: 646 GUATEMALA

COUNTRY: 172 GUATEMALA

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

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

Activity: REPORT ON MARKET OPPORTUNITIES FOR COMPUTER HARDWARE AND SOFTWARE

Results Expected: REPORT TO BE DISTRIBUTED TO CANADIAN INDUSTRY

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 646 GUATEMALA

Market: 172 GUATEMALA

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 074 TRANSMISSION

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	50.00M	\$ 12.00M	\$ 10.00M	\$ 10.00M
Canadian Exports \$	0.00M NA	\$ 0.00M NA	\$ 0.00M	\$ 0.00M NA
Canadian Share of Import Market	5.00%	0.00% NA	0.00% NA	0.00% NA

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	060 %
ii) 434 TAIWAN	003 %
iii) 128 GERMANY WEST	015 %
iv) 047 BRAZIL	002 %
v) 265 JAPAN	010 %
vi) 616 OTHER COUNTRIES	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) DISTRIBUTION EQUIPMENT	\$ 0.00 M
ii) CABLE	\$ 0.00 M
iii) INSTITUTIONAL STRENGTHENING	\$ 0.00 M
iv) GENERATING EQUIPMENT	\$ 0.00 M
v) TRANSMISSION LINE PROJECTS	\$ 0.00 M
vi) TELECOMMUNICATIONS LINE	\$ 0.00 M
vii) ENGINEERING	\$ 0.00 M
viii) SUB-STATION EQUIPMENT	\$ 0.00 M
ix) TRAINING	\$ 0.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: POWER V
Approximate Value: \$ 131 M
Financing Source: 001 IBRD
For further info. please contact:
COMMERCIAL SECTION EMBASSY

Export and Investment Promotion Planning System

MISSION: 646 GUATEMALA

COUNTRY: 172 GUATEMALA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: MAINTAINING CLOSE AND REGULAR CONTACT WITH POWER UTILITIES AND REPORTING UPCOMING CONTRACT OPPORTUNITIES TO CANADIAN INDUSTRY.

Results Expected: COMPLETION OF FEASIBILITY & DESIGN BY SCN AND IF BILATERAL FINANCING IS AVAILABLE TO UNDERTAKE TURNKEY EXECUTION.

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 646 GUATEMALA

Country: 175 HONDURAS

CANADIAN EXPORTS OF MERCHANDISE WERE ONLY \$14.1 MILLION IN 1985, AND FOR THE FIRST 11 MONTHS OF 1986 HAD DECLINED TO \$12.5 MILLION. THE SHORTAGE OF INTERNATIONAL CREDIT WAS A MAJOR FACTOR IN THE DECLINE OF CANADA'S EXPORT TRADE WITH HONDURAS IN 1986. HONDURAS, ECONOMICALLY, IS HEAVILY DEPENDANT ON U.S.A., AND ON AID, BOTH BILATERAL AND MULTILATERAL, FROM OTHER DONORS, INCLUDING CANADA. THE NATIONAL CURRENCY, THE LEMPIRA, IS OVERVALUED BUT GOVERNMENT IS RESISTING PRESSURE TO DEVALUE IT. LARGE SCALE MILITARY ASSISTANCE BY THE U.S.A. IS ALSO BUOYING UP THE ECONOMY. DUE TO OUTSTANDING DEBTS TO EDC, TRADE PROMOTION WILL BE CHARACTERIZED BY THE SEARCH FOR OPPORTUNITIES WHERE SPECIAL CANADIAN EXPERTISE CAN RESPOND WELL TO OPEN NICHES—ESPECIALLY IN HONDURAN AGRICULTURE AND RESOURCE INDUSTRIES, AS WELL AS THE HEALTH, POWER AND WATER SECTORS, WHERE FUNDING IS AVAILABLE FROM THE IADB, W.B., AND CABEI (CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION), OR FROM CIDA UNDER CANADA'S AID PROGRAM.

Export and Investment Promotion Planning System

REPT: SYN-GEO 87/88 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 646 GUATEMALA

Market: 175 HONDURAS

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

1. 009 FOREST PRODUCTS, EQUIP, SERVICES

REASONS: INTEREST OF CDN FIRMS IN HONDURAN FORESTRY SECTOR IS OF LONG STANDING AND DIFFICULTIES EXPERIENCED LOCALLY OFFER EXCELLENT CHANCES FOR EMPLOYMENT OF CANADIAN CONSULTANTS.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 646 GUATEMALA

Market: 175 HONDURAS

Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	15.00M	\$ 12.00M	\$ 8.50M	\$ 8.00M
Canadian Exports \$	0.00M NA	\$ 0.15M	\$ 0.10M	\$ 0.15M
Canadian Share of Import Market	0.00% NA	0.01%	0.01%	0.01%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	070 %
ii) 093 DENMARK	004 %
iii) 047 BRAZIL	012 %
iv) 265 JAPAN	004 %
v) 128 GERMANY WEST	006 %
vi) 616 OTHER COUNTRIES	004 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector:

5-15 \$M

Current status of Canadian exports:

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) ENGINEERING SERVICES	\$ 0.00 M
ii) FIREFIGHTING EQUIP.	\$ 0.00 M
iii) SAWMILL EQUIPMENT	\$ 0.00 M
iv) VEHICLES	\$ 0.00 M
v) LOGGING EQUIPMENT	\$ 0.00 M
vi) TRAINING PROGRAMS	\$ 0.00 M
vii) TOOLS	\$ 0.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

Export and Investment Promotion Planning System

MISSION: 646 GUATEMALA

COUNTRY: 175 HONDURAS

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada
- other factor(s) described by the Trade Office as follows:
ACUTE SHORTAGE OF FOREIGN EXCHANGE AND THE LIMITED AVAILABILITY OF FOREIGN CREDIT.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: MAINTAIN CLOSE CONTACT WITH HONDURAN GOVERNMENT OFFICIALS REGARDING CONTRACT OPPORTUNITIES FOR THE REHABILITATION OF A \$200MN. FORESTRY COMPLEX.

Results Expected: CONSULTING/ENGINEERING CONTRACTS EQUIPMENT AND LONG-TERM MANAGEMENT CONTRACT.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		
Mission: 646 GUATEMALA		
Sector: 001 AGRI & FOOD PRODUCTS & SERVICE		
020 MISSION OUTGOING INCOMING ALTA/ONT. AGRO-INDUSTRIAL MISSIONS	GUATEMALA/HONDURAS	87
Sector: 006 ELECTRONICS EQUIP. & SERV		
020 MISSION OUTGOING TELECOMMUNICATIONS MISSION TO GUATEMALA, HONDURAS	GUATEMALA	0000
Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.		
010 FAIRS EXPOMOVIL	PANAMA	87
020 MISSION OUTGOING TRANSPORTATION MISSION TO GUATEMALA (RAIL)		0000
Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES		
020 MISSION OUTGOING FORESTRY MISSION	HONDURAS\	87
Sector: 010 MINE, METAL, MINERAL PROD & SRV		
020 MISSION OUTGOING FORESTRY MISSION TO HONDURAS, GUATEMALA	HONDURAS	0000
Sector: 013 CONSUMER PRODUCTS		
010 FAIRS EXPOCOMER	PANAMA	87
Sector: 016 INDUSTRIAL MACHIN, PLANTS, SERV.		
020 MISSION OUTGOING WATER AND SEWAGE MISSION TO GUATEMALA, HONDURAS	GUATEMALA	0000
Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 646 GUATEMALA		
Sector: 001 AGRI & FOOD PRODUCTS & SERVICE		
020 MISSION OUTGOING INCOMING ALTA/ONT. AGRO-INDUSTRIAL MISSION	GUATEMALA/HONDURAS	0688

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 646 GUATEMALA		
Sector: 005 COMM. & INFORM. EGP. & SERV		
020 MISSION OUTGOING COMPUTER PRODUCTS MISSION TO CENTRAL AM.	GUATEMALA/HONDURAS	0688
Sector: 007 POWER & ENERGY EQUIP. & SERV.		
020 MISSION OUTGOING INCOMING MISSION: ELEC. ENERGY DISTRIB. SECTOR	GUATEMALA/HONDURAS	0688
Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.		
010 FAIRS EXPOMOVIL	PANAMA	0689
Sector: 013 CONSUMER PRODUCTS		
010 FAIRS INTERFER	GUATEMALA	0688
EXPOCOMER	GUATEMALA	0688

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 647 QUITO

Country: 078 ECUADOR

THE POST'S ATTEMPTS TO MEET THE TRADE OBJECTIVES SET OUT IN THE 1986/87 OPERATIONAL PLAN WERE INFLUENCED SIGNIFICANTLY BY THE DRAMATIC DROP IN WORLD OIL PRICES AND THE EFFECT THIS DECLINE HAD ON ECUADORIAN REVENUES, INTERNATIONAL DEBT AND ECONOMIC GROWTH. THE IMPACT WAS PARTICULARLY ACUTE ON GOVERNMENT MINISTRIES AND AGENCIES THAT RECEIVE THEIR REVENUES FROM THE OIL REVENUES: CEPE, IETEL, INECEL, MINISTRY OF DEFENSE. AS A RESULT SOME OF THE POST'S PRIORITIES HAVE BEEN CHANGED. THESE CHANGES ARE REFLECTED IN THE PRIORITY SECTORS/SUBSECTORS IN THE 1987/88 PLAN.

IN EARLY AUGUST THE ECUADORIAN GOVERNMENT ANNOUNCED A SERIES OF MONETARY MEASURES DESIGNED TO INTER ALIA RATIONALIZE AND CONTROL THE AVAILABILITY OF CAPITAL, INFLATION AND FOREIGN EXCHANGE. ALTHOUGH IT IS PERHAPS TOO SOON TO EVALUATE THE MEDIUM/LONG TERM EFFECTS OF THESE MEASURES, THE SHORT TERM RESULTS ARE HIGH INTEREST RATES, DECLINING GROWTH OF CAPITAL INVESTMENT AND A STABLE FLOATING EXCHANGE RATE, ALBEIT AT A LEVEL APPROXIMATELY 30% HIGHER THAN THE PREVIOUS INTERVENTION RATE. IN ORDER TO MAINTAIN THE SUCRE AT ITS PRESENT LEVEL THE ECUADORIAN GOVERNMENT MUST MAINTAIN ITS PRESENT RESTRICTIVE MONETARY POLICY AT LEAST UNTIL THE WORLD OIL PRICES RISE TO A LEVEL SUFFICIENT TO JUSTIFY A RELAXATION OF THOSE POLICIES WITHOUT A RAPID DETERIORATION IN THE EXCHANGE RATE. BECAUSE OF THIS ECONOMIC SITUATION, PROCUREMENT BY PUBLIC ENTITIES FOR THE NEX 12/18 MONTHS WILL BE INFLUENCED INCREASINGLY BY THE AVAILABILITY OF INTERNATIONAL FINANCING - MULTILATERAL AND BILATERAL. CERTAIN PROJECTS OF SPECIAL INTEREST TO CANADIAN FIRMS - QUITO SLAUGHTERHOUSE AND COMPUTARIZED TRAFFIC CONTROL FOR EXAMPLE - PROBABLY WILL GO FORWARD ONLY WITH LONG-TERM FINANCING AT SOFT TERMS. THE MANAGERS OF THESE PROJECTS ARE ALSO LOOKING FOR FINANCING OF THE LOCAL COSTS. OIL/GAS EXPLORATION AND DEVELOPMENT WILL CONTINUE TO BE GIVEN TOP PRIORITY BY THE ECUADORIAN GOVERNMENT. FINANCING WILL BE SOUGHT MULTILATERALLY AND BILATERALLY, AND THIS SECTOR WILL BE THE MAJOR EXPORT PREOCCUPATION OF THE MISSION. AS ECONOMIC CIRCUMSTANCES CHANGE (ARGUABLY FOR THE BETTER), THE POST WILL TRY TO ADJUST BY RECOMMENDING TO CANADIAN FIRMS THE APPROPRIATE CHANGES IN MARKETING AND BY MAKING THE BEST USE OF DEPARTMENTAL PROGRAMMES.

Export and Investment Promotion Planning System

REPT: SYN-GEO 87/88 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 647 QUITO

Market: 078 ECUADOR

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

1. 011 OIL & GAS EQUIPMENT, SERVICES

REASONS: OIL/GAS SECTOR IS PRIORITY OF GOVT. -STATE-OWNED PETROLEUM COMPANY HAS ANNOUNCED EXPANSION PLANS -PRIVATE FIRMS ARE BEGINING EXPLORATION -AVAILABILITY OF EDC FINANCING -REPUTATION OF CDN SPLRS IS VERY GOOD.

2. 005 COMM. & INFORM. EQP. & SERV

REASONS: -STATE-OWNED ENTITY IS PLANNING NEW PROJS. -SIMILARITY OF TERRAIN MEANS CDN EQPT. MEETS ECUADORIAN NEEDS -DVLPMT PRIORITY OF ECUADORIAN GOVT. -EDC FINANCING IS AVAILABLE.

3. 008 TRANSPORT SYS, EQUIP, COMP, SERV.

