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External Affairs and
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1990/91
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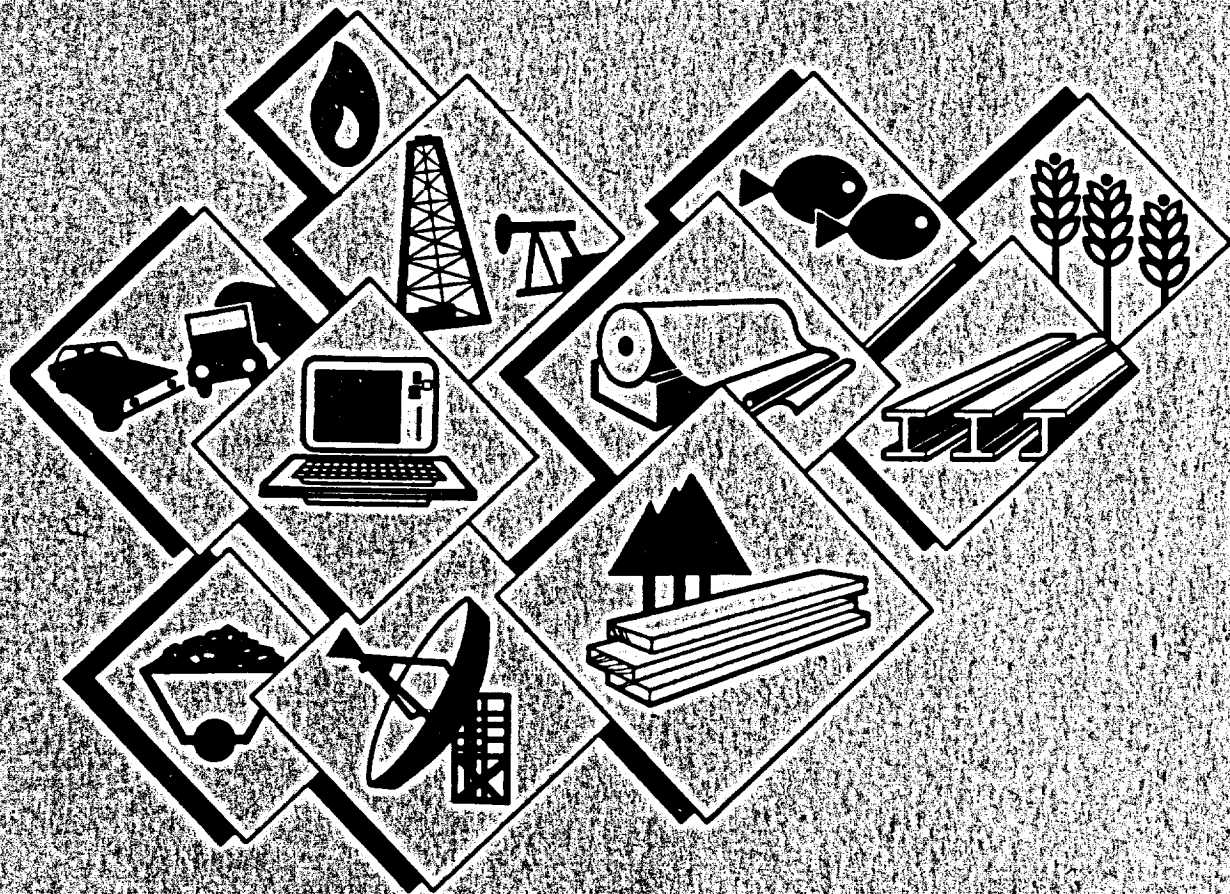
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GEOGRAPHICAL SYNOPSIS FOR CONSULTATION PURPOSES ONLY

ASIA AND THE PACIFIC

1990-91 EXPORT AND INVESTMENT PROMOTION OPERATIONAL PLAN



JANUARY 1990

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

FORWARD

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

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

This synopsis is generally organized alphabetically by mission except where more than one mission exists in a particular country, in this latter instance multi-mission configurations have been grouped together in the same general area of this synopsis with the Embassy or High Commission appearing first. For example Tokyo is followed by Osaka as both missions are located in Japan. A similar geographic synopsis is also available for the following geographic regions:

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

Dept. of External Affairs
Min. des Affaires extérieures
OTTAWA

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

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

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

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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 and expressed concern at the decline of Canada's share of world markets. To meet this challenge, First Ministers endorsed the need to generate widespread support for a new trade strategy for Canada which would embody three principal elements:

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

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

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

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

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

DEPARTMENT OF EXTERNAL AFFAIRS
AND INTERNATIONAL TRADE CANADA
EXPORT AND INVESTMENT PROMOTION PLANNING SYSTEM
1990/91 GEOGRAPHIC SYNOPSIS
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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: BANGKOK

Country: THAILAND

As Thailand moves towards its second consecutive year of double-digit growth in 1989, this country remains a market of prime importance to Canada. Bilateral trade is expected to reach \$800 million, up 33% from 1988, with the trade imbalance widening in Thailand's favour. With continuing investments by Japan (albeit not at the same 1988 record level) and Taiwan in export-oriented industries, we can expect increasingly higher Thai exports to Canada; this, combined with Thailand's own burgeoning import requirements and with ongoing Canadian activity in this country, would well see our bilateral trade reach \$1 billion in 1990 (as compared with \$255 million in 1986). Sustaining the growth of Canadian industrial exports beyond 1990 may depend to a large degree on the availability of concessional financing which, despite Thailand's approaching NIC status, will likely remain a strong factor in securing contracts in the power, transportation (railway) and communications sectors.

All economic indicators as well as confidence in the Thai economy continue strong. GDP is expected to grow by 10 to 11% this year, with the manufacturing sector expanding by 12-14% and agriculture by 3-4%. Exports to date have increased by 39%, while imports continue at an even stronger pace. Nevertheless, Thailand expects a positive BOP of US\$2.2 billion, largely due to tourism revenues and net capital inflow. Inflation despite the phenomenal growth, should increase only slightly to around 6%. Per capita income rose to US\$1,045 in 1988 and international reserves reached US\$6.4 billion. The debt service ratio decreased to a very respectable 12.0% in 1988.

The correction of infrastructural deficiencies and shortages of technical and managerial human resources are top government priorities. Although Bangkok has clearly benefitted from the recent prosperity, equitable income distribution throughout the country is also clearly of concern to the Thai government. Plans are underway to create major industrial zones in the South and in the Northeast. There is increasing public debate that Thailand must combine NIC status with (or perhaps slow the pace towards this to not overlook) continual expansion of the agricultural/agri-food sector, which will be the key to successful and equitable distribution of income. Priorities for the Thai government therefore include the consolidation of its public sector to handle new government initiatives; the upgrading of public infrastructure (including privatization and assuring economic confidence to maintain foreign financial inflows required to supplement domestic savings); investment promotion, in part to diversify away from Japan's growing domination; the rationalization of the Armed Forces; increasingly, the realization that Thailand must deal with the environmental problems that accompany high growth, particularly with the depletion of its forest resources and with growing vocal opposition to haphazard waste treatment; and a continuing effort to make Thailand one of the largest net food exporters in the world.

It is within these priorities that Canada should continue to carve its niche to expand an already buoyant commercial relationship with Thailand - more specifically, in infrastructural projects (communications,

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RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: BANGKOK

Country: THAILAND

power generation and transmission), in the environmental sector (for which we believe there will be a strong and growing market), in industrial co-operation with private sector (in the agri-food, machinery, electronic components and in export-oriented sectors), in education (under- and post-graduate and ESL) and in defence products (where Canadian firms are starting to make breakthroughs). The oil and gas sector, both downstream and upstream, also continues to remain an important market of focus for this post.

Canada's success in Thailand should be viewed as a stepping stone to our promotional efforts in the emerging markets of Indochina, particularly in Vietnam where oil and gas sector prospects have already gained extensive Canadian attention.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: BANGKOK

Country: THAILAND

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

1. **ADVANCED TECH. PROD. & SERV**
With a growing import market for telecom products, computer hardware/software, remote sensing (GIS), radio and microwave equipment, etc., this remains a sector of concentrated focus and interest by Canada's private sector.
2. **OIL & GAS EQUIPMENT, SERVICES**
Amendments to Thailand's Petroleum Act, downstream and upstream opportunities, as well as increased Canadian activity in Vietnam and Burma, will dictate considerable involvement by the post.
3. **MULTIPLE SECTORS**
(Industrial Cooperation) - The implementation of CIDA's "Enterprise Thailand (Collaboration) Project" in 1990 will demand increasing focus on JV/technology transfer opportunities. This comes part and parcel of increasingly closer contacts that are/will be established with Thailand's private sector.
4. **POWER & ENERGY EQUIP. & SERV.**
Thailand will double its existing 6000 MW generating capacity by 2000. Excellent opportunities continue to exist for already well-established Canadian firms. The changing nature of this sector (eg. move towards privatization) will also require close monitoring.
5. **DEFENCE PROGRAMS, PRODUCTS, SERV**
Recent breakthroughs by Canada's defence industry combined with strong opportunities for further sales in a sector that receives the lion's share of the Thai budget will entail close liaison with the Thai military.
6. **AGRI & FOOD PRODUCTS & SERVICE**
First, a JAC in Agricultural Cooperation is under consideration, with a main focus initially on the livestock sector (ECA related activity). Thailand's goal to expand the country's agri-food sector should open

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

- | | |
|-------------------------------------|-------------------------------------|
| 1. MINE, METAL, MINERAL PROD & SRV | 4. INDUSTRIAL MACHIN, PLANTS, SERV. |
| 2. FOREST PRODUCTS, EQUIP, SERVICES | 5. ADVANCED TECH. PROD. & SERV |
| 3. CHEM PROD & PETROCHEM, EQP, SERV | 6. |

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BANGKOK

Market: THAILAND

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: AGRICULTURE MACH,EQUIP,TOOLS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	618.00 \$M	788.00 \$M	1809.00 \$M	2000.00 \$M
Canadian Exports	5.30 \$M	6.90 \$M	15.70 \$M	25.00 \$M
Canadian Share of Market	0.86 %	0.88 %	0.88 %	1.25 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	4.90 %
UNITED KINGDOM	4.50 %
JAPAN	2.50 %
GERMANY WEST	1.90 %

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

Products/services for which there are good market prospects:

1. Breeding stock-swine,dairy cattle,semen and embryo
2. Joint venture in dairy cattle integrated project
3. Joint venture in agri-food processing
4. Joint venture in aquaculture and fish processing
5. Canola meal
6. Wheat
7. Milk powder
8. Raw hides
9. Fruits - apples, cherries
10. Fish products

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BANGKOK

Market: THAILAND

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- CIDA programs
- Strong sectoral capability in Canada
- Bilateral economic trade agreement
- Willingness of exporters to invest/joint venture in territory

Factors for Canadian exports not reaching market potential:

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

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

Activity: Canola meal introductory trials
Expected Results: To substitute soya bean meal imports

Activity: MOU on Agricultural cooperation
Expected Results: Increased bilateral cooperation

Activity: Integrated Dairy Project (CIDA INC funded)
Expected Results: Increased sales of livestock

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BANGKOK

Market: THAILAND

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

Activity: Thai Dairy Mission to Canada, Oct 1990
Expected Results: Increased exposure to Cdn strengths

Activity: Thai presence at 23rd Innatl Dairy Congress, Montreal
Expected Results: Increased exposure to Cdn strengths

Activity: Cdn Info at Agro-Tech Show, Jan 1990
Expected Results: Promote Cdn equipment/services

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

Activity: Implementation of Enterprise Thailand Program
Expected Results: Joint ventures in agro-food sector