REASONS: -ECUADORIAN GOVT HAS ANNOUNCED NEED FOR TRANSIT PLANNING IN QUITO/ GUAYAGUIL TO FOLLOW -CDN EXPERTISE WELL-KNOWN AND ACCEPTED -EDC FINANCING AVAILABLE.

4. 012 PETROCHEM & CHEM PROD, EQP, SERV

REASONS: -MAJOR IMPORTED PRODUCTS -CDN PRODUCTS SHOULD BE PRICE COMPETITIVE -PRIVATE SECTOR ACTIVITY IE. NOT POLITICALLY MOTIVATED.

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

1. 009 FOREST PRODUCTS, EQUIP, SERVICES

2. 010 MINE, METAL, MINERAL PROD & SRV

3. 001 AGRI & FOOD PRODUCTS & SERVICE

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 647 QUITO

Market: 078 ECUADOR

Sector: 005 COMM. & INFORM. EQPT. & SERV

Subsector: 053 TELECOMMUNICATIONS (INC SPACE)

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	45.00M	\$ 30.00M	\$ 22.60M	\$ 38.80M
Canadian Exports \$	2.00M	\$ 0.20M	\$ 0.18M	\$ 0.12M
Canadian Share of Import Market	4.40%	0.70%	0.80%	0.30%

Major Competing Countries

Market Share

i) 265 JAPAN	026 %
ii) 577 UNITED STATES OF AMERICA	015 %
iii) 047 BRAZIL	010 %
iv) 499 SPAIN	009 %
v) 237 ITALY	007 %
vi) 426 PERU	006 %

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

Current status of Canadian exports: No Export results to date

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) DIGITAL LINES EQPT/SERV.	\$ 10.00 M
ii) EARTH STATION	\$ 16.00 M
iii) MICROWAVE LINK EQPT/SERV.	\$ 4.00 M
iv) QUITO SWITCHING STN	\$ 5.00 M
v) TELECOM. TRANSMITTER/RECEIVER	\$ 6.00 M
vi) TELECOM DEVICES	\$ 7.00 M
vii) TELECOM CABLES	\$ 3.50 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: EARTH STATION - GUAYAQUIL
Approximate Value: \$ 16 M
Financing Source: 024 BC
For further info. please contact:
QUITO TLX 22622 DOMCAN ED

Export and Investment Promotion Planning System

MISSION: 647 QUITO

COUNTRY: 078 ECUADOR

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

ii) Project Name: MICROWAVE LINK QUITO - GUYAGUIL

Approximate Value: \$ 4 M

Financing Source: 024 BC

For further info. please contact:

QUITO TLX 22622 DOMCAN ED

iii) Project Name: DIGITAL LINES EXPANSION

Approximate Value: \$ 25 M

Financing Source: 024 BC

For further info. please contact:

QUITO TLX 22622 DOMCAN ED

iv) Project Name: QUITO SWITCHING STATN

Approximate Value: \$ 5 M

Financing Source: 024 BC

For further info. please contact:

QUITO TLX 22622 DOMCAN ED

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- other factor(s) described by the Trade Office as follows:

LACK OF AGGRESSIVENESS

LACK OF KNOWLEDGE OF PARTICULARITIES OF MARKET E.G. PUBLIC TENDERING REQUIREMENTS.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

Export and Investment Promotion Planning System

MISSION: 647 QUITO

COUNTRY: 078 ECUADOR

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: REPORT ON ECUADORIAN TELECOMMUNICATIONS SECTOR INCLUDING DESCRIPTION OF MAJOR PROJECTS, DATES, TENDERING PROCESS ETC.

Results Expected: HELP CDN COMPANIES BETTER UNDERSTAND PROJECTS AND SPECIFIC REQUIREMENTS. N

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

Activity: ENCOURAGE INDIVIDUAL CDN COYS PRESENTATIONS TO NATIONAL TELECOM COY (IETEL) OFFICIALS.

Results Expected: EDUCATE IETEL PROJECT LEADERS ON CDN TECHNOLOGY.

Activity: DEVELOP COMPREHENSIVE LIST OF TELECOM AGENTS.

Results Expected: RECOMMEND TO CDN COYS RELIABLE AND EXPERIENCED AGENTS.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 647 QUITO

Market: 078 ECUADOR

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

Subsector: 082 URBAN TRANSIT

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	20.00M	\$ 1.10M	\$ 0.20M	\$ 0.08M
Canadian Exports \$	15.00M	\$ 0.00M	\$ 0.00M	\$ 0.00M
Canadian Share of Import Market	75.00%	0.00%	0.00%	0.00%

Major Competing Countries

Market Share

i) 265 JAPAN	037 %
ii) 128 GERMANY WEST	008 %
iii) 047 BRAZIL	004 %
iv) 577 UNITED STATES OF AMERICA	003 %
v) 073 COLOMBIA	002 %

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

Current status of Canadian exports: No Export results to date

Products/services for which there are
good market prospects

Current Total Imports
In Canadian \$

i) TRAFFIC CONTROL SYSTEM QUITO EQPT	\$ 13.00 M
ii) URBAN TRANSIT SYSTEM QUITO EQPT/SERV.	\$ 25.00 M
iii) TRAFIC CONTROL SYSTEM GUAYAGUIL EQPT/SERV.	\$ 16.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: TRAFFIC CONTROL SYSTEM - QUITO
Approximate Value: \$ 13 M
Financing Source: 024 BC
For further info. please contact:
QUITO TLX 22622 DOMCAN ED

ii) Project Name: URBAN TRANSIT SYSTEM - QUITO
Approximate Value: \$ 25 M
Financing Source: 024 BC 001 IBRD
For further info. please contact:
QUITO TLX 22622 DOMCAN ED

Export and Investment Promotion Planning System

MISSION: 647 QUITO

COUNTRY: 078 ECUADOR

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- iii) Project Name: TRAFFIC CONTROL SYSTEM - GUAYAQUIL
Approximate Value: \$ 16 M
Financing Source: 024 BC
For further info. please contact:
QUITO TLX 22622 DOMCAN ED

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- participation in trade missions
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- strong sectoral capability in Canada

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: SUPPORT TECHNICAL ASSISTANCE FROM CANADA TO EXECUTING UNIT OF QUITO URBAN TRANSIT (UETUG) FOR PREMILINARY STUDY AND EVALUATION OF TRANSPORTATION SYSTEM.

Results Expected: POST WILL BE IN A POSITION TO ALERT CDN SUPPLIERS OF FUTURE OPPORTUNITIES IN THE SECTOR. A CDN STUDY SHOULD BIAS EQUIPMENT & SERVICE IN CDA'S DIRECTION .

Export and Investment Promotion Planning System

MISSION: 647 QUITO

COUNTRY: 078 ECUADOR

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: SUPPORT PREFEASABILITY STUDY FROM CDN COY (IBI) FOR TRAFFIC CONTROL SYSTEM IN GUAYAQUIL (CPPF).

Results Expected: POST WILL BE IN A POSITION TO ALERT CDN SUPPLIERS OF FUTURE OPPORTUNITIES IN THE SECTOR. A CDN STUDY SHOULD BIAS EQUIPMENT AND SERVICE IN CDA'S DIRECTION.

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

Activity: AS QUITO AND GUAYAQUIL PROJECTS DEVELOP THE POST WILL WATCH FOR APPROPRIATE TIMING TO RECOMMEND CDN SUPPLIERS THAT THEY INVITE MAJOR DECISION-MAKERS TO CDA TO SEE CDN TRAFFIC SYSTEMS.

Results Expected: TO CONVINCE ECUADORIAN TRAFFIC PLANNERS AND MUNICIPAL DECISION-MAKERS THAT CDN TRAFFIC TECHNOLOGY IS THE BEST FOR THEIR NEEDS.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 647 QUITO

Market: 078 ECUADOR

Sector: 011 OIL & GAS EQUIPMENT, SERVICES

Subsector: 116 MACHINERY AND EQUIPMENT

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	45.00M	\$ 44.00M	\$ 49.53M	\$ 17.10M
Canadian Exports \$	1.50M	\$ 0.20M	\$ 0.20M	\$ 0.00M
Canadian Share of Import Market	2.00%	0.40%	0.40%	0.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	049 %
ii) 265 JAPAN	037 %
iii) 001 ARGENTINA	004 %
iv) 237 ITALY	003 %
v) 047 BRAZIL	001 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) EQUIPMENT FOR AN LPG PLANT	\$ 0.00 M
ii) SPARE PARTS & ACCESORIES FOR DRILLING	\$ 20.00 M
iii) EQUIPMENT FOR ARTIFICIAL LIFTING	\$ 0.00 M
iv) EQUIPMENT FOR PIPELINES	\$ 0.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: GAS PLANT EQUIPMENT FOR LIBERTADOR FIELD
Approximate Value: \$ 10 M
Financing Source: 024 BC
For further info. please contact:
CANADIAN EMBASSY TLX 22622 DOMCAN ED

ii) Project Name: EQUIPMENT FOR CONSTRUCTION OF PIPELINE:
LIBERTADOR-MANTA & MONTEVERDE-PASCUALES
Approximate Value: \$ 10 M
Financing Source: 024 BC
For further info. please contact:
CANADIAN EMBASSY TLX 22622 DOMCAN ED

Export and Investment Promotion Planning System

MISSION: 647 QUITO

COUNTRY: 078 ECUADOR

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: EQUIPMENT(PUMPS-INSTRUMENTATION) FOR
TRANSECUADORIAN PIPELINE

Approximate Value: \$ 5 M
Financing Source: 025 OTHER 001 IBRD
For further info. please contact:
CANADIAN EMBASSY TLX 22622 DOMCAN ED

iv) Project Name: SCADA EQUIPMENT FOR ABOVE PIPELINES

Approximate Value: \$ 3 M
Financing Source: 024 BC 025 OTHER
001 IBRD
For further info. please contact:
CANADIAN EMBASSY TLX 22622 DOMCAN ED

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- other factor(s) described by the Trade Office as follows:
CANADIAN COMPANIES HAVE NOT BEEN SUFFICIENTLY AGGRESSIVE IN THIS MARKET. LACK OF FOLLOW UP.

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- strong sectoral capability in Canada

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- the adequacy of exporter information in Canadian Directories
- sourcing assistance from Canadian federal/provincial governments departments

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: NEGOTIATION OF EDC LINE OF CREDIT

Results Expected: INCREASE SALE OF PRODUCTS, EQUIPMENT AND SPARE PARTS TO CEPE.

Export and Investment Promotion Planning System

MISSION: 647 QUITO . .

COUNTRY: 078 ECUADOR

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

Activity: ELABORATION OF COMPREHENSIVE LIST OF AGENTS/DISTRIBUTORS

Results Expected: ASSIST MORE EFFECTIVELY CANADIAN EXPORTERS OF OIL AND GAS EQUIPMENT.

Activity: REPORT ON OIL/GAS SECTOR ACTIVITIES FOR 1988.

Results Expected: PROVIDE "EARLY WARNING" INFORMATION FOR CANADIAN EXPORTERS.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 647 QUITO

Market: 078 ECUADOR

Sector: 011 OIL & GAS EQUIPMENT, SERVICES

Subsector: 119 SERVICES INCLUDING CONSULTING

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	18.00M	\$ 17.00M	\$ 0.00M NA	\$ 0.00M NA
Canadian Exports \$	1.20M	\$ 0.10M	\$ 0.00M	\$ 0.00M
Canadian Share of Import Market	6.00%	0.50%	0.00% NA	0.00% NA

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	070 %
ii) 001 ARGENTINA	012 %
iii) 035 ROMANIA	008 %
iv) 616 OTHER COUNTRIES	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) SISMIC INTERPRETATION AND SISMIC	\$ 1.00 M
ii) SUPERVISION OF PIPELINE CONSTRUCTION	\$ 0.00 M
iii) SCADA	\$ 0.00 M
iv) GAS PLANT DESIGN AND ENGINEERING	\$ 0.00 M
v) COMPUTER SOFTWARE	\$ 0.10 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: GAS PLANT DESIGN AND ENGINEERING -
LIBERTADOR FIELD

Approximate Value: \$ 5 M

Financing Source: 024 BC

For further info. please contact:

CANADIAN EMBASSY TLX 22622 DOMCAN ED

ii) Project Name: SUPERVISION OF PIPELINE CONSTRUCTION
LIBERTAD-MANTA, MONTEVERDE-PASCUALES

Approximate Value: \$ 2 M

Financing Source: 024 BC

For further info. please contact:

CANADIAN EMBASSY TLX 22622 DOMCAN ED

Export and Investment Promotion Planning System

MISSION: 647 QUITO

COUNTRY: 078 ECUADOR

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: SCADA SYSTEMS FOR PIPELINE; ESMERALDAS-QUITO-AMBATO & SHUSHUFINDI-QUITO

Approximate Value: \$ 2 M

Financing Source: 024 BC

For further info. please contact:

CANADIAN EMBASSY TLX 22622 DOMCAN ED

iv) Project Name: COMPUTER SOFTWARE FOR OIL PRODUCTION

Approximate Value: \$.5 M

Financing Source: 024 BC

For further info. please contact:

CANADIAN EMBASSY TLX 22622 DOMCAN ED

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- other factor(s) described by the Trade Office as follows:
CANADIAN COYS HAVE NOT BEEN SIFFICIENTLY AGRESSIVE IN THIS MARKET
-LACK OF FOLLOW UP

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- strong sectoral capability in Canada

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- the adequacy of exporter information in Canadian Directories
- sourcing assistance from Canadian federal/provincial governments departments

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: REPORT ON OIL AND GAS SECTOR

Results Expected: INCREASED ASSISTANCE TO CDN EXPORTERS, FEDERAL AND PROVINCIAL REPS IN THEIR MARKETING EFFORTS

Export and Investment Promotion Planning System

MISSION: 647 QUITO

COUNTRY: 078 ECUADOR

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

Activity: ELABORATION OF COMPREHENSIVE LIST OF LOCAL CONSULTING PARTNERS AND AGENTS

Results Expected: FACILITATE JOINT VENTURE/ASSOCIATION PROCEDURES AND INCREMENT OF POSSIBILITIES FOR WINNING SERVICE CONTRACTS

Activity: REPORT ON OIL/GAS ACTIVITIES FOR 1988

Results Expected: PROVIDE "EARLY-WARNING" INFORMATION FOR CANADIAN EXPORTERS

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 647 QUITO

Market: 078 ECUADOR

Sector: 012 PETROCHEM & CHEM PROD, EQP, SERV

Subsector: 121 CHEM & PETROCHEM PRODUCTS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	82.30M	\$ 74.80M	\$ 68.20M	\$ 24.50M
Canadian Exports \$	2.10M	\$ 1.80M	\$ 0.74M	\$ 0.52M
Canadian Share of Import Market	2.60%	2.30%	1.10%	2.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	049 %
ii) 047 BRAZIL	016 %
iii) 128 GERMANY WEST	014 %
iv) 073 COLOMBIA	005 %
v) 112 FRANCE	003 %
vi) 001 ARGENTINA	002 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector:

5-15 \$M

Current status of Canadian exports:

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) POLYETHYLENE	\$ 1901.00 M
ii) PVC	\$ 13.30 M
iii) POLYPROPYLENE	\$ 5.20 M
iv) POLYEATYRENE	\$ 3.20 M
v) ALKYL BENZENES	\$ 3.40 M
vi) OTHER ARTIF. RESINS	\$ 5.60 M
vii) CELLULOSE	\$ 3.10 M
viii) WASTE ARTIF. RESINS	\$ 2.40 M
ix) DIAGNOSTIC CHEMICALS	\$ 1.80 M
x) CELLULOSE NITRATE	\$ 1.20 M

Export and Investment Promotion Planning System

MISSION: 647 QUITO

COUNTRY: 078 ECUADOR

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

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

Activity: CONDUCT IN-DEPTH MARKET RESEARCH IN CHEMICAL SECTOR.

Results Expected: IDENTIFY OPPORTUNITIES TO HELP SOURCING AGENCIES PROVIDE DETAILED UP-TO-DATE INFO ON SECTOR.

Activity: ELABORATE LIST OF MAJOR IMPORTERS/USERS/AGENTS IN CHEM. SECTOR, SPECIALLY PLASTIC RESINS.

Results Expected: PROVIDE CDN COYS INFO ON MAIN CONTACTS AND AGENTS IN AREA.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		

Mission: 647 QUITO

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

024 MISSION INCOMING
RAIL/TRANSIT MISSION FROM ECUADOR

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		

Mission: 647 QUITO

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

024 MISSION INCOMING MINISTERIAL AGRICULTURAL MISSION	OTTAWA/MTL/WINNIPEG	1088
--	---------------------	------

Sector: 004 DEFENCE PROGRAMS, PRODUCTS, SERV

020 MISSION OUTGOING DEFENCE PRODUCTS MISSION	QUITO	0788
--	-------	------

Sector: 005 COMM. & INFORM. EQP. & SERV

020 MISSION OUTGOING TELECOMMUNICATIONS MISSION	QUITO/GUAYAGUIL	0689
--	-----------------	------

Sector: 007 POWER & ENERGY EQUIP. & SERV.

020 MISSION OUTGOING ELECTRICAL ENERGY MISSION	QUITO	0289
---	-------	------

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

024 MISSION INCOMING URBAN TRANSIT MISSION	VICVER/EDMON/TORONTO	0688
---	----------------------	------

Sector: 010 MINE, METAL, MINERAL PROD & SRV

020 MISSION OUTGOING MINING MISSION	QUITO	1189
--	-------	------

Sector: 016 INDUSTRIAL MACHIN, PLANTS, SERV.

020 MISSION OUTGOING INDUSTRIAL TOOLS AND HARDWARE MISSION	QUITO/GUAYAGUIL	0390
---	-----------------	------

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 653 HAVANA

Country: 083 CUBA

CURRENTLY, CUBA IS IN A VERY TIGHT FINANCIAL SITUATION DUE MAINLY TO WEAK SUGAR AND PETROLEUM MARKET AND TO THE DROP OF THE DOLLAR VALUE. THIS HAD FORCED CUBA TO BE LATE ON SOME COMMERCIAL PAYMENTS AND TO ASK (SUMMER 1986) FOR A RESCHEDULING OF ITS GENERAL DEBT REPAYMENT. CUBA'S SOURCES OF HARD CURRENCY (MOST OF THIS EXPORT TRADE IS DONE IN \$U.S.) PETROLEUM 42% (RE-EXPORTS OF SOVIET OIL), SUGAR 14%, TOBACCO 8%, TOURISM 8%, SEAFOOD PRODUCTS 8%, OTHERS 20%. FOR 87/88, OUR FORECASTS ARE: 1) PRICE OF PETROLEUM MAY IMPROVE IN 1987; 2) QUANTITIES OF PETROLEUM AVAILABLE FOR RE-EXPORT SHOULD NOT CHANGE SIGNIFICANTLY; 3) PRICE OF SUGAR FELL FROM 9 CENTS/LB. IN MAY '86 TO 4 CENTS/LB. IN OCTOBER '86 AND SHOULD STABILIZE AT SOMEWHAT INCREASED LEVELS; 4) DUE TO CURRENT DROUGHT (RAIN WAS 45% BELOW NORMAL IN SUMMER OF 86), THE SUGAR CROP IS NOT EXPECTED TO IMPROVE OVER LAST YEAR'S 7.0 - 7.3 MN TONS OUTPUT; 5) THE LEVEL OF THE U.S. DOLLAR WILL ALSO AFFECT THE VALUE OF CUBA'S FOREIGN EXCHANGE EARNINGS AND ITS REMITTANCES. IMPROVEMENT OF THE OVERALL SITUATION WILL DEPEND LARGELY UPON THE INTERNATIONAL PRICES OF OIL AS AFFECTS CUBAN RESALE OF SOVIET OIL. IMPLICATIONS FOR TRADE ARE THAT WE EXPECT ALL INVESTMENT PROJECTS TO BE POSTPONED TO AN UNDETERMINED DATA UNLESS: 1) THE PROJECT BRINGS A FAIR AMOUNT OF HARD CURRENCY AND 2) LONG TERM FINANCING IS AVAILABLE. THE TREND IS NOW TO MAINTAIN AND RATIONALIZE EXISTING INSTALLATIONS RATHER THAN BUILDING NEW FACILITIES. THEREFORE, PROSPECTS FOR CAPITAL PROJECTS ARE LOW BUT PROSPECTS FOR TECHNICAL ASSISTANCE AND EQUIPMENT IN EXISTING INSTALLATIONS ARE GOOD. THESE TWO AREAS HAVE BEEN AMONG CANADA'S TRADITIONAL FIELDS OF ACTIVITY.

Export and Investment Promotion Planning System

REPT: SYN-GEO 87/88 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 653 HAVANA

Market: 083 CUBA

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

1. 005 COMM. & INFORM. EQP. & SERV

REASONS: IN CUBAN EMPRESAS' POINT OF VIEW IMPROVING COMMUNICATIONS IS SEEN AS A GOOD WAY TO IMPROVE EFFICIENCY. TOURISM SECTOR REQUIRES GOOD TELEPHONE EQUIPMENT IN HOTELS.

2. 010 MINE, METAL, MINERAL PROD & SRV

REASONS: NICKEL PROD'N AND EXPORTS IS A HIGH PRIORITY DUE TO EXPORT OBLIGATIONS TO EASTERN BLOC AND DESIRE TO EXPORT TO WESTERN COUNTRIES. PRODUCTION CAN BE GREATLY INCREASED BY PROCUREMENT OF NEW EQUIPMENT.

3. 007 POWER & ENERGY EQUIP. & SERV.

REASONS: ALL EQUIPMENT IS OLD AND DUE TO BE REFURBISHED. AS IT IS ALL NORTH AMERICAN EQUIPMENT INSTALLED BEFORE THE REVOLUTION, WE HAVE AN ADVANTAGE OVER EUROPE BECAUSE WE MEET SAME STANDARDS.

4. 015 CONSTRUCTION INDUSTRY

REASONS: EXISTING TOURIST INFRASTRUCTURE USED TO FULL CAPACITY. HOWEVER CDA HAS GOOD MARKET SHARE. CUBA PLACES PRIORITY ON TOURISM AS HARD CURRENCY SOURCE.

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

1. 003 GRAINS AND OILSEEDS
2. 009 FOREST PRODUCTS, EQUIP, SERVICES
3. 010 MINE, METAL, MINERAL PROD & SRV

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 653 HAVANA

Market: 083 CUBA

Sector: 005 COMM. & INFORM. EGP. & SERV

Subsector: 053 TELECOMMUNICATIONS (INC SPACE)

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	0.00M NA	\$ 0.00M NA	\$ 0.00M NA	\$ 0.00M NA
Canadian Exports \$	8.00M	\$ 4.00M	\$ 2.00M	\$ 2.00M
Canadian Share of Import Market	0.00% NA	0.00% NA	0.00% NA	0.00% NA

Major Competing Countries

Market Share

i) 607 COMECON	080 %
ii) 499 SPAIN	005 %
iii) 001 ARGENTINA	005 %
iv) 265 JAPAN	005 %
v) 616 OTHER COUNTRIES	005 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) TELEPHONE NETWORK	\$ 0.00 M
ii) RADIO-COMM. EQUIPMENT	\$ 0.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: TELEPHONE SYSTEM FOR 60 HOTELS
Approximate Value: \$ 15 M
Financing Source: 023 EDC
For further info. please contact:
CDN EMBASSY HAVANA TLX# 28-511586

ii) Project Name: TELEPHONE NETWORK FOR MINAG
Approximate Value: \$ 20 M
Financing Source: 023 EDC
For further info. please contact:
CDN EMBASSY HAVANA TLX# 28-511586

Export and Investment Promotion Planning System

MISSION: 653 HAVANA

COUNTRY: 083 CUBA .

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: TELEPHONE SYSTEM FOR RAILWAY

Approximate Value: \$ 3 M

Financing Source: 023 EDC

For further info. please contact:

CDN EMBASSY HAVANA TLX# 28-511586

iv) Project Name: RADIO COMMUNICATIONS EQUIPMENT FOR SUGAR INDUSTRY

Approximate Value: \$ 5 M

Financing Source: 023 EDC

For further info. please contact:

CDN EMBASSY HAVANA TLX# 28-511586

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- non-tariff protectionist measures which are difficult to overcome
- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade missions
- use of Canadian Government export promotion activities
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

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

Activity: HAVE TWO MAJOR CANADIAN COMMUNICATIONS FIRMS ORGANIZE TECHNICAL SEMINARS IN CUBA.

Results Expected: IMPROVE THEIR RELATIONSHIP WITH CLIENTS.

Export and Investment Promotion Planning System

MISSION: 653 HAVANA

COUNTRY: 083 CUBA

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

Activity: HOST INFORMAL LUNCHEES WITH CUBAN EMPRESAS IN COMMUNICATIONS FIELD.

Results Expected: IMPROVE OUR RELATIONSHIP WITH CUBANS.

Activity: GIVE SUBSCRIPTIONS OF SPECIALIZED CANADIAN MAGAZINES TO CUBAN OFFICIALS.

Results Expected: IMPROVE AWARENESS OF CANADIAN CAPABILITIES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 653 HAVANA

Market: 083 CUBA

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	0.00M NA	\$ 0.00M NA	\$ 0.00M NA	\$ 0.00M NA
Canadian Exports \$	10.00M	\$ 5.00M	\$ 4.80M	\$ 2.60M
Canadian Share of Import Market	0.00% NA	0.00% NA	0.00% NA	0.00% NA

Major Competing Countries

Market Share

- | | |
|-------------------------|-------|
| i) 607 COMECON | 085 % |
| ii) 616 OTHER COUNTRIES | 015 % |

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) TRANSFORMERS	\$ 0.00 M
ii) LIGHTING EQUIPMENT	\$ 0.00 M
iii) TURBINES	\$ 0.00 M
iv) SWITCH GEARS	\$ 0.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: STEAM GENERATION PROJECT , CAMILO
CIENFUEGOS

Approximate Value: \$ 25 M

Financing Source: 023 EDC

For further info. please contact:

CDN EMBASSY HAVANA TLX 28-511586

- ii) Project Name: REPLACEMENT OF WESTINGHOUSE CDA
ELECTRICAL GENERATING EQUIPMENT

Approximate Value: \$ 5 M

Financing Source: 023 EDC

For further info. please contact:

CDN EMBASSY HAVANA TLX# 28-511586

Export and Investment Promotion Planning System

MISSION: 653 HAVANA

COUNTRY: 063 CUBA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: LIGHTING PROJECT
(MAINLY LIGHTOLIER)
Approximate Value: \$ 5 M
Financing Source: 023 EDC
For further info. please contact:
CDN EMBASSY HAVANA TLX # 28-511586

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- non-tariff protectionist measures which are difficult to overcome
- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- strong sectoral capability in Canada

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

Activity: CONSUMIMPORT BUYING TRIP TO CANADA.