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BANGKOK

Market: THAILAND

Sector : DEFENCE PROGRAMS, PRODUCTS, SERV

Sub-Sector: ARMAMENTS & VEHICLES

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	600.00 \$M	650.00 \$M	700.00 \$M	750.00 \$M
Canadian Exports	1.00 \$M	20.00 \$M	20.00 \$M	30.00 \$M
Canadian Share of Market	0.00 %	3.00 %	2.80 %	4.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	50.00 %
PEOPLE'S REP OF CHINA	0.00 %
FRANCE	0.00 %
GERMANY WEST	0.00 %
UNITED KINGDOM	0.00 %
ITALY	0.00 %

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

Products/services for which there are good market prospects:

1. Helicopters
2. Simulators
3. Tank re-engining kits
4. Aircraft, engines and parts
5. Light armoured vehicles
6. Remotely piloted vehicles
7. Radio communications
8. Airborne Surveillance/Radar
9. Explosive and primers

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BANGKOK

Market: THAILAND

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- Strong sectoral capability in Canada
- Bilateral economic trade agreement
- Good and strong local

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Slow in responding, refusal to
- spend adequate time in territory

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

Activity: Presence of military attache based in Bangkok
Expected Results: Enhanced exposure, increased sales

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

Activity: Mission of Senior Defence officials to Cda (aerospace)
Expected Results: Raise profile of Cdn defence products industry

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BANGKOK

Market: THAILAND

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

Activity: Possibility of Thai-Cdn defence production sharing agreement
Expected Results: Increased sales through local production (assembly)

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

Communications system upgrade	Approximate Value: 0 M\$ Financing Source : EDC - Export Dev Corporation Contact : D. McKinnon, Bangkok A. McBride, EXTOTT/PST
Helicopters	Approximate Value: 100 M\$ Financing Source : EDC - Export Dev Corporation Contact : D. McKinnon, Bangkok A. McBride, EXTOTT/PST
Low level air defence system	Approximate Value: 0 M\$ Financing Source : EDC - Export Dev Corporation Contact : D. McKinnon, Bangkok A. McBride, EXTOTT/PST
Police Radios	Approximate Value: 20 M\$ Financing Source : EDC - Export Dev Corporation Contact : D. McKinnon, Bangkok A. McBride, EXTOTT/PST

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BANGKOK

Market: THAILAND

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	350.00 \$M	400.00 \$M	450.00 \$M	475.00 \$M
Canadian Exports	3.00 \$M	6.50 \$M	7.50 \$M	9.00 \$M
Canadian Share of Market	0.90 %	1.60 %	1.67 %	1.85 %

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

Major Competing Countries

Market Share

JAPAN	50.00 %
UNITED STATES OF AMERICA	20.00 %
SWEDEN	6.00 %
SINGAPORE	5.00 %

Products/services for which there are good market prospects:

1. Telephone Switching Equipment
2. Remote Sensing/GIS
3. Microwave Equipment
4. Satellite Equipment
5. Radio Equipment
6. Spectrum Management System
7. Consulting Services
8. Packet Switching Equipment
9. Videotape Equipment

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BANGKOK

Market: THAILAND

Factors for Canadian exports not reaching market potential:

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

-

-

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

Activity: Assist Canadian participation in satellite project
Expected Results: Contracts for Sub system

Activity: Update telecom market study
Expected Results: Identify new opportunities

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

Activity: Director General of PTD to Canada, June 90
Expected Results: View Spectrum technology

Activity: Senior TOT/CAT officials to Canada (NTS funding)
Expected Results: Enhance awareness of Cdn technology

Activity: Thai Defence Mission to Canada (aerospace; telecom element)
Expected Results: Enhance awareness of Cdn technology

Activity: Remote Sensing/GIS seminar, March 91
Expected Results: Enhance awareness of Cdn technology

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BANGKOK

Market: THAILAND

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

Activity: Technology Fair, Oct 90
Expected Results: Increased awareness/joint ventures

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

Communications Tower	Approximate Value: 50 M\$ Financing Source : TO BE DETERMINED Contact : B. Desjardins, Bangkok A. McBride/EXTOTT/PST
Thai Satellite	Approximate Value: 100 M\$ Financing Source : OTHER Contact : B. Desjardins, Bangkok A. McBride/EXTOTT/PST
Videotex System	Approximate Value: 50 M\$ Financing Source : TO BE DETERMINED Contact : B. Desjardins, Bangkok A. McBride/EXTOTT/PST

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BANGKOK

Market: THAILAND

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: COMPUTERS HARD/SOFTWARE & COMP

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	558.60 \$M	700.00 \$M	900.00 \$M	1200.00 \$M
Canadian Exports	1.00 \$M	2.00 \$M	3.00 \$M	4.00 \$M
Canadian Share of Market	0.20 %	0.30 %	0.30 %	0.30 %

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

Major Competing Countries

Market Share

SINGAPORE	37.00 %
PHILIPPINES	21.00 %
UNITED STATES OF AMERICA	19.00 %
JAPAN	16.00 %
ARGENTINA	7.00 %
TAIWAN	5.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Computer peripherals
2. Data switching/transmission equipment
3. Computer software
4. Consultancy services

Factors contributing to current successful Canadian exports:

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

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BANGKOK

Market: THAILAND

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
 - Lack of promotion and advertising
 - Non-competitive financing
 - Limited appreciation/understanding of distribution system
 - Slow or lack of response
 -
-

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

Activity: Computer Thai 90 (participation by Cdn firms)
Expected Results: Increase awareness of Cdn technologies

Activity: Computer hardware/software mission to Thailand
Expected Results: Introduce Cdn capabilities

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

Activity: Corporate visits to computer companies
Expected Results: Explore market opportunities

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BANGKOK

Market: THAILAND

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: REMOTE SENSING INC. SPACE SAT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	120.00 \$M	145.00 \$M	160.00 \$M	175.00 \$M
Canadian Exports	3.50 \$M	2.60 \$M	2.50 \$M	3.10 \$M
Canadian Share of Market	2.90 %	1.80 %	1.60 %	1.80 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	50.00 %
GERMANY WEST	18.00 %
UNITED KINGDOM	4.00 %
SINGAPORE	4.00 %
AUSTRALIA	4.00 %
FRANCE	3.00 %

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

Products/services for which there are good market prospects:

1. Flight simulators
2. Ground support equipment
3. Navigational equipment
4. Aircraft engines and parts
5. Radar and radar simulators
6. Helicopters and parts (excluded in market size)

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Trade Fair activity
- Strong sectoral capability in Canada
- Good and strong agent

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BANGKOK

Market: THAILAND

Factors for Canadian exports not reaching market potential:

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

- _____
- _____

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

Activity: Market study on the aerospace sector to be completed in March 1990.

Expected Results: Better understanding of market opportunities

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

Activity: Thai Defence Mission to Canada (aerospace, telecom equipment)

Expected Results: Enhance awareness of Cdn technology

Activity: Airport Equipment Mission to Thailand (for FY 91/92)

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BANGKOK

Market: THAILAND

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

Airports being upgraded

Approximate Value: 0 M\$
Financing Source : OTHER
Contact : B. Desjardins
A. McBride

4-5 new airports planned or
under realization.

Approximate Value: 0 M\$
Financing Source : OTHER
Contact : B. Desjardins
A. McBride

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BANGKOK

Market: THAILAND

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: OTHER ELECTRONICS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	6.60 \$M	4.10 \$M	8.00 \$M	10.00 \$M
Canadian Exports	0.20 \$M	0.10 \$M	0.30 \$M	0.50 \$M
Canadian Share of Market	0.50 %	0.30 %	1.00 %	2.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	35.00 %
GERMANY WEST	25.00 %
ITALY	10.00 %
FRANCE	10.00 %
JAPAN	10.00 %

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

Products/services for which there are good market prospects:

1. Waste water Treatment equipment
2. Chemicals & Biotech products/waste treatment
3. Hazardous waste handling equipment
4. Clean technology for industrial process
5. Air pollution control equipment
6. Toxic waste treatment equipment & services
7. Consulting services

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BANGKOK

Market: THAILAND

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Thai Govt policy and legislation re
- main to be enunciated.

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

Activity: Market study on environmental sector (to be completed by end FY 89/90)
Expected Results: Identify new opportunities/define existing Thai legislation

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

Activity: Follow up to Thai participation at Globe 90
Expected Results: Enhance Thai awareness of environmental concern.

Activity: Cdn Environmental Seminar, Bangkok
Expected Results: Introduce Cdn capabilities

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BANGKOK

Market: THAILAND

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: TRANSMISSION

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1790.00 \$M	2706.70 \$M	3300.00 \$M	4000.00 \$M
Canadian Exports	23.00 \$M	28.00 \$M	35.00 \$M	48.00 \$M
Canadian Share of Market	1.30 %	1.10 %	1.10 %	1.20 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	34.00 %
JAPAN	31.00 %
GERMANY WEST	6.00 %
SWITZERLAND	6.00 %
FRANCE	4.00 %
UNITED KINGDOM	3.00 %

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

Products/services for which there are good market prospects:

1. Power Boilers
2. Substation and transmission line products
3. Control Equipment and instrumentation
4. Consulting Services

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BANGKOK

Market: THAILAND

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Cdn companies not aggressive, slow
- or lack of response

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

Activity: Mae Moh follow up sales - Units 12-19
Expected Results: Hope to continue with sole sourcing from Cda

Activity: EGAT power plant simulator
Expected Results: To ensure Cda is shortlisted

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

Activity: Intermach 10-10, May 1990
Expected Results: Profile, sales

Activity: Electrical Mission to Cda (FY 1991/92)
Expected Results: Enhance sales potential

Activity: Electrical Mission to Thailand (FY 1991/92)
Expected Results: Explore new potential

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

Activity: Follow up on EGAT Privatization
Expected Results: New sales opportunities

Activity: Assist Cdn companies to locate reliable local reps and to give recommendations on how to pursue major projects
Expected Results: Inform Cdn cos of opportunities to increase market share

Activity: Have frequent contacts with EGAT for potential thermal/hydro projects as well as mine development projects.
Expected Results: Increase awareness of Cda as source of supply

Activity: Follow up future procurements on power boiler Mae Moh Units 12-19 and other thermal/hydro power plant projects
Expected Results: Further sales of power boilers and power plants to EGAT

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BANGKOK

Market: THAILAND

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

Krabi Lignite Unit 4 75MW	Approximate Value: 142 M\$ Financing Source : TO BE DETERMINED Contact : S. Chanthachaiwat, Bangkok A. McBride (613) 995 7662
Kaeng Krung Hydro 2 X 40MW	Approximate Value: 141 M\$ Financing Source : TO BE DETERMINED Contact : S. Chanthachaiwat, Bangkok A. McBride (613) 995 7662
Bang Pakong Thermal Unit 3, 4 2 X 600	Approximate Value: 993 M\$ Financing Source : TO BE DETERMINED Contact : S. Chanthachaiwat, Bangkok A. McBride (613) 995 7662
Mae Moh Lignite Unit 12-14	Approximate Value: 1006 M\$ Financing Source : TO BE DETERMINED Contact : S. Chanthachaiwat, Bangkok A. McBride (613) 995 7662

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BANGKOK

Market: THAILAND

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: MACHINERY AND EQUIPMENT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	120.00 \$M	150.00 \$M	200.00 \$M	250.00 \$M
Canadian Exports	0.07 \$M	0.06 \$M	0.07 \$M	0.09 \$M
Canadian Share of Market	0.06 %	0.04 %	0.04 %	0.04 %

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

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

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

Products/services for which there are good market prospects:

1. Drilling Equipment and Services
2. Gas Transmission Equipment
3. Geological Surveying
4. Oilfield chemical
5. Training Services
6. Petroleum Plant Equipment
7. CNG Equipment

Factors contributing to current successful Canadian exports:

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

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BANGKOK

Market: THAILAND

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
 - Lack of promotion and advertising
 - Non-competitive financing
 - Market prospects have not been adequately explored
 - Performance of local agent or representative
-
-

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

Activity: Alberta Oil and Gas Mission to Thailand and Vietnam,
October/November 89

Expected Results: Awareness of Cdn companies to pursue market aggressively

Activity: PCIAC Oil and Gas Seminar in Calgary

Expected Results: Better comprehension of Thailand's oil and gas sector

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

Activity: Visitors to National Petroleum Show 1990, Calgary

Expected Results: Enhance Cdn reputation in market

Activity: Oil and Gas Mission/seminar

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

Activity: Report on Petroleum industry in Vietnam

Expected Results: Enhance awareness of opportunities

Activity: Report on Petroleum industry in Thailand

Expected Results: Enhance awareness of opportunities

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BANGKOK

Market: THAILAND

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

Offshore Concessions, Vietnam Approximate Value: 0 M\$
 Financing Source : OTHER
 Contact : B. Desjardins, Bangkok
 A. McBride/EXTOTT/PST

New Regulations on Oil and Gas Approximate Value: 0 M\$
Concessions, Thailand Financing Source : OTHER
 Contact : B. Desjardins, Bangkok
 A. McBride/EXTOTT/PST

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BANGKOK

Market: THAILAND

Sector : EDUCATION, MEDICAL, HEALTH PROD

Sub-Sector: EDUCATIONAL SERVICES, EQUIPMENT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	0.00 \$M	122.00 \$M	135.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	2.70 \$M	3.40 \$M
Canadian Share of Market	0.00 %	0.00 %	2.20 %	2.50 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	35.00 %
UNITED KINGDOM	16.00 %
PHILIPPINES	14.00 %
AUSTRALIA	11.00 %
JAPAN	9.00 %
FINLAND	4.00 %

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

Products/services for which there are good market prospects:

1. Post secondary education
2. English as second language
3. French as second language
4. Educational equipment

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- PEMD support
- CIDA programs
- Strong sectoral capability in Canada
- Willingness of exporters to invest/joint venture in territory

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BANGKOK

Market: THAILAND

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Performance of local agent or representative

- _____
- _____

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

Activity: Development of strategy in Canada to attract foreign students

Activity: Development of strategy at post to promote Canada as educational destination

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

Activity: Education Mission to Canada (S&T related; perhaps FY 89/90)
Expected Results: Increase Thai Govt awareness of Canada's potential

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

Activity: Refinement of Post strategy
Expected Results: Greater understanding of Thai market and awareness

Activity: Education seminars (2) in Bangkok
Expected Results: Increase profile of Cda as potential destination for Thais

30/11/89

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BANGKOK

Market: THAILAND

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

800 Scholarships from RTG to	Approximate Value:	0 M\$
to study science abroad	Financing Source :	OTHER
	Contact	: D. McKinnon
		A. McBride

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: BANGKOK

Country: THAILAND

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

	Total (\$ Million)	Canadian Share	Major Competitor Share
Two years ago	50.00	0.00	100.00
One year ago	50.00	0.00	100.00
Current year	300.00	0.00	100.00

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

Offshore investment activities by Thai firms focus to a large extent on acquisitions to guarantee offshore distribution outlets (eg Unicord's recent purchase of Bumblebee USA) or investments in neighbouring countries. Cda is not yet a country of focus for Thailand.

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

- U.S.A.
- People's Republic of China
- ASEAN
- Taiwan
- Hong Kong
- Indochina (Vietnam)

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

- Unlike Hong Kong and Singapore, there is no concerted effort by other countries to attract Thai investments. Only 4 or 5 Thai corporations in fact have offshore investments of any significance. Thai Govt is pursuing a policy of making Thailand the "Gateway to Indochina", which does include in-

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: BANGKOK

Country: THAILAND

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

- Some thoughts have been expressed to consider Canada as a location from which to supply the U.S. market under the FTA.

the following constraints:

- Canada is not yet a major export market for Thailand.

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

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

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

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

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Bangkok

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/06/00	Gas & Oil Mission From Thailand Mission In, To Fair	Oil & Gas Equipment & Services
90/08/00	Asia Comm'90, Thailand Info Booth, With Group	Advanced Tech. Prod. & Services
90/09/00	Aerospace Mission From Thailand Mission In, To Industry	Advanced Tech. Prod. & Services
90/10/00	Medical/Hospitech, Thailand Info Booth, With Group	Education, Medical, Health Prod.
90/11/00	Defence Asia, Thailand Info Booth, With Group	Defence Programs, Products Services
90/12/00	Mining Equipment Mission To Thailand Mission out, Industry	Mine, Metal, Mineral Prod & Services
91/01/00	Food Processing And Pkg. Exhibition In Thailand Info Booth, With Group	Agri & food Prod. & Services
91/02/00	Market Studies, Thailand Other Promotion	General
91/02/00	Canola Mission To Thailand Mission Out, Industry	Grains and oilseeds
91/03/00	Automotive Parts Mission To Thailand Mission Out, Industry	Transport System, Equip, Comp, Services

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: BEIJING

Country: PEOPLE'S REP OF CHINA

If 1989 was a year of challenge in economic management, 1990 might perhaps be an even more difficult year as China's economy which had begun to slow down before the June events, is entering a period of serious uncertainty, with shortages in local funding and foreign exchange. Compounding this, is China's political situation which has led the government to devote much required financial and human resources to ideological activities rather than economic activities.

Officially, China's leadership maintains that the policies of economic reforms and open door will not be affected by the recent political turmoil. However, indications are that there is support for a retrenchment and becoming, again, self-reliant. Nevertheless, unless China were to decide to isolate itself, there will continue to be many opportunities for Canadian exporters as China's development priorities match Canada's expertise in the fields of energy, resources and transportation sectors. Furthermore, it is expected that grain and wheat imports will increase as China's crops are not as successful as anticipated. There is much uncertainty about the fate of decentralization. As a more hard line leadership has taken over, there may be attempts to cut back on this, as it is believed to have provided some fuel to the political turmoil of last June. A move to recentralize the economic decision power will most likely be resisted by the Special Economic Zones as well as from Coastal cities and Provinces, which have grown accustomed to the international trade and earning vital foreign exchanges leading to faster economic growth. The Government's drive against inflation, corruption and the elimination of unproductive projects as well as the elimination of unprofitable corporations will intensify as, the authorities seek to reassure the population that it is trying hard to look after their welfare while responding to the criticism enunciated, by the protesters (students and factory workers), at the beginning of the pro democracy demonstrations.

In 1988, China's trade deficit widened to \$US 6 billion. In the first six months of 1989, the trade deficit had already reached \$US 6 billion. It is expected that the deficit will continue to widened to reach close to \$US 10 billion by the end of 1989. The Chinese Government has announced several measures to curb the deficit including, a ban on imports of several "luxury" goods. In the first six months of 1989, the level of imports has significantly increased, 20%, while exports of oil, the PRC's major foreign exchange earner, were down. The fall in foreign exchange revenues, combined with high government expenditures and less than anticipated internal revenues, is forcing China to face a serious financial crisis. Foreign exchange reserves are about at the same level as last year but holding only by virtue of large sales of gold to shore up the said reserves. Scarcer foreign exchange will force the central government to reach out in the provinces to control and retrieve their earned foreign exchange. Priority projects only will be allocated funding and loans from foreign countries and multilateral institutions will, if allowed to go ahead, play a greater role in China economic development. Barter and counter trade which was predicted to perhaps play a greater role, has already been used for several projects especially in the power sector.

With the recent political events, foreign investments are expected to drastically drop over the next two years as, it will take time to rebuild

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: BEIJING

Country: PEOPLE'S REP OF CHINA

the confidence that foreign investors had in the PRC Government.

At the end of March 1989, China foreign debt stood at US\$ 42 billion. The debt service ratio was 10/12% which is well below acceptable levels. For now, China appears to be managing its debt well however, with foreign investments expected to virtually dry up, combined with the slow down of multilateral funding and the freeze on lending from most OECD Countries Governments and Banks, China, which has always prided itself to pay its foreign debt on time, might begin to experience some repayments problems in the near future. The fact that some Chinese corporations are encountering serious difficulties in confirming lines of credits, for purchase of foreign goods, is a sign of more serious financial difficulties looming in the future. This, will have a serious impact on foreign corporations already shaken confidence in China.

China's drive to rejoin the GATT will no doubt continue if only to convince the world of its commitment to the open door policy. This process however, will face significant delays following the June events but, should China be allowed to rejoin GATT, it should provide an easier access to the Chinese market.

Under normal circumstances, the continued open door policy combined with China's priorities for economic development, so well matching Canada's strength, should lead to further increases in our exports to China. 1988 was by far Canada's best year for exports to the PRC and 1989, although lower, will still be above the average. 1990 however, is unpredictable as the uncertainties regarding the availability of financing from Canada, multilateral banks and private banks will affect the level of trade. Moreover, China will definitively curtail and control the speed of development and few projects might be approved for local funding (an existing problem). This will lead Canadian companies to diversify, away from China to other markets such as the ASEAN countries. Should financing become available then Canada stands to do well in several sectors including agriculture, energy, communications, mining and pulp and paper.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: BEIJING

Country: PEOPLE'S REP OF CHINA

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

1. **ADVANCED TECH. PROD. & SERV**
 - Strong Canadian sector capability with active promotion/sales in PRC.
 - Solid government support for promotional events.
 - Desire to use EDC concessional financing.
 - Priority sector for PRC.

2. **OIL & GAS EQUIPMENT, SERVICES**

China is midst of major expansion in secondary petroleum and chemical processing industry to reduce dependency on imports. Canadian industry has world class technology and consulting capability.

3. **POWER & ENERGY EQUIP. & SERV.**
 - Strong Cdn sectoral capability with active promotional/sales in PRC.
 - Solid federal/provincial support.
 - Large multi year purchases.
 - Desire to use EDC concessional or World Bank financing.

4. **MINE, METAL, MINERAL PROD & SRV**
 - Strong sectoral capability.
 - High development priority for both ferrous and non-ferrous.
 - Sector earns foreign exchange.

5. **AGRI & FOOD PRODUCTS & SERVICE**

Canada is a traditional supplier of quality wheat and barley to China. Our barley grading standards and quality are high and meet specific Chinese requirements. Canada major exporter of high quality potash fertilizer to China. Cooperation is highly recognized by end users who influence purchasing decisions by SINOCEM and MOA

6. **TRANSPORT SYS, EQUIP, COMP, SERV.**
 - Upgrading and expansion of transport systems is top development priority.
 - Significant World Bank program (\$1 billion US/year).
 - Concurrent and complement CIDA focus.

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

- | | |
|-------------------------------------|------------------------------------|
| 1. AGRI & FOOD PRODUCTS & SERVICE | 4. MINE, METAL, MINERAL PROD & SRV |
| 2. CHEM PROD & PETROCHEM, EQP, SERV | 5. ADVANCED TECH. PROD. & SERV |
| 3. FOREST PRODUCTS, EQUIP, SERVICES | 6. POWER & ENERGY EQUIP. & SERV. |

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: SEEDS & SPECIAL CROPS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1800.00 \$M	2600.00 \$M	2500.00 \$M	2500.00 \$M
Canadian Exports	0.00 \$M	1042.00 \$M	1200.00 \$M	1250.00 \$M
Canadian Share of Market	0.00 %	40.00 %	48.00 %	50.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	40.00 %
ARGENTINA	5.00 %
AUSTRALIA	5.00 %
EUROPEAN COMMON MARKET C	5.00 %
MALAYSIA	3.00 %

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

Products/services for which there are good market prospects:

1. Wheat (HRS and HRW)
2. Barley (Malting/White Alumone)
3. Veg. Oils (Canola and Soybean)

Factors contributing to current successful Canadian exports:

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

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

Factors for Canadian exports not reaching market potential:

- Mkt for Can Wheat/Barley is well
- est. Govt.pol.prohib. imports

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

Activity: Ongoing Canadian International Grains Institute courses for the Chinese commodity inspection administration, malting/brew

Expected Results: Cda's supplier/wheat & barley. Incr. mkt base for Cdn Barley

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

Activity: Agro Expo China 90

Expected Results: Further Demo. of Canadian tech capabilities in the Ag sector.