Results Expected: ESTABLISH CONTACTS AND MAKE SOME SALES
(\$1 MILLION).

Activity: HOST INFORMAL LUNCHEES WITH CUBAN BUYERS.

Results Expected: IMPROVE OUR RELATIONSHIP WITH CUBAN BUYERS.

02/03/87

DEPARTMENT OF EXTERNAL AFFAIRS

Page: 335

Export and Investment Promotion Planning System

MISSION: 653 HAVANA

COUNTRY: 083 CUBA

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

Activity: GIVE SUBSCRIPTIONS OF SPECIALIZED CANADIAN MAGAZINES TO CUBAN OFFICIALS.

Results Expected: IMPROVE CUBAN KNOWLEDGE OF CANADIAN CAPABILITIES.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 653 HAVANA

Market: 083 CUBA

Sector: 010 MINE, METAL, MINERAL PROD & SRV

Subsector: 106 EQUIPMENT AND MACHINERY

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	0.00M NA	\$ 0.00M NA	\$ 0.00M NA	\$ 0.00M NA
Canadian Exports \$	7.00M	\$ 4.00M	\$ 1.00M	\$ 1.00M
Canadian Share of Import Market	0.00% NA	0.00% NA	0.00% NA	0.00% NA

Major Competing Countries

Market Share

i) 607 COMECON	080 %
ii) 499 SPAIN	005 %
iii) 349 MEXICO	005 %
iv) 051 UNITED KINGDOM	005 %
v) 616 OTHER COUNTRIES	005 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) NICKEL SLURRY THICKENER MECHANISM	\$ 0.00 M
ii) MINING EXPLORATION EQUIP.	\$ 0.00 M
iii) DRILLING EQUIPMENT	\$ 0.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: NICKEL SLURRY THICKNERS
Approximate Value: \$ 7 M
Financing Source: 023 EDC
For further info. please contact:
CDN EMBASSY HAVANA TLX3 28-511586

Export and Investment Promotion Planning System

MISSION: 653 HAVANA

COUNTRY: 083 CUBA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- exports of certain products or services to this country are subject to Canadian export controls
- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- difficulties of adaptation of marketing techniques to the market by some Canadian companies
- non-tariff protectionist measures which are difficult to overcome
- difficulties in obtaining credit facilities in Canada

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- strong sectoral capability in Canada

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

Activity: EMR-PROPOSED NICKEL INDUSTRY MISSION TO CUBA.

Results Expected: EXPANDED EXPOSURE TO CUBAN DECISION MAKERS IN MINING SECTORS.

Activity: GIVE SUBSCRIPTIONS OF CANADIAN MINING MAGAZINES TO CUBAN OFFICIALS.

Results Expected: INCREASE CUBAN AWARENESS OF CANADIAN CAPABILITIES.

Activity: ENCOURAGE CANADIAN SUPPLIERS TO ORGANIZE TECHNICAL SEMINARS IN CUBA.

Results Expected: EXPANDED EXPOSURE TO CUBAN DECISION MAKERS.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 653 HAVANA

Market: 083 CUBA

Sector: 015 CONSTRUCTION INDUSTRY

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	0.00M NA	\$ 0.00M NA	\$ 0.00M NA	\$ 0.00M NA
Canadian Exports \$	6.00M	\$ 4.00M	\$ 0.00M	\$ 0.00M
Canadian Share of Import Market	0.00% NA	0.00% NA	0.00% NA	0.00% NA

Major Competing Countries

Market Share

i) 607 COMECON	080 %
ii) 001 ARGENTINA	005 %
iii) 499 SPAIN	005 %
iv) 616 OTHER COUNTRIES	010 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports
In Canadian \$

i) BUILDING MATERIALS AND EQUIPMENT	\$ 0.00 M
ii) ENG. SERVICES	\$ 0.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: HOTEL PROJECT IN VARADERO
Approximate Value: \$ 19 M
Financing Source: 023 EDC
For further info. please contact:
CDN EMBASSY HAVANA TLX#28-511586

ii) Project Name: SECOND TERMINAL AT HAVANA AIRPORT
Approximate Value: \$ 10 M
Financing Source: 023 EDC
For further info. please contact:
CDN EMBASSY HAVANA TLX# 28-511586

Export and Investment Promotion Planning System

MISSION: 653 HAVANA

COUNTRY: 083 CUBA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: NEW AIRPORT AT VARADERO
Approximate Value: \$ 7 M
Financing Source: 023 EDC
For further info. please contact:
CDN EMBASSY HAVANA TLX# 28-511586

iv) Project Name: SMALL AIRPORTS - EXPANSION
Approximate Value: \$ 3 M
Financing Source: 023 EDC
For further info. please contact:
CDN EMBASSY HAVANA TLX# 28-511586

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive financing from Canada
- non-tariff protectionist measures which are difficult to overcome
- difficulties in obtaining credit facilities in Canada
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- the availability of competitive Canadian financing

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

Activity: GIVE SUBSCRIPTIONS OF CANADIAN INDUSTRY DIRECTORIES AND SPECIALIZED MAGAZINES.

Results Expected: IMPROVE AWARENESS OF CANADIAN CAPABILITIES.

Export and Investment Promotion Planning System

MISSION: 653 HAVANA

COUNTRY: 083 CUBA

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

Activity: PRIORITY SECTOR FOR HOSPITALITY FUNCTIONS.

Results Expected: IMPROVE EMBASSY RELATIONSHIP WITH CUBAN
DECISION-MAKERS.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		
Mission: 653 HAVANA		
Sector: 006 ELECTRONICS EQUIP. & SERV		
020 MISSION OUTGOING OFFICE EQUIP. MISSION TO CUBA	HAVANA	0587
024 MISSION INCOMING OFFICE EQPT. BUYERS MISSION FM CUBA TO SIBEC ELECTRONICS & COMMUNICATIONS EQUIP. BUYERS MISS. FM TORONTO	MONTREAL	1087 0987
Sector: 010 MINE, METAL, MINERAL PROD & SRV		
010 FAIRS HEALTH FOR ALL EXHIBITION.	HAVANA, CUBA	HAVANA 0487
020 MISSION OUTGOING PACKAGING MISSION TO CUBA	TO HAVANAPAK '87 HAVANA	1287
024 MISSION INCOMING PACKAGING EQUIP. BUYERS MISS. FM CUBA TO NATL PACK TORONTO		1087
Sector: 014 EDUCATION, MEDICAL, HEALTH PROD		
010 FAIRS HEALTH FOR ALL SHOW	HAVANA	1287
Sector: 016 INDUSTRIAL MACHIN. PLANTS, SERV.		
020 MISSION OUTGOING AGRICULTURAL MACHINERY MISSION TO CUBA	HAVANA	0987
024 MISSION INCOMING ELECTRICAL EQUIP. BUYERS MISS. FROM CUBA TO ELECTRE ELECTRICAL EQPT. BUYERS MISS. FM CUBA TO ELECTREX HEATING & AIR CONDITIONING MISS. FM CUBA TO CDN HARDWARE MISSION FROM CUBA TO CANADIAN HARDWARE SH FARM MACHINERY MISSION FM CUBA TO CANADA FARM SHOW	MONTREAL QUEBEC TORONTO TORONTO	0987 0987 0388 0288 0188

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 653 HAVANA		
Sector: 005 COMM. & INFORM. EQP. & SERV		
024 MISSION INCOMING RADIOCOMM TRADE SHOW	QUEBEC CITY	0588

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 653 HAVANA		
Sector: 007 POWER & ENERGY EQUIP. & SERV.		
024 MISSION INCOMING		
ELECTREX ONTARIO TRADE SHOW	TORONTO	1088
ELECTREX QUEBEC TRADE SHOW	MONTREAL	0989
Sector: 009 FOREST PRODUCTS, EQUIP. SERVICES		
024 MISSION INCOMING		
FOREST EQUIPMENT MISSION		0688
EXFOR '89 TRADE SHOW	MONTREAL	0190
EXFOR '89 TRADE SHOW	MONTREAL	0189
Sector: 010 MINE, METAL, MINERAL PROD & SRV		
024 MISSION INCOMING		
CDN MINING & IND'L EGPT. MISSION	SUDBURY	0489
Sector: 014 EDUCATION, MEDICAL, HEALTH PROD		
010 FAIRS		
SALUD PARA TODOS	HAVANA	1288
Sector: 015 CONSTRUCTION INDUSTRY		
024 MISSION INCOMING		
HOSTEX '89 TRADE SHOW	TORONTO	0489
HOSTEX '88 TRADE SHOW	TORONTO	0488
Sector: 999 MULTIPLE SECTORS		
010 FAIRS		
HAVANA INTERNATIONAL FAIR	HAVANA	1189
HAVANA INTERNATIONAL FAIR	HAVANA	1188

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 656 PORT-OF-SPAIN

Country: 543 TRINIDAD AND TOBAGO

WE HAVE SEEN. A MARKED DECLINE IN OUR EXPORTS OF NONESSENTIAL FOODSTUFFS & CANNED GOODS, BUT A DRAMATIC INCREASE IN EXPORTS OF BASIC FOODSTUFFS FOR FURTHER PROCESSING & PACKAGING LOCALLY (SKIM MILK POWDER, POTATOES CHEESE, PULSES & FISH). THIS MKT SHLD CONTINUE TO GROW. THE RECESSION CAUSED BY THE DECLINE OF OIL PRICES HAS AFFECTED THE CONSTRUCTION IND. & CURTAILED OUR TRADIT'L EXPORTS OF BLDG SUPPLIES. THERE WILL STILL BE A SMALL MKT FOR PLUMBING SUPPLIES, DECORATIVE PANELS, LUMBER, BUT NO TURNAROUND IN THE FORESEEABLE FUTURE. THERE MIGHT BE AN OPPORT. FOR INSTALLING A CABLEVISION DISTRIBUTION SYST. ONE CDN PROPOSAL IS CURRENTLY BEING CONSIDERED. THE GOVT OF TRINIDAD & TOBAGO IS LIKELY TO GRANT A CONTRACT TO A CDN COMPANY TO SUPPLY A COMPLETE RADAR SYSTEM. A DECISION IS EXPECTED BY THE BEGINNING OF '87. THE MKT FOR OIL & GAS EQPT. WILL CONTINUE MODEST DUE TO CUTBACKS IN PRODUCTION & EXPLORATION. AREAS OF EXCELLENT POTENTIAL ARE 1)FOOD HANDLING & FOOD PROCESSING EQPT. & 2)PLASTIC IND. EQPT & SRVCS. THE POST WILL PREPARE REPORTS ON OPPORT. IN THESE SECTORS. MOST STATE-OWNED COS HAVE HAD BUDGETS CUT & IN THE LAST YR HAVE HAD VIRTUALLY NO FUNDS FOR CAPITAL EXPEND. ALL STATE COS, WITH FEW EXCEPTIONS, HAVE INCURRED SEVERE LOSSES ON OPERATIONS & MANY ARE THREATENED WITH DRASTIC CUTBACKS OR TOTAL CLOSURE. CARIBCAN HAS BEEN WIDELY PUBLICIZED IN TRINIDAD & THE CONCEPT GENER'LY WELL REC'D BY BOTH THE GOVT & THE PRIV. SECTOR. CARIBCAN IS RELATIVELY NEW BUT FEEDBACK TO DATE SEEMS ENCOURAGING PARTICULARLY FOR THE FORMATION OF JOINT VENTURES WITH A VIEW TO EXPORTING RAW MATERIALS & SEMI-FINISHED PRODS FOR FINAL PROCESSING IN TRINIDAD TO RE-EXPORT TO CARICOM & CDA. WE ARE WORKING WITH T & T EXPORT DEV. CORP. TO ORGANIZE AN INCOMING MISSION OF MFTRS INTERESTED IN SOURCING CDN PRODS & FINDING CDN PRTNRS TO TAKE ADVANTAGE OF CARIBCAN. THE POST WILL CONTINUE TO SEEK CLOSER CONTACTS WITH OFFICIALS OF THE CARICOM SECRETARIAT IN GEORGETOWN. EXPORT IS NOT SIGNIFICANT.