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

Activity: Joint Agriculture Committee Program (1990/91)

Expected Results: Support grain & other agricul. prods mktg/tech.dialogue

Activity: Canola Oil Technical Mission (Outgoing) (Summer 1991).

Expected Results: Carryout tech discussions for canola oil in mkt/no restric'n

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: AGRICULTURE MACH, EQUIP, TOOLS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	1200.00 \$M	1200.00 \$M	1300.00 \$M
Canadian Exports	0.00 \$M	150.00 \$M	160.00 \$M	180.00 \$M
Canadian Share of Market	0.00 %	12.50 %	13.00 %	14.00 %

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

Major Competing Countries

Market Share

EUROPE	40.00 %
UNITED STATES OF AMERICA	15.00 %
MIDDLE EAST OR NEAR EAST	15.00 %
EUROPEAN COMMON MARKET C	15.00 %

Current Status of Canadian

exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Fertilizer (Potash)
2. Tobacco
3. Breeding Dairy Cattle, Semen and Embryo
4. Breeding Fox and Mink
5. Breeding Poultry Stock
6. Hides (Cattle)
7. Grain Cleaning and Handling, and Drying Equipment
8. Grain Storage Equipment and Tech.
9. Veg Oil Processing Equipment (Refining)
10. Agriculture Implements
11. Environmental Control Equipment (Fruit/Veg-storag)

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

Factors for Canadian exports not reaching market potential:

- _____
- _____

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

Activity: Joint Agriculture Committee Program. Provincial Bilateral Progs of Coop'n in the Agri sector (Alta, Sask., Quebec).
Expected Results: Further increase awareness about Cdn products/technology.

Activity: Negotiation of Plant Quarantine Protocol
Expected Results: Prepare for Commercial sales of Hybrid/Corn/Forage seeds

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

Activity: Power Seminar early in 90
Expected Results: Increased awareness

Activity: EP China June 90
Expected Results: Consolidation of market share

Activity: Agro Expo China 90 (April 1990)
Expected Results: Promote Canadian capability in Agri Production/Processing

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

Activity: Joint Agriculture Committee Program 1990-91.
Expected Results: Enhance awareness of Chinese Scient./Techn. Cdn in Agri.sec.

Activity: Market Study to identify market needs for Can veg oil refining eqpt & grain/seed cleaning & processing equipment.
Expected Results: Better informed Cdn exprtrs about mkt opps in this sector.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1455.00 \$M	2792.00 \$M	2725.00 \$M	2550.00 \$M
Canadian Exports	16.90 \$M	24.24 \$M	83.10 \$M	79.50 \$M
Canadian Share of Market	2.24 %	1.48 %	6.70 %	6.50 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	101.80 %
JAPAN	84.00 %
PEOPLE'S REP OF CHINA	52.00 %
GERMANY WEST	11.50 %
ITALY	6.00 %
MIDDLE EAST OR NEAR EAST	15.00 %

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

Products/services for which there are good market prospects:

1. Mini-computers (CDC)
2. Deripherals
3. Electrical Measurement and Control Equipment
4. Scientific Research Instrumentation
5. Central Office Switches
6. Satellite Ground Stations
7. Telecommunication Cables
8. Microwave Transmission
9. Mobile Telecommunications

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
 - Limited appreciation/understanding of distribution system
 - Market prospects have not been adequately explored
 - Performance of local agent or representative
-
-

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

Activity: Continuation of Market Prospection
 Expected Results: Additional orders for Control Data Canada

Activity: Market canvassing activities
 Expected Results: Trade opportunities.

Activity: Publication of a Canada Special in the "World Telecommunications Magazine".
 Expected Results: Better knowledge of Canadian capabilities.

Activity: Up-date of a market study on the telecommunications sector.
 Expected Results: Better appreciation of market opportunities.

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

Activity: Provincial Telecommunications Seminars.
 Expected Results: Better knowledge of Cdn Rural Telecom Tech in the Provinces

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

Activity: Expocom 1990 Trade Fair
 Expected Results: Heighten appreciation of Cdn Telecom expertise.

Activity: Tour of China by Cdn consultant to evaluate technical aspects of the market.
 Expected Results: More precise market intelligence.

Activity: Rural Telecommunication Mission to Canada.
 Expected Results: Better knowledge of Cdn Eqpt. by most likely buyers.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: HYDRO

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	600.00 \$M	7000.00 \$M	1000.00 \$M	1000.00 \$M
Canadian Exports	0.00 \$M	5.00 \$M	50.00 \$M	150.00 \$M
Canadian Share of Market	0.00 %	0.07 %	5.00 %	15.00 %

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

Major Competing Countries

Market Share

PEOPLE'S REP OF CHINA	0.00 %
UNION OF SOVIET SOC REP	0.00 %
JAPAN	0.00 %

Products/services for which there are good market prospects:

1. Turbines
2. Generators
3. Elect. Substations
4. Engineering Design Services

Factors contributing to current successful Canadian exports:

- Import duties are low
- Aggressive marketing
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Allocation to
- domestic supply

- _____
- _____

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

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

Activity: Energy and Power China, May-June 1990
Expected Results: Increase awareness of Canadian capabilities.

Activity: Power Seminar 1990/Canada only
Expected Results: Increase awareness of Canadian capabilities.

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

Activity: Promotional Publicity for Hydro Power projects
Expected Results: Invitation to bid on Eng. & Products for hydro projects.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

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

Long Tan	Approximate Value: 250 M\$
	Financing Source : EDC - Export Dev Corporation
	Contact : R. Collette
Ertan	Approximate Value: 250 M\$
	Financing Source : IDA - World Bank
	EDC - Export Dev Corporation
	Contact : R. Collette
Ming Tombs Pump Storage	Approximate Value: 0 M\$
	Financing Source : OTHER
	Contact : R. Collette

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: THERMAL

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	500.00 \$M	500.00 \$M	500.00 \$M	500.00 \$M
Canadian Exports	50.00 \$M	45.00 \$M	100.00 \$M	100.00 \$M
Canadian Share of Market	100.00 %	9.00 %	20.00 %	20.00 %

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

Major Competing Countries

Market Share

PEOPLE'S REP OF CHINA	0.00 %
UNITED KINGDOM	0.00 %
JAPAN	0.00 %
GERMANY WEST	0.00 %

Current Status of Canadian

exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Boilers
2. Balance of Plant
3. (NOT T/G)
4. Engineering/Design

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Allocation to
- domestic supply

- _____
- _____

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

Activity: Power Seminar early in 90.
Expected Results: Increased awareness.

Activity: EP China June 90
Expected Results: Consolidated of market study

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

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

Power Plant for Shanxi At.
Complex

Approximate Value: 0 M\$
Financing Source : OTHER
Contact : R. Collette

Power Plan Jiangsi

Approximate Value: 0 M\$
Financing Source : OTHER
Contact : R. Collette

Gasbeidian Coal Generated

Approximate Value: 0 M\$
Financing Source :
Contact : R. Collette

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: TRANSMISSION

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	0.00 \$M	80.00 \$M	50.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	5.00 \$M	5.00 \$M
Canadian Share of Market	0.00 %	0.00 %	6.30 %	10.00 %

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

Major Competing Countries

Market Share

PEOPLE'S REP OF CHINA

0.00 %

Current Status of Canadian

exports in this sector/subsector: No export results to date

Products/services for which there are good market prospects:

1. Transmission Towers

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Lack of promotion and advertising
- Market prospects have not been adequately explored
- Failure to allocate
- FOREX

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

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

Activity: Support for Market Promotion by Key Tower Manufacturer

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

Activity: EP China June 90

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

Sector : TRANSPORT SYS, EQUIP, COMP, SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	3250.00 \$M	4500.00 \$M	5000.00 \$M	1.50 \$M
Canadian Exports	62.50 \$M	75.00 \$M	80.00 \$M	150.00 \$M
Canadian Share of Market	1.90 %	1.70 %	1.60 %	150.00 %

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

Major Competing Countries

Market Share

JAPAN	35.00 %
UNITED STATES OF AMERICA	23.00 %
UNION OF SOVIET SOC REP	10.00 %
GERMANY WEST	6.00 %

Products/services for which there are good market prospects:

1. Aircraft
2. Aircraft Engines
3. Air Traffic Control Equipment
4. Flight Simulators
5. Vessel Traffic Management System
6. Railway Communication Equipment/Consultants Srvcs
7. Harbour Equipment/Communication
8. Railway Tracks
9. Road Projs (Construction, srvcs, feasib. study).
10. Automotive Equipment/spare parts
11. Urban Transit Equipment

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

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

Activity: Follow up on opportunities to sell commuter aircraft to regional carriers; executive jets.

Expected Results: Increased sales in 89 of commuter aircraft/water bombers.

Activity: Follow up on prospects for sales of rail track

Expected Results: Sale of track with World Bank Projects.

Activity: Investigate automotive spare parts projects.

Expected Results: MOU for potential joint venture

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

Activity: Undertake a sector review

Expected Results: Listing of opportunities for Canadian Exporters.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

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

Railway Projects

Approximate Value: 700 M\$
Financing Source : IBRD - World Bank
Contact : R. Collete

Road Construction Projects

Approximate Value: 700 M\$
Financing Source : IBRD - World Bank
Contact : R. Collette

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: WOOD AND WOOD PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1154.00 \$M	1103.00 \$M	1200.00 \$M	1400.00 \$M
Canadian Exports	28.00 \$M	64.00 \$M	75.00 \$M	85.00 \$M
Canadian Share of Market	2.40 %	5.80 %	6.00 %	6.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	0.00 %
INDONESIA	0.00 %
UNION OF SOVIET SOC REP	0.00 %

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

Products/services for which there are good market prospects:

1. Logs
2. Lumber

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- PEMD support
- Provincial export promotion
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Bilateral economic trade agreement

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Shortage of foreign
exchange.
-
-

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

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

Activity: Establishment of Wood Product Working Group
Expected Results: Incr.Chinese potential uses of Cdn lumber/dev. understanding

Activity: Support COFI Beijing Demonstration Project.
Expected Results: Reach decision makers/acceptance of Cdn lumber in construc'n

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: PULP AND PAPER PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1991.00 \$M	811.00 \$M	950.00 \$M	1050.00 \$M
Canadian Exports	219.00 \$M	277.00 \$M	340.00 \$M	375.00 \$M
Canadian Share of Market	15.00 %	37.50 %	37.50 %	36.10 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	0.00 %
JAPAN	0.00 %
SWEDEN	0.00 %

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

Products/services for which there are good market prospects:

1. Pulp
2. Newsprint
3. Paper and paper based
4. Pulp and Paper Equipment
5. Consulting Services to Multilat. Bank funded projs

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Bilateral economic trade agreement
- Cdn exports ltd by supply

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Unsuitable product
- Market prospects have not been adequately explored

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

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

Activity: Support Canadian companies pursuing EDC listed pulp and paper projects.
Expected Results: Sale of Canadian pulp and paper equipment.

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

Activity: Pulp and Paper Equipment Study (October 1989)
Expected Results: Determine realistic market opps for Cdn equipment suppliers

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

Hexian Pulp and Paper Mill	Approximate Value: 8 M\$ Financing Source : ASDB - Asian Development Bank Contact : M. Charron
Heilongjiang Forest Fire Rehab Project	Approximate Value: 60 M\$ Financing Source : IBRD - World Bank Contact : M. Charron
Forest Sector Project	Approximate Value: 240 M\$ Financing Source : IBRD - World Bank Contact : M. Charron

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

Sector : MINE,METAL,MINERAL PROD & SRV

Sub-Sector: MINERALS AND MINERAL PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	9400.00 \$M	9000.00 \$M	9000.00 \$M	6000.00 \$M
Canadian Exports	147.00 \$M	218.00 \$M	180.00 \$M	150.00 \$M
Canadian Share of Market	1.60 %	2.40 %	2.00 %	2.50 %

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

Major Competing Countries	Market Share
JAPAN	0.00 %
UNION OF SOVIET SOC REP	0.00 %
GERMANY WEST	0.00 %
UNITED STATES OF AMERICA	0.00 %
AUSTRALIA	0.00 %
BRAZIL	0.00 %

Products/services for which there are good market prospects:

1. Potash
2. Copper
3. Zinc
4. Aluminum
5. Specialty Steel
6. Nickel

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Limited Canadian capabilities
- Lack of PRC familiarity with Cdn
- eqpt/tech., high transpo. cost

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

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

Activity: Follow up to recently completed market survey on non-ferrous industry.

Expected Results: More Canadian involvement in project opportunities

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

Activity: 14th World Mining Congress

Activity: Geophysical Seminar/Beijing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

Sector : MINE, METAL, MINERAL PROD & SRV

Sub-Sector: EQUIPMENT AND MACHINERY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	2000.00 \$M	2000.00 \$M	1800.00 \$M	2000.00 \$M
Canadian Exports	12.00 \$M	10.00 \$M	10.00 \$M	15.00 \$M
Canadian Share of Market	0.60 %	0.50 %	0.55 %	0.75 %

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

Major Competing Countries Market Share

JAPAN	35.40 %
UNITED STATES OF AMERICA	9.60 %
GERMANY WEST	6.50 %
UNITED KINGDOM	5.40 %
AUSTRIA	4.80 %
ITALY	3.40 %

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

Products/services for which there are good market prospects:

1. Smelter/refinery expansion and modernization eqpt.
2. Mining equipment
3. Smelter/refinery expansion & modern'n tech.&srvc.
4. Mining Engineering Services
5. Downstream fabrication eqpt. and technology.
6. Geophysical equipment.

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- PRC prefers spot market to long
- term contracts.

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

Activity: Follow-up to recently completed Field Study on Non-Ferrous Industry.

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

Activity: 14th World Mining Congress

Activity: Geophysical Seminar/Beijing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	900.00 \$M	900.00 \$M	700.00 \$M	700.00 \$M
Canadian Exports	30.00 \$M	40.00 \$M	40.00 \$M	50.00 \$M
Canadian Share of Market	3.30 %	4.40 %	5.70 %	7.10 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	0.00 %
JAPAN	0.00 %
UNITED KINGDOM	0.00 %
FRANCE	0.00 %
AUSTRALIA	0.00 %
BRAZIL	0.00 %

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

Products/services for which there are good market prospects:

1. Heavy Oil Production Equipment
2. Specialized Drilling Equipment
3. National Gas Processing Equipment
4. National Gas Processing Equipment
5. Oil and Gas Engineering Services
6. Scada Systems
7. Cold Weather and Offshore Equipment and Services

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Non-competitive financing
- Long-term marketing strategy,
including commitment, is too rare

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

Activity: Help promote use of Alberta Petroleum Centre as venue for Canadian technology.

Expected Results: Better local awareness of Canadian technology.

Activity: Follow-up on CIDA TCP studies.

Expected Results: Canadian involvement in projects implementation.

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

Sector : CHEM PROD & PETROCHEM, EQP, SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1200.00 \$M	3000.00 \$M	3300.00 \$M	4000.00 \$M
Canadian Exports	150.00 \$M	200.00 \$M	175.00 \$M	400.00 \$M
Canadian Share of Market	8.30 %	6.20 %	5.30 %	10.00 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	0.00 %
JAPAN	0.00 %
GERMANY WEST	0.00 %
ITALY	0.00 %
BRAZIL	0.00 %
OTHER COUNTRIES	0.00 %

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

Products/services for which there are good market prospects:

1. Petrochemical Plant Equipment
2. Petrochemical Plant Equipment Engineering Services
3. Polyethylene
4. Polypropylene
5. Polystyrene
6. Potassium Chloride (Muriate)

Factors contributing to current successful Canadian exports:

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

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BEIJING

Market: PEOPLE'S REP OF CHINA

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Limited Canadian capabilities
- Market prospects have not been adequately explored
- _____
- _____

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

Activity: Petrochemical and Chemical Mission/Seminar (Outgoing) 1990/91.

Expected Results: Broadening can cos contacts w/Chinese firms & Prod end users

Activity: Petrochemical and Chemical Mission (Incoming) 1991/92.

Expected Results: Intro'n of Cdn Tech. to Chinese Ind. Tech. & Business Mgrs.

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

Activity: Petrochemical and Chemical Market Study (NTS) (1990/91).

Expected Results: Increased awareness about prods/projs needs of market.

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Beijing

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/04/03	Agro-Expo 1990, Beijing China Info Booth, With Group	Agri & Food Prod. & Services R.Parker
90/05/30	Energy & Power 90 Beijing, China Fair, National Stand	Power & Energy Equip & Services
90/10/00	Oil & Gas Solo Show Beijing, China Fair, Solo	Oil & Gas Equip, Services
90/11/00	Chinese Petrochemical Official To Canada Mission In, To Industry	Petrochem & Chem Product, Equipment, Services

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: SHANGHAI

Country: PEOPLE'S REP OF CHINA

Market prospects for Canadian firms in the East China region are conditioned by the same two major factors affecting the remainder of the country. The unrest of June, which resulted in cancellation or suspension of international financing has only exacerbated ongoing difficulties faced by the State. Face by inflationary pressures, shortages of energy and raw materials, the processing industries of Shanghai and Jiangsu have failed to meet production targets. As a result, exports have declined while imports grew strongly, e.g., up 32% in Shanghai. Zhe Jiang, the other regional major economic power saw, however, a continued growth in exports (24% to USA \$1.0 B) and industrial production 14% to Y45B). These three areas also complain strongly about the relatively heavy burden imposed on them in revenues returned to the State, compared for example with Guangdong province.

Continuing political uncertainties were reflected in a strong decline in foreign investment. In Shanghai, both number and value of contracts with foreign firms had risen dramatically in the first half of 1989 over the same period last year (183% and 65% to 133 and USA \$261 M respectively). In contrast, during July, only 14 contracts worth USA \$9M were issued, a decline of more than 40%.

Nevertheless, the sense of the OECD community here is that this region merits continued emphasis and a maintenance of established links. The State has indicated that one yuan invested in imported technology has historically produced 2 yuan/per year in profits. Thus the local governments are, if anything, more anxious than ever to form links with foreign companies.

One effect of straightened circumstances is a reorientation toward essential industry. In times of raw material and local funding shortages, the interest is even more heavily focussed on export oriented production, processing with foreign supplied materials and buy back, with all the attendant (and well-known) risks.

Nevertheless, in contrast to some countries' experiences elsewhere in China, the joint ventures undertaken in this region have done well. Pilkington Glass, Squibb Pharmaceuticals, Foxboro, Alcatel, all report solid profits. The latter has far exceeded its theoretical limit of telephone exchanges produced and is preparing to transfer surface-mount technology, an indication of the potential gradually being realized for sophisticated production in carefully chosen facilities.

In an environment characterized by shortage of both foreign and domestic funds, financing becomes a key, sometimes the sole factor in trade development. Canadian efforts should therefore focus around the following areas: first, projects financed by International Financial Institutions e.g., World Bank, UNDP, Asian Development Bank), OECD (Japan), or other bilateral finds for the Chinese priority sectors of energy, transportation, telecommunications, agriculture, and infrastructure renovation. Second, projects providing import substitution in the priority areas or to assist established joint ventures to localize component sourcing, such as in the automotive sector. Finally, continued use of the marketing support available from Federal, provincial and regional groups plus the critical EDC financing input will maximize potential for success in East China.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: SHANGHAI

Country: PEOPLE'S REP OF CHINA

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

1. **ADVANCED TECH. PROD. & SERV**
The advanced technology sector continues to be top priority of the region, particularly in the Shanghai-Nanjing-Wuxi triangle. Telecommunications (satellite, telephone switching systems, and rural/mobile) are being effectively pursued by Canadian firms.
2. **TRANSPORT SYS, EQUIP, COMP, SERV.**
Potential exists for further sales of commuter aircraft. The vessel traffic management system is still under negotiation, and consulting services opportunities exist particularly in Hangzhou and Shanghai.
3. **CHEM PROD & PETROCHEM, EQP, SERV**
Past success in this area and critical shortages of organic raw materials should lead to good potential. Petrochemical mission will generate demands for mission support.
4. **CONSTRUCTION INDUSTRY**
Funding may be available by World Bank and ADB for urban renewal and environmental projects where Canadian expertise has been successfully demonstrated.
5. **POWER & ENERGY EQUIP. & SERV.**
Continued chronic shortage of electricity in the region, strong success by Canada in World Bank funded projects and plans for additional thermal plants render this sector of interest.
- 6.

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

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SHANGHAI

Market: PEOPLE'S REP OF CHINA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	50.00 \$M	70.00 \$M	55.00 \$M	40.00 \$M
Canadian Exports	1.50 \$M	5.00 \$M	20.00 \$M	8.00 \$M
Canadian Share of Market	3.00 %	7.00 %	35.00 %	20.00 %

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

Major Competing Countries

Market Share

PEOPLE'S REP OF CHINA	0.00 %
JAPAN	0.00 %
GERMANY WEST	0.00 %
SWEDEN	0.00 %
ITALY	0.00 %

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

Products/services for which there are good market prospects:

1. Telephone switching
2. Earth stations
3. Microwave
4. Mobile/Rural

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada
- Bilateral economic trade agreement
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SHANGHAI

Market: PEOPLE'S REP OF CHINA

Factors for Canadian exports not reaching market potential:

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

- _____
- _____

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

Activity: Increased efforts to develop opportunities in the provinces of the region.

Expected Results: Broaden and increase our market share.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SHANGHAI

Market: PEOPLE'S REP OF CHINA

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: THERMAL

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

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

Major Competing Countries

Market Share

PEOPLE'S REP OF CHINA	0.00 %
UNITED KINGDOM	0.00 %
JAPAN	0.00 %
GERMANY WEST	0.00 %

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

Products/services for which there are good market prospects:

1. Boilers
2. Balanced plant

Factors contributing to current successful Canadian exports:

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

30/11/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SHANGHAI

Market: PEOPLE'S REP OF CHINA

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising

- _____

- _____

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

Activity: Follow up on power seminar FY 89/90

Expected Results: Contractual agreements

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SHANGHAI

Market: PEOPLE'S REP OF CHINA

Sector : TRANSPORT SYS, EQUIP, COMP, SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	100.00 \$M	110.00 \$M	120.00 \$M
Canadian Exports	0.00 \$M	30.00 \$M	10.00 \$M	10.00 \$M
Canadian Share of Market	0.00 %	33.00 %	9.00 %	8.00 %

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

Major Competing Countries Market Share

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

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

Products/services for which there are good market prospects:

1. Regional Airlines Aircraft
2. Vessel Traffic Management
3. Huang Pu Bridge
4. Hangzhou Transportation Study
5. Automotive Parts

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SHANGHAI

Market: PEOPLE'S REP OF CHINA

Factors for Canadian exports not reaching market potential:

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

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

Activity: Shanghai Automotive Show No. 7.
Expected Results: Contractual agreements.