Export and Investment Promotion Planning System

REPT: SYN-GEO

87/88

A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 656 PORT-OF-SPAIN

Market: 543 TRINIDAD AND TOBAGO

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE
REASONS: COMPETITIVE PRICES VIS-A-VIS U. S. SOURCES. DIRECT SHIPPING LINKS FROM CANADA. HISTORICAL TRADE CONTACTS. CONSUMER ACCEPTANCE & DEMAND FOR KNOWN CANADIAN BRAND NAMES.
2. 002 FISHERIES, SEA PRODUCTS & SERV.
REASONS: COMPETITIVE PRICES VIS-A-VIS U. S. SOURCES. DIRECT SHIPPING LINKS FM CANADA. HISTORICAL TRADE CONTACTS. CONSUMER ACCEPTANCE AND DEMAND FOR KNOWN CANADIAN BRAND NAMES.
3. 012 PETROCHEM & CHEM PROD, EQP, SERV
REASONS: COMPETITIVE PRICING ON ACCOUNT OF FAVOURABLE EXCHANGE RATE. LOCAL KLDGE OF CDN CAPABILITIES IN PLASTICS SECTOR. EXCELLENT SERVICE BACK-UP. GOVT DIRECTION AND SUPPORT FOR GREATER ACTIVITY IN LOCAL PLASTICS INDUSTRY.
4. 011 OIL & GAS EQUIPMENT, SERVICES
REASONS: CANADIAN TRAINED PETROLEUM ENGINEERS. SUPERIOR CANADIAN TECHNOLOGY IN SPECIFIC AREAS.

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE
2. 002 FISHERIES, SEA PRODUCTS & SERV.
3. 012 PETROCHEM & CHEM PROD, EQP, SERV
4. 011 OIL & GAS EQUIPMENT, SERVICES
5. 005 COMM. & INFORM. EQP. & SERV

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 656 PORT-OF-SPAIN

Market: 543 TRINIDAD AND TOBAGO

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	367.00M	\$ 376.00M	\$ 408.00M	\$ 580.00M
Canadian Exports \$	55.00M	\$ 52.00M	\$ 50.00M	\$ 62.00M
Canadian Share of Import Market	15.00%	14.00%	12.00%	11.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	038 %
ii) 609 EUROPEAN COMMON MARKET C	018 %
iii) 011 AUSTRALIA	014 %
iv) 370 NEW ZEALAND	009 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) SEMI-PROCESSED AND PROCESSED FOOD	\$ 4.60 M
ii) VEGETABLES (POTATOES)	\$ 3.40 M
iii) PULSES (DRIED PEAS)	\$ 1.50 M
iv) PIG BREEDING STOCK	\$ 2.00 M
v) FOOD HANDLING & PROCESSING EQUIPMENT	\$ 0.30 M
vi) MEAT AND MEAT BY-PRODUCTS	\$ 2.90 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: CHARLIE'S MEAT INTEGRATED MEAT PROCESSING PLANT.

Approximate Value: \$ 5 M

Financing Source: 012 DOM

For further info. please contact:

H. J. KUNZER (809)623-7254/8

Export and Investment Promotion Planning System

MISSION: 656 PORT-OF-SPAIN

COUNTRY: 543 TRINIDAD AND TOBAGO

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:

FOREIGN EXCHANGE RESTRICTIONS.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CANADIAN PROPOSALS FOR SEVERAL ABATTOIRS AND MEAT PROCESSING FACILITIES IN BOTH TRINIDAD AND TOBAGO ARE CURRENTLY BEING EVALUATED BY CLIENTS.

Results Expected: INCREASED EXPORTS OF CANADIAN BREEDING STOCK AND BEEF CARCASSES AND MEAT PROCESSING EQUIPMENT.

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

Activity: MATURE AND GROWING MARKET WITH ESTABLISHED EXPORTERS INCREASING THEIR SALES AND MARKET SHARE. POST WILL CONTINUE TO PROVIDE MAXIMUM SUPPORT.

Results Expected: INCREASED EXPORTS.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 656 PORT-OF-SPAIN

Market: 543 TRINIDAD AND TOBAGO

Sector: 002 FISHERIES, SEA PRODUCTS & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	22.00M	\$ 20.00M	\$ 18.00M	\$ 22.00M
Canadian Exports \$	15.00M	\$ 12.00M	\$ 11.00M	\$ 15.00M
Canadian Share of Import Market	68.00%	60.00%	61.00%	68.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	015 %
ii) 265 JAPAN	010 %
iii) 051 UNITED KINGDOM	005 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) COD, SALTED	\$ 3.60 M
ii) HERRING BLOATERS	\$ 0.50 M
iii) DRY SALTED POLLOCK	\$ 0.60 M
iv) CANNED FISH - SARDINES	\$ 3.70 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- the apparent limited sectoral capability in Canada compared to other competing export countries
- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:
FOREIGN EXCHANGE RESTRICTIONS, INABILITY OF CANADIAN PRODUCERS TO SATISFY DEMAND FOR COD.

Export and Investment Promotion Planning System

MISSION: 656 PORT-OF-SPAIN

COUNTRY: 543 TRINIDAD AND TOBAGO

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- competitive export pricing for this market
- Canada's position as one of the few major sources of international supply
- strong sectoral capability in Canada

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

Activity: MATURE MARKET - INCREASING DEMAND FOR COD ON ACCOUNT OF LOWER PER CAPITA INCOME IN TRINIDAD WHICH CANADA IS UNABLE TO FULFIL.

Results Expected: NO COMMENTS PROVIDED BY THE MISSION.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 656 PORT-OF-SPAIN

Market: 543 TRINIDAD AND TOBAGO

Sector: 011 OIL & GAS EQUIPMENT, SERVICES

Subsector: 116 MACHINERY AND EQUIPMENT

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	0.00M	\$ 0.00M	\$ 0.00M	\$ 0.00M
Canadian Exports \$	0.80M	\$ 0.50M	\$ 1.00M	\$ 1.20M
Canadian Share of Import Market	0.00%	0.00%	0.00%	0.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA

095 %

Cumulative 3 year export potential for CDN products
in this Sector/Subsector:

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports

In Canadian \$

- i) PUMPS & PUMPING SYSTEMS
- ii) PETROLEUM & GAS PRODUCTION MACHINERY
- iii) VALVES/FITTINGS

\$ 0.20 M

\$ 1.00 M

\$ 0.30 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by
some Canadian companies
- other factor(s) described by the Trade Office as follows:
 - DOWNTURN IN OIL INDUSTRY. - DISTANCE FROM EQUIPMENT PRODUCERS.
 - TRADITIONAL SOURCING IN HOUSTON.

Export and Investment Promotion Planning System

MISSION: 656 PORT-OF-SPAIN

COUNTRY: 543 TRINIDAD AND TOBAGO

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of provincial governments export promotion activities
- strong sectoral capability in Canada

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: CONTINUE STUDY OF OTHER OIL AND GAS EQUIPMENT MARKETS, PIPELINE, REFINERY, OFFSHORE DRILLING.

Results Expected: REPORT BY SEPT. 1987.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 656 PORT-OF-SPAIN

Market: 543 TRINIDAD AND TOBAGO

Sector: 012 PETROCHEM & CHEM PROD, EGP, SERV

Subsector: 123 PLASTICS PRODUCTS, EQUIP, SERVIC

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	45.00M	\$ 50.00M	\$ 55.00M	\$ 60.00M
Canadian Exports \$	4.00M	\$ 3.00M	\$ 2.70M	\$ 3.10M
Canadian Share of Import Market	8.00%	6.00%	5.00%	5.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	000 %
ii) 237 ITALY	000 %
iii) 051 UNITED KINGDOM	000 %
iv) 265 JAPAN	000 %
v) 128 GERMANY WEST	000 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

	In Canadian \$
i) POLYETHYLENE RESINS	\$ 0.80 M
ii) PLASTIC FILM & SHEETS	\$ 0.60 M
iii) FABRICATED PLASTIC INDS.	\$ 0.40 M
iv) DIES & MOULDS FOR PLASTICS MACHINERY	\$ 0.70 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate

Export and Investment Promotion Planning System

MISSION: 656 PORT-OF-SPAIN

COUNTRY: 543 TRINIDAD AND TOBAGO

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- the apparent limited sectoral capability in Canada compared to other competing export countries
- non-tariff protectionist measures which are difficult to overcome
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:

FOREIGN EXCHANGE RESTRICTIONS

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: COMPREHENSIVE MARKET STUDY

Results Expected: BETTER UNDERSTANDING OF THE PLASTICS INDUSTRY IN TRINIDAD AND OF AREAS WHERE DEMAND EXISTS.

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

Activity: CORPORATE LIAISON WITH ALL SIGNIFICANT PLASTICS MANUFACTURERS IN TERRITORY.

Results Expected: BETTER UNDERSTANDING OF THE PLASTICS INDUSTRY IN TRINIDAD AND OF AREAS WHERE DEMAND EXISTS.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		
Mission: 656 PORT-OF-SPAIN		
Sector: 999 MULTIPLE SECTORS		
020 MISSION OUTGOING OUTGOING CARIBCAN OPPORTUNITIES MISSION	TRINIDAD & TOBAGO	0987
Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 656 PORT-OF-SPAIN		
Sector: 001 AGRI & FOOD PRODUCTS & SERVICE		
020 MISSION OUTGOING OUTGOING FOOD HANDLING & FOOD PROCESS. EQUIP. MISS.	TRINIDAD & TOBAGO	0688
Sector: 012 PETROCHEM & CHEM PROD, EGP, SERV		
020 MISSION OUTGOING OUTGOING PLASTICS INDUSTRY EQUIP. & SERV. MISSION	TRINIDAD & TOBAGO	1088

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 657 KINGSTON

Country: 246 BAHAMAS

TOURISM IN THE BAHAMAS ACCOUNTS FOR 70% OF GDP, 60% OF GOVERNMENT REVENUE AND EMPLOYS 65% OF THE WORK FORCE. AS SUCH, THE HEALTH OF THE BAHAMAS ECONOMY DEPENDS ALMOST EXCLUSIVELY ON THIS SECTOR.

1985 SAW NEW RECORDS SET IN MOST AREAS. TOTAL TOURIST TRAFFIC WAS UP 16.8% WITH CRUISE SHIP PASSENGERS GROWING AT AN ANNUAL RATE OF 25%. MORE IMPRESSIVELY, VISITOR EXPENDITURE INCREASED 12.2% TO US\$900 MILLION. THE ABOVE FIGURES TRANSLATED INTO A REAL GDP INCREASE OF 3.0% COUPLED WITH A MODEST 4.6% INCREASE IN CPI. THE CHRONIC UNEMPLOYMENT PROBLEM REMAINS, HOWEVER, WITH ROUGHLY 20% OF THE WORK FORCE ON THE STREET.

ECONOMIC PROSPECTS IN THE BAHAMAS ARE GOOD. WELL PUBLICISED VIOLENCE IN EUROPE AND THE MEDITERRANEAN SHOULD INCREASE TOURIST FLOWS PARTICULARLY IN THE CRUISE SHIP SECTOR WHERE AVAILABLE BERTHS ARE NOW BOOKED OUT THROUGH 1988. THE STRONG TOURISM BASED ECONOMY AND THE FACT THE BAHAMAS PRODUCES VIRTUALLY NO MANUFACTURERS OR FOOD PRODUCTS OF ITS OWN CREATES NUMEROUS OPPORTUNITIES FOR CANADA. SEVERAL LARGE HOTEL PROJECTS ARE PLANNED AS WELL AS NEW INFRASTRUCTURE IN THE FORM OF PORT PROJECTS, AIRPORT EXTENSIONS, WATER AND SEWERAGE IMPROVEMENTS AND A NEW POWER PLANT. IN THE 1987-88 PERIOD, THEREFORE, DEMAND IS EXPECTED TO BE ESPECIALLY STRONG FOR PROCESSED FOOD PRODUCTS, CONSTRUCTION AND CONSULTING SERVICES, TOURIST RELATED CONSUMER PRODUCTS AND BUILDING PRODUCTS.

Export and Investment Promotion Planning System

REPT: SYN-GEO 87/88 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 246 BAHAMAS

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: VIRTUALLY ALL FOOD IS IMPORTED. A LARGE SEGMENT OF THE MARKET CATERS TO THE HIGH QUALITY/HIGH PRICE HOSP. MKT. THE CDN \$ MAKES MOST CDN PROD. ATTRACTIVE PROVIDED SUITABLE SHIPPING ARRANGEMENTS CAN BE MADE.

2. 013 CONSUMER PRODUCTS

REASONS: ALL PRODUCTS IN THIS CATEGORY IMPORTED. SEVERAL MAJOR HOTEL PROJECTS ARE IN ADVANCED PLANNING STAGES AND DEMAND FOR FURNITURE/FIXTURES EXPECTED TO BE PARTICULARLY HIGH OVER NEXT THREE YEARS.

3. 008 TRANSPORT SYS, EQUIP, COMP, SERV.

REASONS: GOVERNMENT HAS PUT HEAVY EMPHASIS ON UPGRADES OF THE TRANSPORTATION INFRASTRUCTURE PRIMARILY AS IT RELATES TO TOURISM.

4. 015 CONSTRUCTION INDUSTRY

REASONS: SEVERAL LARGE NEW HOTELS ARE PLANNED FOR THE BAHAMAS AS WELL AS NEW INFRASTRUCTURE PROJECTS.