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

Activity: Automotive: Assist Chinese Government in development of an overall automotive industry shortage.
Expected Results: Involvement by Canadian consultant automotive parts mfrs.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SHANGHAI

Market: PEOPLE'S REP OF CHINA

Sector : CHEM PROD & PETROCHEM, EQP, SERV

Sub-Sector: CHEM & PETROCHEM PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	0.00 \$M	630.00 \$M	630.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	0.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.00 %

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

Major Competing Countries

Market Share

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

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Ethylene Plant Equipment
2. Polyethylene Resins
3. Petrochemical Plant Equipment

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- PEMD support
- Trade Fair activity
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SHANGHAI

Market: PEOPLE'S REP OF CHINA

Factors for Canadian exports not reaching market potential:

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

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

Activity: Follow up to 89/90 Petrochemical Market
Expected Results: Contractual agreements

Activity: Study and participating with Peking in preparation for 3/91
Petrochemical Incoming Mission
Expected Results: Contractual agreements.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SHANGHAI

Market: PEOPLE'S REP OF CHINA

Sector : CONSTRUCTION INDUSTRY

Sub-Sector: ARCHITECT, CONS, CONSUL, SERV

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	2.00 \$M	40.00 \$M	60.00 \$M	80.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	2.00 \$M	4.00 \$M
Canadian Share of Market	0.00 %	0.00 %	3.00 %	5.00 %

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

Major Competing Countries

Market Share

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

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

Products/services for which there are good market prospects:

1. Water treatment
2. Environmental control waste water management
3. Sewage treatment
4. Hardened pipes
5. Internal cleaning pipes
6. Consulting
7. Hollow core extrusion process

Factors contributing to current successful Canadian exports:

- CIDA programs
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SHANGHAI

Market: PEOPLE'S REP OF CHINA

Factors for Canadian exports not reaching market potential:

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

- _____
- _____

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: SHANGHAI

Country: PEOPLE'S REP OF CHINA

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

	Total (\$ Million)	Canadian Share	Major Competitor Share
Two years ago	10.00	10.00	20.00
One year ago	10.00	0.00	20.00
Current year	10.00	0.00	20.00

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

Negligible in current retrenchment period.

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

- USA
- Hong Kong
- Australia
- West Germany
- ASEA

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

- Given current political situation, no efforts are being made by OECD countries.

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

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

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: SHANGHAI

Country: PEOPLE'S REP OF CHINA

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

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

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Shanghai

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
91/03/00	Chinese Telecommunications Mission To Canada Mission In, To Industry	Advanced Tech.Prod. & Services.

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: CANBERRA

Country: AUSTRALIA

The Australian government continues to apply strong measures in an attempt to curb the country's current account deficit, so far with limited success. While public spending has been successfully reduced, and employment and investment has increased, Australians have not yet reduced their appetite for imports, thus the deficit continues to grow. High interest rates introduced to slow spending are only now taking effect in home construction, and government has intervened to cap mortgage interest rates at 17 percent. Inflation is running at 7.6 percent. Several sectors continue to thrive, suggesting an inherent strength in the Australian economy. As we approach an election, possibly early in 1990, government's clear dedication to "hands-on" monetary policy could result in reduced interest rates. This would in turn release resources for investment, however, the general economic prognosis is for less spectacular growth in the coming year.

In 1989, Canadian merchandise exports are expected to increase by 12 %, thus passing the \$1 billion per annum mark for the first time. Even with slowdown in some economic sectors, it is clear Australia will continue to offer an attractive market for a wide range of Canadian goods and services.

Tourism, Australia's largest earner of foreign exchange, has borne the brunt of the national pilots strike as hotel revenues have plummeted. In the short term, property sales at attractive prices are a real investment possibility.

Canberra is home to over 120 companies in the defence related industries, also many industry and trade associations. For 1990 the High Commission will emphasize using this network of industry and government contacts in all sectors to distribute Australia-wide economic and market intelligence to our posts in Sydney and Melbourne, Canadian industry and Ottawa. Sectors having good market potential have been identified to be the defence equipment sector, general government procurement opportunities, telecommunications, computer software, forestry, industrial machinery particularly relating to waste management, and chemicals. The effective administration and monitoring of the Canada/Australia Trade Agreement will continue to obtain high priority as problems generated in certain sectors (eg, canned fruit) are addressed, resolved, and relations normalized.

The post will continue to give priority to resolution of bilateral commercial issues such as the access of Canadian goods to the frequently protected Australian market. Recently successful in having restrictions on import of pork removed, further work is required to obtain access for fish, particularly salmon.

MTN activity will require the dedication of resources to monitor developments, and liaise with Australian government officials on wide range of sectoral issues.

In certain sectors (eg, defence, agriculture, mining) particular obligations for regular indepth reports to Canadian industry and government will continue, and include economic reviews and information on the market potential of Papua New Guinea and the Islands.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: CANBERRA

Country: AUSTRALIA

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

1. DEFENCE PROGRAMS, PRODUCTS, SERV
If Canadian companies are willing to participate in a meaningful way in the Australian market, and in offset discussion, good opportunities exist for defence contract.
2. OTHER SERVICES
The Australian replacement for the Oberon class submarine, Kockums Type 471 offers the opportunity for an offset arrangement with Canada. Other major projects, e.g., ANZAC frigate, F/A-18, Jindalee over horizon radar and logistic support opportunities contain elements of common military interest and potential for joint efforts.
3. ADVANCED TECH. PROD. & SERV
Australian offers a market for Canadian software. Efforts will be made to develop an awareness in Australia of Canadian capabilities in this field. Deregulation of the telecommunications industry will continue to create opportunities in this sector. Excellent opportunities exist for two-way exchange of technology in many sectors.
- 4.
- 5.
- 6.

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

- | | |
|-------------------------------------|----|
| 1. DEFENCE PROGRAMS, PRODUCTS, SERV | 4. |
| 2. OTHER SERVICES | 5. |
| 3. ADVANCED TECH. PROD. & SERV | 6. |

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CANBERRA

Market: AUSTRALIA

Sector : DEFENCE PROGRAMS, PRODUCTS, SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	0.00 \$M	0.00 \$M	0.00 \$M
Canadian Exports	10.00 \$M	14.00 \$M	14.00 \$M	20.00 \$M
Canadian Share of Market	1.00 %	1.00 %	1.00 %	1.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	80.00 %
UNITED KINGDOM	5.00 %
SWEDEN	5.00 %
NETHERLANDS	4.00 %
ITALY	2.00 %
FRANCE	2.00 %

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

Products/services for which there are good market prospects:

1. Light armoured vehicles
2. F-18 related equipment
3. Marine engineering eqpt. & srvcs incl. comp. soft.
4. Oberon replacement/submarines
5. CRV7 Rockets
6. Sonobuoy processors
7. Airborne search radars
8. Logistics support
9. Helicopter-related equipment
10. Ammunition
11. Global positioning equipment
12. Clothing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CANBERRA

Market: AUSTRALIA

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

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

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

Activity: ANZAC Frigate

Expected Results: Post report giving details of market potential by project.

Activity: Submarine

Expected Results: Post report giving details of market potential by project.

Activity: LAVs

Expected Results: Post report giving details of market potential by project.

Activity: Rockets, logistics support

Expected Results: Post report giving details of market potential by project.

01/12/89

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CANBERRA

Market: AUSTRALIA

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

Activity:

Upon completion of above reports, we trust Cdn ind. will respond to realistic mkt opps revealed presumably generating

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: CANBERRA

Market: AUSTRALIA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	0.00 \$M	0.00 \$M	0.00 \$M
Canadian Exports	10.00 \$M	5.00 \$M	5.00 \$M	5.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.00 %

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

Major Competing Countries

Market Share

AUSTRALIA	0.00 %
JAPAN	0.00 %
EUROPEAN COMMON MARKET C	0.00 %
UNITED STATES OF AMERICA	0.00 %
UNITED KINGDOM	0.00 %

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

Products/services for which there are good market prospects:

1. Sarsat - search & rescue beacons No. 2.
2. Aeronautical Information Processing.
3. Distance Measuring Equipment.

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: CANBERRA

Market: AUSTRALIA

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Limited Canadian capabilities
- Market prospects have not been adequately explored
- Canadian firms are not familiar
- enough with local offsets rqrmts.

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

Activity: Canberra will liaise closely with Melbourne post to update mkt forecasts in software/switching eqpt/fibre optic cabling

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Canberra

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/09/00	Aidex'90 - Defence Show, Canberra, Australia Info Booth, Only	Defence Programs Products & Services
90/11/00	Forestry Mission From Australia Mission In, To Industry	Forest Products, Equip & Services

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: SYDNEY

Country: AUSTRALIA

Australia's continuing propensity to consume both capital and consumer goods and services and its limited domestic ability to satisfy demand has caused imports to surge while exports remain somewhat flat. The result, in 1989, is a current account deficit expected to exceed \$18.5 billion. This deficit is creating an indebtedness which is of growing concern to the private and public sectors. In an effort to reduce demand, the government has pursued tight fiscal and monetary policies, resulting in interest rates climbing to over 18%. In spite of this, demand has proven difficult to curb, although recent indicators suggest that the high cost of money is beginning to bite and that a cooling down of the economy is getting underway. This trend will lead to a brighter fiscal position, accompanied by a decline in the demand for imports.

While this anticipated slowdown will probably affect Canadian exports, Australia will continue to offer an attractive market for a broad range of Canadian goods and services. 1989 should witness our merchandise exports exceed \$1 billion for the first time, a healthy 16% over 1988.

We anticipate strong demand for Canadian advanced technology products and services, especially in telecommunications and software. In terms of our total export package this growth will be offset somewhat by an expected slowdown in exports of construction materials and primary commodities including sulphur, lumber and potash.

The export of services is expected to grow more quickly than merchandise trade, with significant gains in the forestry sector. Principal elements in the \$250 million export of services include travel and tourism (\$60 million) and technical services (\$25m). The repatriation of profits and dividends is currently in the region of \$170 million.

Within the context of the Canada-US FTA we expect a number of Australian firms to invest in Canada. (Cumulative Australian investment should exceed \$1.8 billion. To a large extent these investments will be by way of acquisitions.

Missions, fairs, seminars and market studies in several sectors will highlight our effort in FY 90/91 to inform Canadian firms of emerging export opportunities in Australia.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: SYDNEY

Country: AUSTRALIA

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

1. ADVANCED TECH. PROD. & SERV
AUSTRALIAN IMPORTS OF ADVANCED TECHNOLOGY PRODUCTS AND SERVICES ARE GROWING RAPIDLY. CANADIAN PRODUCTS AND SERVICES ARE RESPECTED FOR QUALITY AND PRICE. WE CAN COMPETE SUCCESSFULLY, ESPECIALLY IN TELECOMMUNICATIONS AND SOFTWARE.
2. INDUSTRIAL MACHIN, PLANTS, SERV.
GROWING AUSTRALIAN WITH THE ENVIRONMENT AND AN ACKNOWLEDGED CANADIAN COMPETENCE SUGGESTS THERE ARE SIGNIFICANT COMMERCIAL OPPORTUNITIES ESPECIALLY IN AREAS OF WASTE MANAGEMENT AND POLLUTION CONTROL.
3. FOREST PRODUCTS, EQUIP, SERVICES
FROM SILVACULTURE TO FINISHED PRODUCTS THE AUSTRALIAN FORESTRY SECTOR IS MODERNIZING AND EXPANDING. TO DATE CANADIAN SUPPLIERS OF EQUIPMENT AND SERVICES HAVE ENJOYED MODERATE SUCCESS BUT THERE IS LOTS OF ROOM FOR NEW-TO-MARKET FIRMS.
4. CHEM PROD & PETROCHEM, EQP, SERV
CANADIAN SUPPLIERS HAVE ENJOYED INITIAL SUCCESS IN SELLING CHEMICAL FEED STOCKS FOR THE PLASTICS INDUSTRY. WE WILL EXAMINE THIS SECTOR TO IDENTIFY FURTHER OPPORTUNITIES AND RECRUIT NEW CANADIAN SUPPLIERS.
- 5.
- 6.