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE

2. 013 CONSUMER PRODUCTS

3. 003 GRAINS AND OILSEEDS

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 246 BAHAMAS

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	215.00M	\$ 205.00M	\$ 199.80M	\$ 194.00M
Canadian Exports \$	6.00M	\$ 5.50M	\$ 5.80M	\$ 5.70M
Canadian Share of Import Market	2.80%	2.70%	2.90%	2.90%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	077 %
ii) 051 UNITED KINGDOM	003 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

i) BEVERAGES	In Canadian \$
ii) PROCESSED FOODS	\$ 31.80 M
	\$ 28.80 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market
- strong sectoral capability in Canada

Export and Investment Promotion Planning System

MISSION: 657 KINGSTON

COUNTRY: 246 BAHAMAS

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: SURVEY OF BAHAMIAN MARKET FOR FOOD PRODUCTS TO BE CIRCULATED 1/87

Results Expected: REPORT TO BE CIRCULATED TO CANADIAN PRODUCERS
IN AN EFFORT TO HAVE THEM EVALUATE MARKET.

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

Activity: OF CANADIAN FIRMS IDENTIFIED AS HAVING GOOD PROSPECTS IN MARKET
BY FOLLOW-UP TO MARKET SURVEY NOTED ABOVE MINIMUM FIVE EXHIBIT AT
SOLO SHOW TO BE HELD IN NASSAU 10/87.

Results Expected: MINIMUM THREE AGENCIES, FIRST YEAR SALES OF
\$500,000.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 246 BAHAMAS

Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	93.00M	\$ 90.00M	\$ 87.00M	\$ 85.20M
Canadian Exports \$	3.20M	\$ 2.60M	\$ 1.50M	\$ 0.90M
Canadian Share of Import Market	3.40%	2.90%	1.70%	1.00%

Major Competing Countries

Market Share

- | | |
|---------------------------------|-------|
| i) 577 UNITED STATES OF AMERICA | 054 % |
| ii) 265 JAPAN | 042 % |

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports

In Canadian \$

- | | |
|---------------|-----------|
| i) AUTO PARTS | \$ 8.20 M |
| ii) AIRCRAFT | \$ 0.00 M |

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: HS 748 REPLACEMENT/BAHAMAS AIR
 Approximate Value: \$ 25 M
 Financing Source: 024 BC
 For further info. please contact:
 CDN HIGH COMMISSION KINGSTON (809)926-1500

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

Export and Investment Promotion Planning System

MISSION: 657 KINGSTON

COUNTRY: 246 BAHAMAS

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market
- strong sectoral capability in Canada

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

Activity: TWO OFFICIALS FROM BAHAMASAIR TO BE INVITED TO CANADA IN SEPTEMBER 1987 UNDER INCOMING BUYERS PROGRAM TO TOUR DHC FACILITIES.

Results Expected: PURCHASE OF 3 DASH 8 AIRCRAFT.

Activity: MINIMUM THREE AUTO PARTS MANUFACTURERS TO BE INCLUDED IN PROPOSED CANADIAN SOLO SHOW 10/87.

Results Expected: THREE NEW AGENCY AGREEMENTS. FIRST YEAR SALES OF \$250,000.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 457 KINGSTON

Market: 246 BAHAMAS

Sector: 013 CONSUMER PRODUCTS

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	225.00M	\$ 220.00M	\$ 223.50M	\$ 218.70M
Canadian Exports \$	5.00M	\$ 4.80M	\$ 3.30M	\$ 3.70M
Canadian Share of Import Market	2.20%	2.20%	1.50%	1.70%

Major Competing Countries

Market Share

- | | |
|---------------------------------|-------|
| i) 577 UNITED STATES OF AMERICA | 076 % |
| ii) 051 UNITED KINGDOM | 003 % |

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) HIGH FASHION CLOTHING	\$ 37.80 M
ii) JEWELLERY	\$ 19.60 M
iii) FURNITURE	\$ 27.50 M

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing

Export and Investment Promotion Planning System

MISSION: 657 KINGSTON

COUNTRY: 246 BAHAMAS

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

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

Activity: MINIMUM FIVE FIRMS IN THIS SECTOR TO PARTICIPATE IN SOLO SHOW TO BE HELD 10/87.

Results Expected: MINIMUM THREE NEW AGENCIES, FIRST YEAR SALES \$250,000.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 246 BAHAMAS

Sector: 015 CONSTRUCTION INDUSTRY

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	90.00M	\$ 87.00M	\$ 84.00M	\$ 82.10M
Canadian Exports \$	0.60M	\$ 0.40M	\$ 0.50M	\$ 0.40M
Canadian Share of Import Market	0.70%	0.40%	0.60%	0.40%

Major Competing Countries

Market Share

- | | |
|---------------------------------|-------|
| i) 577 UNITED STATES OF AMERICA | 085 % |
| ii) 051 UNITED KINGDOM | 003 % |

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

Current status of Canadian exports: No Export results to date

Products/services for which there are
good market prospects

Current Total Imports

- | | |
|----------------------------------|----------------|
| i) STRUCTURAL PRODUCTS | In Canadian \$ |
| ii) DECORATIVE BUILDING PRODUCTS | \$ 18.00 M |
| iii) CONSTRUCTION SERVICES | \$ 12.00 M |
| | \$ 6.00 M |

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: CRYSTAL PALACE HOTEL
Approximate Value: \$ 70 M
Financing Source: 012 DOM
For further info. please contact:
CDN HIGH COMMISSION KINGSTON (809)926-1500

- ii) Project Name: BAY WEST DEVELOPMENT
Approximate Value: \$ 50 M
Financing Source: 012 DOM
For further info. please contact:
CDN HIGH COMMISSION KINGSTON (809)926-1500

Export and Investment Promotion Planning System

MISSION: 657 KINGSTON

COUNTRY: 246 BAHAMAS

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: BALMORAL ISLAND COMPLEX

Approximate Value: \$ 100 M

Financing Source: 012 DOM

For further info. please contact:

CDN HIGH COMMISSION KINGSTON (809)926-1500

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

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

Activity: TWO INCOMING BUYERS FROM THE HOTEL CORPORATION OF THE BAHAMAS TO VISIT CANADA 5/87.

Results Expected: CANADIAN PROCUREMENT OF \$ MILLION FOR THE HOTEL CORPORATIONS PROJECTS BEING CONSTRUCTED OVER NEXT 4 YEARS.

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 657 KINGSTON

Country: 257 JAMAICA

AFTER A BRIEF TURNAROUND FOLLOWING THE ELECTION OF EDWARD SEAGA IN 1980, JAMAICA'S ECONOMY HAS BEEN IN RECESSION SINCE 1982. REAL GDP GROWTH IN 1985 WAS -3.9% AND UNEMPLOYMENT CLIMBED OVER 25%. THE CURRENT ACCOUNT DEFICIT REACHED US\$395 MILLION, AN INCREASE OF 26% OVER 1984. FURTHER RETRENCHMENTS IN THE BAUXITE/ALUMINA INDUSTRY AND A TURNDOWN IN TOURISM DUE TO WIDESPREAD PUBLIC DEMONSTRATIONS IN JANUARY 1985 WERE THE PRINCIPAL CAUSES OF THE DECLINE IN GDP. POOR MANAGEMENT AND CONFUSION WITH REGARD TO GOVERNMENT POLICY HAVE DAMAGED EARNINGS IN THE ONCE DOMINANT AGRICULTURAL SECTOR. DESPITE THE ABOVE, THERE IS SOME REASON FOR OPTIMISM WITH REGARD TO JAMAICA. BAUXITE/ALUMINA EARNINGS ARE UP IN 1986 WITH THE SLIGHT INCREASE IN PRICES AND THE REOPENING OF THE ALCOA FACILITY UNDER AN AGREEMENT BETWEEN THAT FIRM AND THE JAMAICAN GOVERNMENT. TOURISM RECEIPTS IN THE FIRST THREE QUARTERS OF 1986 REACHED RECORD LEVELS AND BOOKINGS FOR THE COMING WINTER SEASON ARE VERY STRONG. THE FALL IN THE PRICE OF OIL WILL RESULT IN SAVINGS OF ROUGHLY US\$170 MILLION IN THE ANNUAL IMPORT BILL CUTTING THE CURRENT ACCOUNT DEFICIT IN HALF IN ONE STROKE. THE GOVERNMENT'S SUCCESS IN SIGNING GARMENT PROTOCOLS WITH THE USA WILL ENSURE CONTINUED HEALTHY GROWTH IN THAT SECTOR WHICH SHOULD SPILL OVER INTO THE CONSTRUCTION INDUSTRY AS THERE IS A CRITICAL SHORTAGE OF FACTORY SPACE. A NEW IMF AGREEMENT TO BE SIGNED SHORTLY WILL PROBABLY RESULT IN A MODERATE DEVALUATION OF THE JAMAICAN DOLLAR WHICH WILL ASSIST THE EXPORT SECTOR BUT SHOULD NOT CAUSE A MAJOR SURGE IN PRICES. PROSPECTS FOR CANADA ARE GOOD. AT THE BEHEST OF THE IMF, JAMAICA DISMANTLED ITS CLUMSY FOREIGN EXCHANGE & IMPORT LICENSING SYSTEMS IN LATE 1984. AS A RESULT, IMPORTERS DO NOT REQUIRE LICENCES FOR MOST PRODUCTS AND HAVE READY ACCESS TO FOREIGN EXCHANGE THROUGH THE TWICE WEEKLY BANK OF JAMAICA AUCTIONS. THERE HAS BEEN A MARKED UPSURGE IN ENQUIRIES FOR CANADIAN PRODUCTS BY LONG DORMANT IMPORTERS AND RENEWED INTEREST BY CANADIAN SUPPLIERS. THIS SHOULD RESULT IN SIGNIFICANT INCREASES IN SHIPMENTS OF CONSUMER PRODUCTS, BUILDING SUPPLIES AND EQUIPMENT AND RAW MATERIALS DESTINED FOR NEW EXPORT ORIENTED LIGHT INDUSTRIES. THE JAMAICAN GOVERNMENT'S CONTINUED INVESTMENT IN INFRASTRUCTURE (POWER AND TELEPHONES IN PARTICULAR) WILL RESULT IN CONTINUED OPPORTUNITIES IN THIS AREA.

Export and Investment Promotion Planning System

REPT: SYN-GED 87/88 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 257 JAMAICA

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE
REASONS: LARGE AND GROWING MARKET FOR PROCESSED FOODS PARTICULARLY FOR HOSPITALITY INDUSTRY. PRICE COMPETITIVENESS OF CANADIAN PRODUCTS.
2. 007 POWER & ENERGY EQUIP. & SERV.
REASONS: SEVERAL LARGE POWER PROJECTS IN JAMAICA, BELIZE. ONGOING REQUIREMENTS BY JAMAICAN UTILITY FOR TRANSMISSION PRODUCTS.
3. 013 CONSUMER PRODUCTS
REASONS: NEWLY REOPENED MARKET IN JAMAICA FOR CONSUMER PRODUCTS. RAPIDLY GROWING MARKET IN JAMAICA FOR RAW MATERIALS REQUIRED BY GARMENT INDUSTRY.
4. 009 FOREST PRODUCTS, EQUIP, SERVICES
REASONS: LARGE INCREASE IN JAMAICAN MARKET FOR PACKAGING PRODUCTS FOR EXPORT ORIENTED INDUSTRIES. EMPHASIS ON FURNITURE INDUSTRY IN JAMAICA AND REQUIREMENTS FOR IMPORTED WOOD.

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE
2. 009 FOREST PRODUCTS, EQUIP, SERVICES
3. 003 GRAINS AND OILSEEDS
4. 002 FISHERIES, SEA PRODUCTS & SERV.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 257 JAMAICA

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	125.00M	\$ 115.00M	\$ 117.70M	\$ 124.00M
Canadian Exports \$	3.50M	\$ 3.00M	\$ 2.50M	\$ 3.80M
Canadian Share of Import Market	2.80%	2.60%	2.10%	3.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	071 %
ii) 051 UNITED KINGDOM	002 %
iii) 265 JAPAN	002 %
iv) 354 NETHERLANDS	002 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are
good market prospects

Current Total Imports In Canadian \$
i) PORTION CONTROL FOODS \$ 0.00 M
ii) BAKERY BULK MIXES \$ 0.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- high tariffs
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:
SEVERAL COUNTRIES (INCLUDING CANADA) PROVIDE FOOD AID

Export and Investment Promotion Planning System

MISSION: 657 KINGSTON

COUNTRY: 257 JAMAICA

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: MARKET SURVEY WITH PARTICULAR EMPHASIS ON HOSPITALITY INDUSTRY TO BE CIRCULATED 11/86.

Results Expected: INITIAL CONTACTS BETWEEN AT LEAST THREE CANADIAN SUPPLIERS AND LOCAL AGENTS/ DISTRIBUTORS.

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

Activity: DIRECT CONTACT WITH CANADIAN FIRMS TO ENCOURAGE THEM TO VISIT IMPORTERS IDENTIFIED BY HIGH COMMISSION.

Results Expected: THREE NEW AGENCY AGREEMENTS, FIRST YEAR SALES OF \$1.0 MILLION.

Activity: AT LEAST 5 EXPORTERS TO PARTICIPATE IN 5/87 SOLO SHOW IN KINGSTON.

Results Expected: MINIMUM THREE NEW AGENCY AGREEMENT, FIRST YEAR SALES OF \$500,000.

Activity: THREE INCOMING BUYERS TO BE SELECTED TO VISIT CANADA.

Results Expected: MINIMUM 3 NEW AGENCY AGREEMENTS WITH FIRST YEAR SALES OF \$500,000.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 257 JAMAICA

Sector: 007 POWER & ENERGY EQUIP. & SERV.

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	45.00M	\$ 47.80M	\$ 12.00M	\$ 21.10M
Canadian Exports \$	4.50M	\$ 5.40M	\$ 1.10M	\$ 2.70M
Canadian Share of Import Market	10.00%	11.30%	9.20%	12.70%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	062 %
ii) 051 UNITED KINGDOM	010 %
iii) 237 ITALY	004 %
iv) 265 JAPAN	003 %

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

Current status of Canadian exports: Small but expanding

Products/services for which there are good market prospects

Current Total Imports In Canadian \$

i) TRANSFORMERS	\$ 2.50 M
ii) SWITCHGEAR	\$ 7.50 M
iii) CONSULTING SERVICES	\$ 2.00 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: BACK RIO GRANDE HYDRO PROJECT
Approximate Value: \$ 65 M
Financing Source: 003 IADB
For further info. please contact:
M. P. WHALEN KINGSTON TLX#291-2130

ii) Project Name: POWER IV PROJECT
Approximate Value: \$ 40 M
Financing Source: 001 IBRD
For further info. please contact:
M. P. WHALEN KINGSTON TLX# 291-2130

Export and Investment Promotion Planning System

MISSION: 657 KINGSTON

COUNTRY: 257 JAMAICA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties in obtaining credit facilities in Canada
- other factor(s) described by the Trade Office as follows:
EDC SUPPORT NECESSARY FOR SALES. CORPORATION HAS ADOPTED
ON AGAIN OFF AGAIN APPROACH WHICH HAS LIMITED OUR POTENTIAL

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

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

Activity: WILL ASSIST CEDSI LTD IN THEIR EFFORTS TO OBTAIN CONTRACT FOR FINAL FEASIBILITY STUDY ON BACK RIO GRANDE, MEETING WITH VARIOUS GOVERNMENT PLAYERS INCLUDING JPS PIOJ AND PCJ TO PUSH CONCEPT OF A FOLLOW ON AWARD FROM THE PREFEASIBILITY STUDY.

Results Expected: AWARD TO CEDSI OF \$2.0 MILLION FEASIBILITY STUDY.

Activity: WILL CONTINUE TO MEET WITH JPS TO OBTAIN UP-TO-DATE INFO ON POWER IV PROJECT AS IT DEVELOPS AND WILL CONTACT INTERESTED CANADIAN FIRMS WITH TOPICAL INFO.

Results Expected: AWARD TO A CANADIAN FIRM OF THE INITIAL FEASIBILITY STUDY FOR THIS PROJECT.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 257 JAMAICA

Sector: 009 FOREST PRODUCTS, EQUIP, SERVICES

Subsector: 094 PULP AND PAPER PRODUCTS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	42.00M	\$ 40.50M	\$ 44.40M	\$ 46.70M
Canadian Exports \$	7.00M	\$ 4.60M	\$ 7.40M	\$ 5.60M
Canadian Share of Import Market	16.60%	11.10%	16.70%	12.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	062 %
ii) 051 UNITED KINGDOM	008 %
iii) 507 SWEDEN	006 %
iv) 525 BARBADOS	005 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) CORRUGATED PAPERBOARD	\$ 6.15 M
ii) CARDBOARD BOXES	\$ 7.90 M
iii) KRAFT PAPERBOARD	\$ 5.30 M
iv) KRAFT PAPER	\$ 2.10 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- difficulties in obtaining credit facilities in Canada

Export and Investment Promotion Planning System

MISSION: 657 KINGSTON

COUNTRY: 257 JAMAICA

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

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

Activity: SURVEY OF PACKAGING REQUIREMENTS WITH EMPHASIS ON GARMENT AND FOOD/HORTICULTURAL EXPORTERS, TO BE COMPLETED BY 6/87 AND CIRCULATED TO CANADIAN FIRMS.

Results Expected: INCREASE AWARENESS OF CANADIAN EXPORTERS IN OPPORTUNITIES PROVIDED BY MARKET

Activity: DIRECT CONTACT TO BE ESTABLISHED WITH CANADIAN FIRMS WITH POTENTIAL TO SUPPLY MARKET.

Results Expected: VISIT TO MARKET BY 2 FIRMS. FIRST YEAR SALES \$500,000.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 657 KINGSTON

Market: 257 JAMAICA

Sector: 013 CONSUMER PRODUCTS

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	95.00M	\$ 90.00M	\$ 82.10M	\$ 85.30M
Canadian Exports \$	3.00M	\$ 2.30M	\$ 2.00M	\$ 3.00M
Canadian Share of Import Market	3.10%	2.50%	2.40%	3.50%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	050 %
ii) 051 UNITED KINGDOM	012 %
iii) 265 JAPAN	006 %
iv) 543 TRINIDAD AND TOBAGO	003 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are
good market prospects

Current Total Imports

In Canadian \$

i) TEXTILE FABRICS	\$ 25.00 M
ii) HIGH FASHION CLOTHING	\$ 8.00 M
iii) FURNITURE	\$ 1.50 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

i) Project Name: RUTLAND POINT HOTEL
Approximate Value: \$ 4.5 M
Financing Source: 018 CDB
For further info. please contact:
CDN HIGH COMMISSION KINGSTON TLX# 291-2130

Export and Investment Promotion Planning System

MISSION: 657 KINGSTON

COUNTRY: 257 JAMAICA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- competitive export pricing for this market

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: POST IS PREPARING REPORT ON JAMAICAN DEMAND FOR TEXTILES, THREAD AND OTHER COMPONENTS FOR CLOTHING WITH SPECIAL EMPHASIS ON FREE ZONE DEMAND. TO BE CIRCULATED 1/87.

Results Expected: INTRODUCTION OF FOUR NEW CANADIAN EXPORTERS TO MARKET.

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

Activity: TWO INCOMING BUYERS FROM THE GARMENT INDUSTRY TO BE IDENTIFIED AND SENT TO VISIT CANADIAN TEXTILE AND ACCESSORY MANUFACTURERS IN THE FALL OF 1987.

Results Expected: FIRST YEAR SALES OF \$250,000.

Activity: THREE CANADIAN GIFTWARE AND HIGH FASHION CLOTHING MANUFACTURERS TO BE SELECTED TO PARTICIPATE IN SOLD SHOW PLANNED FOR 5/87.

Results Expected: TWO NEW AGENCIES AND FIRST YEAR SALES OF \$100,000.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		
Mission: 657 KINGSTON		
Sector: 008 TRANSPORT SYS, EQUIP, COMP, SERV.		
024 MISSION INCOMING INCOMING BUYERS-BAHAMASAIR		1187
Sector: 013 CONSUMER PRODUCTS		
024 MISSION INCOMING INCOMING BUYERS-GARMENT INDUSTRY		0987
Sector: 015 CONSTRUCTION INDUSTRY		
024 MISSION INCOMING INCOMING BUYERS-HOTEL CORP. OF THE BAHAMAS		0487
Sector: 999 MULTIPLE SECTORS		
020 MISSION OUTGOING HORIZONTAL SOLD SHOW	KINGSTON	1087
Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		
Mission: 657 KINGSTON		
Sector: 001 AGRI & FOOD PRODUCTS & SERVICE		
024 MISSION INCOMING INCOMING BUYERS-PROCESSED FOODS		0588
Sector: 999 MULTIPLE SECTORS		
020 MISSION OUTGOING HORIZONTAL SOLD SHOW	NASSAU	0588

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 658 BRIDGETOWN

Country: 525 BARBADOS

AFTER SEVERAL YRS OF VERY MODEST GROWTH, ECON. ACTIVITY IN BARBADOS HAS PICKED UP & REAL GROWTH OF 3 TO 3.5% IS FORECAST FOR '86. A SIMILAR LEVEL OF GROWTH IS MORE PROBLEMATIC IN '87. FOR OUR OTHER TEN SMALL COUNTRIES & DEPENDENCIES, ECON. PERFORMANCE HAS BEEN MIXED, FM LACK LUSTRE TO RELATIVELY ROBUST. RECENT GROWTH, AVERAGING 3 TO 4%, SHLD BE MAINTAINABLE IN '87. IMPROVEMENTS IN THE CRITICAL TOURISM SECTOR & BETTER PROD'N LEVELS AND/OR PRICES FOR MOST AGRICULTURAL COMMODITIES (SUCH AS BANANAS, NUTMEG, CITRUS, COCOA) HAVE STRENGTHENED THE ECON. PERFORMANCE OF THESE ISLANDS. IN GEN'L, MFTG HAS BEEN SLUGGISH, SUFFERING, IN PARTICULAR FM A DOWNTRUN IN INTRA-REG'L (CARICOM) TRADE. INFLATION OF LATE HAS BEEN LOW, AVERAGING 2%, DUE PRINCIPALLY TO THE STABILITY OF IMPORT PRICES. UNEMPLOYMENT REMAINS HIGH THROUGHOUT THE TERRITORY. CDN SALES TO THE TERRITORY SHLD AGAIN GROW SUBSTANTIALLY IN '86, LIKE- LY REACHING \$100 MN, & PROVIDING ANOTHER LARGE TRADE BALANCE IN OUR FAVOUR. THE GOAL IN '87 IS TO MAINTAIN THESE EXPORT LEVELS WITHOUT THE BENEFIT OF THIS YR'S HIGH LEVEL OF AIRCRAFT DELIVER- IES. THE NEW GOVT IN BARBADOS HAS YET TO DEVISE A COMPREHENSIVE ECON. STRATEGY. RECENT INCOME TAX REDUCTIONS HAVE SPURRED CONSUMER DEMAND, WHICH IS 70% IMPORT FED. A FALTERING TOURISM TRADE, SIGNI- FICANT CONTRACTIONS IN THE ELECTRICAL COMPONENTS SECTOR, A FRAGILE SUGAR IND., (ALL MAJOR EXPORT EARNERS), IS CAUSE FOR CONCERN. DE- VALUATION OF THE BARBADOS DOLLAR, NOW LINKED ON A TWO-TO-ONE BASIS TO THE U. S. DOLLAR, IS A REMOTE POSSIBILITY; A MORE LIKELY SCENARIO WLD BE INCREASINGLY RESTRICTIVE IMPORT CONTROLS IN THE SECOND HALF OF '87. IMPORT LEVELS OF US \$650 MN ARE ANTICIPATED FOR BAR- BADOS THIS YR & NEXT WITH THE USA, UK & CDA BEING THE MAIN SUP- PLIERS. IMPORTS IN THE REMAINDER OF THE TERRITORY SHLD TOTAL US\$500 MN WITH SIMILAR SUPPLY PATTERNS. ALL OF THE ISLANDS ARE CONFRONTED WITH SIGNIFICANT TRADE DEFICITS AND LOW LEVELS OF PRIVATE SECTOR INVSTMT. FACILITATIVE PROGRAMS, MOST RECENTLY CDA'S CARIBCAN INITIATIVE, HAVE BEEN IMPLEMENTED TO ASSIST IN STIMULAT- ING AND DIVERSIFYING REG'L EXPORTS PLUS ENCOURAGE INVESTMENT. DVLPMT FUNDS ALSO REMAIN OF GREAT SIGNIFICANCE TO THE REGN, PART- ICULARLY IN THE FINANCING OF INFRASTRUCTURE & IND'L PROJS. WHILE NOT LARGE BY WORLD STANDARDS THEY NEVERTHELESS PROVIDE GOOD OPPORTUNITIES FOR CONSULTANTS, CONTRACTORS AND SUPPLIERS. OUR CON- SULTING COMMUNITY N PARTICULAR HAS BEEN VERY SUCCESSFUL IN MAIN- TAINING A LARGE MKT SHARE. MANY OF THE TERRITORY'S IMPORT REQUIR- EMENT (BOTH GOODS & SRVCS) MATCH WELL WITH CDN SUPPLY CAPABILITIES, NOTABLY AGRICULTURAL & FOOD PRODS PLUS TRANSPORTATION, TELECOMS & EDUCATIONAL/MEDICAL/HEALTH CARE GOODS & SRVCS. THE MKT IS MADE UP OF NUMEROUS SMALL ISLANDS WITH VARIED REQUIREMENTS AND PHYSI- CAL DISTRIBUTION PROBLEMS; ACCORDINGLY, TRADING HOUSES HAVE AN IMPORTANT ROLE IN OUR TRADE DEVELOPMENT ACTIVITIES.

Export and Investment Promotion Planning System

REPT: SYN-GEO 87/88 A. Post export program priorities

Region: LATIN AMERICA-CARIBBEAN

Mission: 658 BRIDGETOWN

Market: 525 BARBADOS

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

1. 001 AGRI & FOOD PRODUCTS & SERVICE

REASONS: PROCESSED AND SEMI PROCESSED FOOD PRODS REQUIRED FOR THE CRITICALLY IMPORTANT N. AMERICAN ORIENTED TOURISM INDUSTRY; AGRICULTURAL DIVERSIFICATION EFFORTS THROUGHOUT TERRITORY.