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

- | | |
|--------------------------------------|----|
| 1. FOREST PRODUCTS, EQUIP, SERVICES | 4. |
| 2. TRANSPORT SYS, EQUIP, COMP, SERV. | 5. |
| 3. CHEM PROD & PETROCHEM, EQP, SERV | 6. |

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SYDNEY

Market: AUSTRALIA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: COMPUTERS HARD/SOFTWARE & COMP

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	5581.00 \$M	6342.00 \$M	7126.00 \$M	8053.00 \$M
Canadian Exports	22.00 \$M	25.00 \$M	27.00 \$M	30.00 \$M
Canadian Share of Market	0.39 %	0.39 %	0.38 %	0.37 %

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

Major Competing Countries	Market Share
JAPAN	15.00 %
UNITED STATES OF AMERICA	40.00 %
HONG KONG	6.00 %
KOREA	6.00 %
EUROPEAN COMMON MARKET C	10.00 %
TAIWAN	14.00 %

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

Products/services for which there are good market prospects:

1. COMPUTER PARTS
2. COMPUTER PERIPHERALS
3. SOFTWARE

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- _____
- _____

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SYDNEY

Market: AUSTRALIA

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

Activity: PC91 COMPUTER SHOW

Expected Results: FIVE CANADIAN FIRMS WILL ESTABLISH BUSINESS RELATIONS.

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

Activity: SEMINAR OF LOCAL SOFTWARE DISTRIBUTORS.

Expected Results: GREATER AWARENESS OF CANADA AS SUPPLIER.

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

NSW GOVT INTERNAL TELNET

Approximate Value: 1000 M\$

Financing Source :

Contact : BRIAN COX, SYDNEY

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SYDNEY

Market: AUSTRALIA

Sector : CHEM PROD & PETROCHEM, EQP, SERV

Sub-Sector: CHEM & PETROCHEM PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	771.42 \$M	815.81 \$M	739.93 \$M	740.00 \$M
Canadian Exports	24.92 \$M	28.39 \$M	24.86 \$M	25.75 \$M
Canadian Share of Market	3.23 %	3.47 %	3.36 %	3.48 %

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

Major Competing Countries

Market Share

JAPAN	0.00 %
UNITED STATES OF AMERICA	0.00 %
TAIWAN	0.00 %
KOREA	0.00 %
UNITED KINGDOM	0.00 %

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

Products/services for which there are good market prospects:

1. POLYETHYLENE RESINS
2. RECLAIMED PLASTICS
3. POLYETHYLENE FILM
4. POLYETHYLENE SHEET
5. P.V.C. RIGID SHEET
6. RESIN COMPOUND CHEMICALS
7. ORGANIC-INORGANIC COMPOUNDS
8. CHEMICAL ELEMENTS
9. OXIDES & SALTS
10. SYNTHETIC POLYMERS
11. HYDROCARBONS
12. NITROGEN COMPOUNDS

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SYDNEY

Market: AUSTRALIA

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Australian users unaware of Canada
- as source of supply.

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

Activity: MARKET SURVEY/STUDY OF THIS SUBSECTOR
Expected Results: INCREASED AWARENESS OF CANADIAN CAPABILITIES.

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

Activity: AUSPLAS EXHIBITION - SYDNEY, OCTOBER 1990
(PARTICIPATION & ATTENDANCE)
Expected Results: INCREASED AWARENESS OF CANADA AS SUPPLIER.

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

Activity: CHEMICAL CONFEDERATION OF AUSTRALIAN CONFERENCE, SYDNEY,
NOV 1990 (CHEMICALS FOR INDUSTRY, AGRI. AND VETERINARY IND).
Expected Results: WIDER APPRECIATION OF OPPORTUNITIES IN AUSTRALIAN MARKET.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SYDNEY

Market: AUSTRALIA

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

PARTIC.IN MISSION TO AUST.

Approximate Value: 0 M\$

Financing Source :

Contact : G. ADAMS, SYDNEY POST

ATTENDANCE AT ACEA CONFERENCE

Approximate Value: 0 M\$

Financing Source :

Contact : P. GALLAGHER, ACEA, SYDNEY

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SYDNEY

Market: AUSTRALIA

Sector : INDUSTRIAL MACHIN, PLANTS, SERV.

Sub-Sector: OTHER EQUIP, MACH NOT ELS SPE

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	0.00 \$M	450.00 \$M	1000.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	0.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	0.00 %
UNITED KINGDOM	0.00 %
GERMANY WEST	0.00 %
SWEDEN	0.00 %

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

Products/services for which there are good market prospects:

1. SEWAGE TREATMENT
2. WATER TREATMENT
3. RECYCLING OF PAPER
4. RECYCLING OF PLASTIC

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- NEW MARKET YET TO BE DETM

Factors for Canadian exports not reaching market potential:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SYDNEY

Market: AUSTRALIA

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

Activity: COMPLETE A STUDY INTO THE MARKET POTENTIAL FOR GOODS & SERVS RELATED TO POLLUTION CONTROL, RECYCLING & WASTE MGMT.
Expected Results: FIVE CANADIAN FIRMS WILL INVESTIGATE MARKET POTENTIAL.

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

Activity: BASED ON FINDINGS FM ABOVE STUDY, TO ORGANISE INCG MISS. FOR MAR91 OF 4-6 COS & PUBLIC OFFICIALS TO ASSESS CDN STRENGTHS.
Expected Results: INCREASE AUSTRALIAN AWARENESS OF CANADIAN CAPABILITIES.

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: SYDNEY

Country: AUSTRALIA

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

	Total (\$ Million)	Canadian Share	Major Competitor Share
Two years ago	560.00	1.00	20.00
One year ago	800.00	1.50	20.00
Current year	1400.00	1.60	20.00

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

\$300 million

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

- U.S.A.
- U.K.
- Southeast Asia

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

- Investment Seminars
- Advertising
- Speakers

IDP Partners and related program activities:

State Chamber of Commerce and Industry
- Co-hosting seminars

Chamber of Manufactures
- Co-hosting seminars
Visits to Canada

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: SYDNEY

Country: AUSTRALIA

IDP Partners and related activities cont d:

Investment Canada

- Resource person

Canadian Financial/Accounting Institution

- Briefings Resource Persons

Provincial Govt (Quebec)

- Co-hosting seminars

Private Companies

- Co-sale information

U.S. Consulate

- Briefings on FTA

Montreal Urban Community

- Co-hosting seminars

Price Waterhouse (Australia)

- Doing Business in Canada Seminars

Compared to major competitive destinations, Canada is perceived to have

the following advantages:

- Free Trade Agreement
- Similarity of size
- Exchange Rates
- Ease of financing
- Language & commercial law

the following constraints:

- Distance
- Perceived size of market
- Perceived size of market
- Poor knowledge of Canada
- Competition from the USA

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

Type of Investment	Potential
Portfolio	MEDIUM
Acquisition	HIGH
Greenfield	LOW

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: SYDNEY

Country: AUSTRALIA

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

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

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RPTD2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: SYDNEY

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

Seq #

Date

Type: OTHER PROMOTION

2 Event Description:

06/90

Apea Conference- Technical speakers from Canada to attract interest in investing in Canadian oil and gas sector.

City :Darwin

Country :AUSTRALIA

Investment Nature:

Investment Sector:RESOURCE PROCESSING

Event Cooperants :

Estimated Budget : \$3,000.00

Total estimated budget for all proposals:

\$3,000.00

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PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Sydney

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/04/00	Materials Handling Mission From Australia Mission In, To Industry	
90/06/00	Heavy Trucks Parts Mission To Australia Mission Out, Industry	Transport Sys, Equip, Comp & Services
90/06/00	Food Buyers Mission From Australia To Canada Mission In, To Industry	Agri & Food Products & Services
90/06/00	Publishers Mission From Australia Mission In, To Fair	Consumer Products
90/07/00	AIEE'90, Australia Info Booth, Only	
90/10/00	Goldfields Mining Show Kalgoorlie, Australia Fair, National Stand	Mine, Metal, Mineral Prod. & Services
90/10/00	Timber Frame Mission From Australia Mission In, To Industry	Forest Products, Equip & Services
90/10/00	Fine Food Fair, Australia Fair, National Stand	Agri & Food Products & Services
90/11/00	Telecommunications Mission To Australia Mission Out, Industry	Advanced Tech. Products & Service

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: COLOMBO

Country: SRI LANKA

Almost one year into the Premadasa presidency, the new government is embattled on all fronts as the Sinhalese populist rebels, the JVP, resort to economic as well as political sabotage, depressing an already unpromising economic prospect, and peace talks with the main Tamil separatist organization, the Tamil Tigers, threaten to produce a dangerous split in the minority Tamil community and a renewal of fighting in that quarter once the Indian Peacekeeping Forces go home early in 1990. A reign of terror by government-backed death squads has worsened the situation further, at least in the short term.

One result of this political turmoil has been disarray in the economy. The 1989 budget has been effectively jettisoned and Mr. Premadasa has been forced to abandon much of his populist and expansionary policy baggage. The IMF was instrumental in forcing this change by temporarily suspending payment of the second tranche of its three-year Structural Adjustment Facility when Sri Lanka missed nearly all the targets agreed with the Fund in 1988. Lack of reliable data makes it difficult to be precise but it is clear that almost all macroeconomic indices are negative: the current account deficit widened to 8.7% of GDP; inflation has accelerated to 12%, GDP growth rate has declined to 2.7%; official reserves in mid-1989 were down to approximately three weeks of imports; tourism, exports and foreign investment are well below their potential. It is too early to predict whether the new adjustment and stabilization program formulated in consultation with the IBRD and the IMF, and endorsed at the October 89 Consortium Meeting in Paris, will significantly improve this outlook.

Canadian exports to Sri Lanka in 1988 totalled \$26.9 M, down from \$30.6 M the year before. Principal exports are wheat, asbestos, wood pulp, polypropylene and zinc. Prospects for expansion of Canadian exports are limited in the near-term given continuing political instability and scarcity of foreign exchange. Nevertheless, selected opportunities for increased Canadian exports exist as evidenced by recent commercial sales of asbestos and potash. In addition there are good opportunities for Canadian exporters through the programs of multilateral financial institutions, particularly the IBRD and the ADB. If and when political stability is restored, there is every likelihood that a major programme of reconstruction and rehabilitation, worth several billions of dollars, will be set in motion with the participation of the international aid community, providing attractive opportunities for Canadian exports, especially in telecommunications, rail transport, defence and energy. If Canadian exporters are to benefit from existing selected opportunities, and anticipated expanded opportunities in the future, a more focussed effort to develop this market should be initiated now.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: COLOMBO

Country: SRI LANKA

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

1. **ADVANCED TECH. PROD. & SERV**
Expect plans for massive expansion of facilities in this field to be implemented shortly.

2. **POWER & ENERGY EQUIP. & SERV.**
With Sri Lanka's requirements far in excess of current resources, high priority attention is being paid to development of alternative sources of energy. Awareness of Canadian capabilities will promote prospects for Canadian participation.

3. **TRANSPORT SYS, EQUIP, COMP, SERV.**
Expect improvements to be effected shortly. Canadian funds likely to be provided for improvements.

- 4.

- 5.

- 6.

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

- | | |
|-------------------------------------|-------------------------------------|
| 1. GRAINS AND OILSEEDS | 4. CHEM PROD & PETROCHEM, EQP, SERV |
| 2. GRAINS AND OILSEEDS | 5. CHEM PROD & PETROCHEM, EQP, SERV |
| 3. FOREST PRODUCTS, EQUIP, SERVICES | 6. |

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: COLOMBO

Market: SRI LANKA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	30.00 \$M	40.00 \$M	40.00 \$M	50.00 \$M
Canadian Exports	1.00 \$M	0.51 \$M	0.54 \$M	0.30 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.00 %

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

Major Competing Countries

Market Share

JAPAN	0.00 %
FINLAND	0.00 %
FRANCE	0.00 %
SWEDEN	0.00 %

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

Products/services for which there are good market prospects:

1. Earth satellite stations
2. Cable
3. Switching Stations
4. Radio communications
5. Data communications
6. Rural telecommunications

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: COLOMBO

Market: SRI LANKA

Factors for Canadian exports not reaching market potential:

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

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

Activity: TEMIC: Network Planning and Management Program.
Expected Results: Familiarisation with Cdn capabilities in field.