2. 015 CONSTRUCTION INDUSTRY

REASONS: SIGNIFICANT EXPENDITURES IN EXPANDING & UPGRADING TOURISM PLANT; HOUSING A HIGH PRIORITY IN MOST OF TERRITORY; INFRASTRUCTURE RELATED ACTIVITIES OF IFI'S.

3. 005 COMM. & INFORM. EQP. & SERV

REASONS: IMPROVING COMMUN'NS & INFORMATICS A PRIORITY OF MOST TERRITORY GOVTS & PROJS UNDERWAY FINANCED BY IFI'S, CIDA, EDC ETC; ENHANCED USE OF COMPUTERS AT BUSINESS, GOVT AND EDUCATIONAL LEVELS.

4. 014 EDUCATION, MEDICAL, HEALTH PROD

REASONS: UPGRADING HEALTH CARE AND EDUCATION FACILITIES ARE PRIORITIES FOR TERRITORY GOVERNMENTS PLUS FOR IFI'S AND BILATERAL FUNDING AGENCIES.

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

1. 008 TRANSPORT SYS, EQUIP, COMP, SERV.
2. 001 AGRI & FOOD PRODUCTS & SERVICE
3. 005 COMM. & INFORM. EQP. & SERV
4. 014 EDUCATION, MEDICAL, HEALTH PROD

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 658 BRIDGETOWN

Market: 525 BARBADOS

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	125.00M	\$ 125.00M	\$ 102.40M	\$ 131.50M
Canadian Exports \$	12.50M	\$ 12.50M	\$ 10.80M	\$ 12.80M
Canadian Share of Import Market	10.00%	10.00%	11.00%	10.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	036 %
ii) 051 UNITED KINGDOM	009 %

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

Current status of Canadian exports: Mature with little growth

Products/services for which there are
good market prospects

Current Total Imports

	In Canadian \$
i) MEAT AND BY PRODUCTS	\$ 19.80 M
ii) SEMI & PROCESSED FOODS	\$ 65.80 M
iii) HORTICULTURE	\$ 9.50 M
iv) BREEDING STOCK	\$ 2.00 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- the degree of import duty protection of local industry tends to be moderate

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- high tariffs
- non-tariff protectionist measures which are difficult to overcome
- other factor(s) described by the Trade Office as follows:

HIGH DEGREE OF PROTECTION (TARIFFS AND LICENSING) FOR REGIONAL
PRODUCERS AND MANUFACTURERS (CARICOM)

Export and Investment Promotion Planning System

MISSION: 658 BRIDGETOWN

COUNTRY: 525 BARBADOS

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

The Trade Office suggests that sourcing tools currently available to them have some limitations in particular:

- the adequacy of exporter information in Canadian Directories

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: COMPLETION OF PROPOSED LOCAL JOINT VENTURE PROCESSED FOODS MAJOR BARBADIAN INDUSTRIAL GROUP.

Results Expected: AN ADDITIONAL CANADIAN INVESTMENT & TECHNOLOGY TRANSFER IN TERRITORY PLUS MATERIALS FROM CANADA.

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

Activity: DAIRY PRODUCTS: PROMOTIONAL ACTIVITIES TO ATTEMPT TO REGAIN MARKET SHARE FOR CHEESE, MILK POWDER AND OTHER DAIRY PRODUCTS.

Results Expected: DOUBLE CURRENT EXPORTS OF CHEESE IN 1987.

Activity: AGRICULTURAL DIVERSIFICATION: INVESTIGATION OF OPPORTUNITIES ARISING IN GOV'T PROGRAM TO DIVERSIFY AWAY FROM SUGAR.

Results Expected: SALES OF AGRICULTURAL MACHINERY & EQUIPMENT FERTILIZERS & PESTICIDES, POSSIBILITY OF CONSULTING SERVICES THROUGH CDB FINANCED STUDY.

Activity: WORK WITH LOCAL DISTRIBUTOR TO INTRODUCE CANADIAN WINES TO TERRITORY.

Results Expected: NEW BUYING CONNECTIONS.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 658 BRIDGETOWN

Market: 525 BARBADOS

Sector: 005 COMM. & INFORM. EQP. & SERV

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	25.00M	\$ 23.00M	\$ 22.80M	\$ 17.90M
Canadian Exports \$	6.50M	\$ 6.00M	\$ 4.20M	\$ 5.40M
Canadian Share of Import Market	26.00%	26.00%	18.00%	30.00%

Major Competing Countries

Market Share

i) 577 UNITED STATES OF AMERICA	051 %
ii) 051 UNITED KINGDOM	009 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are
good market prospects:

Current Total Imports

	In Canadian \$
i) TELEPHONE APPARATUS EQUIP. & PARTS	\$ 11.70 M
ii) COMPUTERS/SOFTWARE	\$ 6.00 M
iii) OTHER COMM'N EQUIP.	\$ 5.90 M

The Trade Office reports that the following factors influence Canadian
export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector
(sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters

Export and Investment Promotion Planning System

MISSION: 658 BRIDGETOWN

COUNTRY: 525 BARBADOS

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: ARRANGE FOR REGIONAL MANAGER CABLE AND WIRELESS (BASED IN ANTIGUA) TO VISIT CANADA.

Results Expected: POSSIBILITY OF ADDITIONAL SALES TO TERRITORY TELEPHONE COMPANIES OPERATED BY CABLE AND WIRELESS.

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

Activity: FACILITATE CANADIAN INVESTMENT IN DATA ENTRY INDUSTRY IN BARBADOS

Results Expected: NEW INVESTMENT AND EQUIPMENT SUPPLY.

Activity: REINFORCE CANADIAN CAPABILITIES IN TELECOMMUNICATIONS EQUIPMENT AND SERVICES WITH NEW OWNERS OF BARBADOS TELEPHONE CO.

Results Expected: INCREASE FAMILIARITY WITH CANADIAN TELECOM FIRMS.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 658 BRIDGETOWN

Market: 525 BARBADOS

Sector: 014 EDUCATION, MEDICAL, HEALTH PROD

Subsector: 999 ALL SUB-SECTORS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	30.00M	\$ 25.00M	\$ 22.50M	\$ 23.90M
Canadian Exports \$	7.00M	\$ 5.50M	\$ 3.70M	\$ 3.80M
Canadian Share of Import Market	23.00%	22.00%	16.00%	16.00%

Major Competing Countries	Market Share
i) 577 UNITED STATES OF AMERICA	025 %
ii) 051 UNITED KINGDOM	025 %

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

Current status of Canadian exports: Well established and growing

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) PHARMACEUTICALS	\$ 13.40 M
ii) MEDICAL EQUIPMENT	\$ 1.30 M
iii) EDUCATIONAL MATERIALS	\$ 7.80 M

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

i) Project Name: EDUCATION II
Approximate Value: \$ 15 M
Financing Source: 001 IBRD
For further info. please contact:
MARGARET STRYBOS, COMMERCIAL OFF. TLX: 2247 CDA WB

ii) Project Name: OECS TECHNICAL EDUCATIONAL VOCATIONAL TRAINING PROJECT
Approximate Value: \$ 5 M
Financing Source: 018 CDB 011 CIDA
For further info. please contact:
MARGARET STRYBOS, COMMERCIAL OFF. TLX: 2247 CDA WB

Export and Investment Promotion Planning System

MISSION: 658 BRIDGETOWN

COUNTRY: 525 BARBADOS

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- market prospects which are relatively new and have not yet been explored adequately by Canadian exporters

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada

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

Activity: GATHER MARKET INTELLIGENCE ON REQUIREMENTS UNDER IFI FUNDED PROJECTS.

Results Expected: INCREASE AWARENESS OF CANADIAN CAPABILITIES WITH SECTOR.

Export and Investment Promotion Planning System

87/88 Sector/Sub-Sector Highlights
Submitted by Posts by Region

Region: LATIN AMERICA-CARIBBEAN

Mission: 658 BRIDGETOWN

Market: 525 BARBADOS

Sector: 015 CONSTRUCTION INDUSTRY

Subsector: 151 BUILDING PRODUCTS

Statistical Data On Sector/sub-sector	Next Year (Projected)	Current Year (Estimated)	1 Year Ago	2 Years Ago
Mkt Size(import) \$	50.00M	\$ 50.00M	\$ 50.00M	\$ 44.00M
Canadian Exports \$	5.00M	\$ 3.50M	\$ 5.00M	\$ 7.60M
Canadian Share of Import Market	10.00%	7.00%	10.00%	17.00%

Major Competing Countries

Market Share

- | | |
|---------------------------------|-------|
| i) 577 UNITED STATES OF AMERICA | 038 % |
| ii) 051 UNITED KINGDOM | 012 % |

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

Current status of Canadian exports: Market share declining

Products/services for which there are good market prospects	Current Total Imports In Canadian \$
i) LUMBER	\$ 15.70 M
ii) PLUMBING	\$ 9.00 M
iii) BASIC BUILDERS H/WARE	\$ 3.00 M
iv) STRUCTURAL	\$ 22.00 M

Projects or portion of projects which are still in the planning
stage and for which Canadian companies might have reasonable prospects.

- i) Project Name: CONTRACTORS FOR WATER SUPPLY PROJECT -
ST. LUCIA

Approximate Value: \$ 10 M

Financing Source: 018 CDB 001 IBRD

002 IDA

For further info. please contact:

K.G. WHITING, COMMERCIAL COUNSELLOR TLX: 2247 CDA WB

- ii) Project Name: DOMINICA HYDRO PROJECT WOODSTAVE PIPELI-
NE

Approximate Value: \$ 1 M

Financing Source: 018 CDB

For further info. please contact:

K.G. WHITING, COMMERCIAL COUNSELLOR TLX: 2247 CDA WB

Export and Investment Promotion Planning System

MISSION: 658 BRIDGETOWN

COUNTRY: 525 BARBADOS

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

- iii) Project Name: NATURAL GAS PIPELINE PROJECT BARBADOS
Approximate Value: \$ 6 M
Financing Source: O11 CIDA
For further info. please contact:
K. G. WHITING, COMMERCIAL COUNSELLOR TLX: 2247 CDA WB

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low
- approval of technical standards can present problems in the case of some imported products

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- other factor(s) described by the Trade Office as follows:
TIMBER FRAME CONSTRUCTION UNACCEPTABLE IN THIS MARKETPLACE, FEWER
IFI FINANCED PROJECTS IN BARBADOS.

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- support provided by the PEMD program
- use of Canadian Government export promotion activities
- the presence of CIDA programs which have opened the market to Canadian companies
- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: ADDITIONAL EFFORTS WITH CANADIAN TRADING HOUSES SPECIALIZING IN CONSTRUCTION MATERIALS AND BUILDERS HARDWARE.

Results Expected: ADDITIONAL SALES AND BUYING CONNECTIONS IN TERRITORY.

Export and Investment Promotion Planning System

MISSION: 658 BRIDGETOWN

COUNTRY: 525 BARBADOS

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

Activity: PROMOTE CANADIAN INTEREST RE: PROPOSED PORT DEVELOPMENT PROJECT IN ST. LUCIA

Results Expected: CANADIAN CONSULTING SERVICES POSSIBLE SALE OF BUILDING MATERIALS.

Activity: ACTIVE FOLLOW UP ON LOCAL INTEREST FOR JOINT VENTURES IN BUILDING MATERIALS SUBSECTOR.

Results Expected: NEW INVESTMENT IN TERRITORY, TECHNOLOGY TRANSFER.

Export and Investment Promotion Planning System

Type of Event	Location	Date
Promotional Projects approved and planned for the coming fiscal year.		

Mission: 658 BRIDGETOWN

Sector: 016 INDUSTRIAL MACHIN. PLANTS, SERV.

024 MISSION INCOMING ENERGY(PETROLEUM)MISSION FROM BARBADOS		0487
--	--	------

Sector: 017 SERVICE INDUSTRIES

024 MISSION INCOMING "HOSTEX" HOTEL SHOW IN TORONTO FM BARBADOS & ANTIG TORONTO		0487
--	--	------

Type of Event	Location	Date
Promotional projects proposed for the two following fiscal years.		

Mission: 658 BRIDGETOWN

Sector: 001 AGRI & FOOD PRODUCTS & SERVICE

020 MISSION OUTGOING FOOD PRODUCTS MISSIONS	ANTIGUA/GRENADA	0589
HOTEL/RESTAURANT EQUIPMENT MISSION	ANTIGUA/ST. MAARTEEN	0588

Sector: 013 CONSUMER PRODUCTS

024 MISSION INCOMING HARDWARE BUYERS	TORONTO	0289
---	---------	------

Sector: 017 SERVICE INDUSTRIES

020 MISSION OUTGOING TRADING HOUSES	ST. VINCENT/DOMINICA	1189
--	----------------------	------

Sector: 999 MULTIPLE SECTORS

020 MISSION OUTGOING HARDWARE/ELECTRICAL/CONSUMER PRODUCTS MISSION	ANTIGUA/ST. LUCIA	1088
---	-------------------	------