Activity: TEMIC: Customer Services Program.
Expected Results: Familiarisation with Cdn capabilities in field.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: COLOMBO

Market: SRI LANKA

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

Industry Wide Exhibition

Approximate Value: 0 M\$

Financing Source : OTHER

Contact :

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: COLOMBO

Market: SRI LANKA

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: HYDRO

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	140.00 \$M	150.00 \$M	142.00 \$M	160.00 \$M
Canadian Exports	0.25 \$M	0.75 \$M	0.10 \$M	0.50 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.00 %

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

Major Competing Countries

Market Share

UNITED KINGDOM	0.00 %
JAPAN	0.00 %
NETHERLANDS	0.00 %
SWITZERLAND	0.00 %
GERMANY WEST	0.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: COLOMBO

Market: SRI LANKA

Sector : TRANSPORT SYS,EQUIP,COMP,SERV.

Sub-Sector: RAIL

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	30.00 \$M	32.00 \$M	35.00 \$M	44.00 \$M
Canadian Exports	0.38 \$M	0.71 \$M	0.10 \$M	0.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.00 %

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

Major Competing Countries

Market Share

UNITED KINGDOM	0.00 %
GERMANY WEST	0.00 %
JAPAN	0.00 %
INDIA	0.00 %

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

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

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

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: DHAKA

Country: BANGLADESH

The economy of Bangladesh in 1989 grew in the order of 2.5% to about US \$17 billion. While much of the flood damage from 1987 and 1988 has been repaired, the long term constraints on the economy inhibit increased growth rates. Manufacturing output was about US \$1.7 billion and grew at about 2%.

Exports continue to finance only about 40% of the US \$ 2.8 billion of imports. The flow of US \$1.6 billion in foreign assistance continues to more than balance the continuing current account deficit. The private sector industry is largely based on import substitution and exports of garments. Private investment has fallen to about 6% of GDP, primarily due to lack of mid and long term confidence. While the Government improved investment incentives in 1989, there has been no improvement in the rate of private investment.

Over the medium term, the economy will continue to be dominated by agriculture and exhibit growth rates of 2-3%, which will match if not exceed the population growth rates. Major sectors of growth are likely to be services construction and ODA investment projects.

In the coming year, Canadian trade prospects will arise almost entirely from spinoffs from the \$120 million CIDA program and from obtaining some of the US \$1 billion in multilateral development expenditures. Major opportunities for Canadian exports outside of the CIDA program are in oils seeds, the oil and gas sector, telecommunications and transportation. There is little likelihood for non-ODA funded commercial activity except where firm and competitive financing has been arranged. There is also some possibility for joint ventures. Canadian exports to Bangladesh (other than those financed by CIDA) are in the order of \$10-12 million (of which half are mustard seed and canola seed).

In the coming year, the High Commission will continue its broad focus on a) identifying commercial sectors of Canadian interest through sectoral reports, b) promotion of Canadian trade opportunities in the form of catalogue shows, c) early identification of IFI funded projects, d) providing timely information and support for Canadian companies competing in Bangladesh, e) special activities such as speaker services and promotional lunches and f) identification of local companies which are able and willing to undertake joint ventures.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: DHAKA

Country: BANGLADESH

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

1. GRAINS AND OILSEEDS

AS OILSEEDS ACCOUNT FOR 50% OF ALL CDN COMMERCIAL EXPORTS TO BDESH, WE WILL CONTINUE TO PROMOTE SECTOR. MAJOR CONCENTRATION WILL BE GIVEN TO LOWERING IMPORT DUTIES WHICH DISCRIMINATE IN FAVOR OF CRUDE SOYABEAN OIL IMPORTS. AS WELL, WE WILL CONTINUE DISTRIBUTING OUR MARKET SURVEYS TO CDN SUPPLIERS. CANADA SUPPLIES 25% OF IMPORTS OF MUSTARD AND CANOLA

2. ADVANCED TECH. PROD. & SERV

THIS INCLUDES TELECOMMUNICATIONS EQUIPMENT AND RADIOS. CDN SUPPLIERS ARE KNOWN (EARTH SAT STATION, PABX) BUT FINANCING REMAINS A MAJOR PROBLEM. WE HAVE PREPARED A CONSULTANT REPORT ON ENTIRE TELECOM SECTOR WHICH SHOWS ANNUAL MKT FOR APPROX US \$ 90 MILLION OF GOODS AND SERVICES, OF WHICH CDA PROVIDED VERY LITTLE LAST YEAR.

3. OIL & GAS EQUIPMENT, SERVICES

THERE IS ANNUAL MARKET FOR US \$ 50-70 MILLION IN GOODS AND SERVICES. CDN SUPPLIERS ARE WELL KNOWN BECAUSE OF EXTREMELY ACTIVE CIDA PROGRAM BUT SUPPLIERS HAVE BEEN UNABLE TO CRACK MARKET FOR MULTILATERAL PROJ. WE PREPARED COMPREHENSIVE OVERVIEW OF GAS INFRASTRUCTURE MARKET WHICH WE WILL UPDATE THIS YEAR.

4. MULTIPLE SECTORS

THERE IS A MARKET FOR VARIED ITEMS SUCH AS SCRAP STEEL AND IRON, BULK COAL, PULP AND PAPER, AND UNFINISHED COMMODITIES SUCH AS ALUMINUM INGOTS AND ZINC INGOTS. PRICE REMAINS THE PRIME FACTOR. OUR ACTIVE SUPPORT FOR THESE MARKETS WILL BE LIMITED TO PERIODIC CATALOGUE SHOWS AND RESPONSES TO INQUIRIES.

5. POWER & ENERGY EQUIP. & SERV.

THERE IS A MARKET OF ABOUT US \$ 50 MILLION ANNUALLY FOR GAS FIRED GENERATORS, TRANSMISSION LINES, TRANSFORMERS AND ELECTRICAL EQUIPMENT. PRICING REMAINS THE GREATEST CONSTRAINT.

6. OTHER SERVICES

THERE ARE SOME POSSIBILITIES FOR JOINT VENTURE INVESTMENTS WITH LOCAL FIRMS. THE HIGH COMMISSION IS UNDERTAKING A STUDY TO IDENTIFY THOSE FIRMS WHICH ARE ABLE AND WILLING TO LINK UP WITH CANADIAN COMPANIES. OPPORTUNITIES LIE IN PHARMACEUTICALS, LEATHER GOODS, SHRIMP EXPORT, AND LABOR INTENSIVE ASSEMBLY.

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

- | | |
|-------------------------------------|----|
| 1. GRAINS AND OILSEEDS | 4. |
| 2. INDUSTRIAL MACHIN, PLANTS, SERV. | 5. |
| 3. ADVANCED TECH. PROD. & SERV | 6. |

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: DHAKA

Market: BANGLADESH

Sector : GRAINS AND OILSEEDS

Sub-Sector: OILSEEDS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	158.00 \$M	236.00 \$M	320.00 \$M	360.00 \$M
Canadian Exports	4.00 \$M	5.00 \$M	6.00 \$M	8.00 \$M
Canadian Share of Market	2.50 %	2.10 %	1.80 %	2.20 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	40.00 %
BRAZIL	20.00 %
EUROPEAN COMMON MARKET C	20.00 %

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

Products/services for which there are good market prospects:

1. CANOLA SEED
2. MUSTARD SEED

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
 - Import duties are high
 - Non-competitive pricing
 - N
 - IMPORTERS ARE PRICE SENSITIVE
 -
-

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: DHAKA

Market: BANGLADESH

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

Activity: persuade Govt to lower discriminatory tariffs on oilseeds
Expected Results: more competitive pricing for oilseeds

Activity: organize PEMD tour for oilseed importers to Canada
Expected Results: better knowledge of Cdn supply capabilities

Activity: update and distribution of market survey for oilseeds
Expected Results: increased Cdn knowledge of market

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

Activity: promotion of Canola oil at catalogue shows
Expected Results: greater knowledge of Canadian suppliers

Activity: have Government add name Canola to import list
Expected Results: canola now known only as rapeseed

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: DHAKA

Market: BANGLADESH

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	14.00 \$M	13.00 \$M	26.00 \$M	25.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	0.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.00 %

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

Major Competing Countries

Market Share

JAPAN	40.00 %
GERMANY WEST	25.00 %
FINLAND	20.00 %

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

Products/services for which there are good market prospects:

1. digital telephone switching equipment
2. civil aviation, communication equipment
3. standard A earth station, Dhaka
4. HF and SSB radios for defence and civil users

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada
- Willingness of exporters to invest/joint venture in territory
- MITEL has production
- marketing
- facilities and aggressive

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: DHAKA

Market: BANGLADESH

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Cdn companies not aggressive
- need for good agents

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

Activity: update of telecommunications sector report
Expected Results: timely information on IFI projects

Activity: possible visit of PTT officials to TEMIC
Expected Results: better knowledge of Cdn product

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: DHAKA

Market: BANGLADESH

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: ALL SUB-SECTORS

Cumulative 3 year export potential for
CDN products in this sector/subsector: 3-5 \$MCurrent Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. SCADA for electrical transmission
2. consultancy on management
3. possible gas turbine generators

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- CIDA programs
- Competitive pricing

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
 - Lack of promotion and advertising
 - Non-competitive financing
 - Market prospects have not been adequately explored
 - Performance of local agent or representative
 - market is dominated by tied aid
 -
-

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: DHAKA

Market: BANGLADESH

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: MACHINERY AND EQUIPMENT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	50.00 \$M	50.00 \$M	60.00 \$M	70.00 \$M
Canadian Exports	8.00 \$M	8.00 \$M	8.00 \$M	10.00 \$M
Canadian Share of Market	16.00 %	16.00 %	13.00 %	14.00 %

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

Major Competing Countries

Market Share

ITALY	40.00 %
JAPAN	30.00 %
UNITED KINGDOM	10.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. SCADA for pipelines and electrical system
2. modular fractionation and LPG plants
3. small scale dehydration plants
4. pipeline equipment (valves etc)
5. turbo expanders for gas

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: DHAKA

Market: BANGLADESH

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
 - Non-competitive financing
 - Market prospects have not been adequately explored
 - Performance of local agent or representative
 - key need is for effective agent
 -
-

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

Activity: update of oil and gas report prepared in April 1989
Expected Results: more current information on IFI funded activities

Activity: gas mission to Bangladesh to explore potential for Canadian suppliers for IFI funded projects

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: DHAKA

Market: BANGLADESH

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

3rd gas project
various components

Approximate Value: 100 M\$
Financing Source : IDA - World Bank
Contact : Canadian High Commission

3rd natural gas dev project
in planning; due in 1990

Approximate Value: 40 M\$
Financing Source : ASDB - Asian Development Bank
Contact : Canadian High Commission

Bakhrabad LPG recovery
in planning; due in 1990

Approximate Value: 45 M\$
Financing Source : IDA - World Bank
Contact : Canadian High Commission

Large Scale LPG project
CIDA consultant

Approximate Value: 40 M\$
Financing Source : TO BE DETERMINED
Contact : Canadian High Commission

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: HONG KONG

Country: HONG KONG

The GDP of Hong Kong is composed of 65% from the service sector essentially banking and finance, shipping, and communications. Light manufacturing in traditional areas such as clothing and textiles, home electronics, plastic toys, watches and clocks continues. Tourism also plays an important role in the Hong Kong and Macau economies. Real GDP in 1988 grew 10.1% over 1987. The current projection will need to be adjusted in light of economic belt-tightening in PRC but is forecasted to rise again this year and next by approximately 6% per annum. Exports and imports again expanded with imports outpacing domestic exports. Re-exports now exceed 55% of total Hong Kong shipments increasing by 20% to 50% depending on the country and product. This is a direct result of Hong Kong manufacturers investments in Guangdong Province in China, but this pattern may see a possible contraction in the next few years. The shift in production over the last few years of these manufacturing facilities out of Hong Kong into the Special Economic Zones (SEZ), particularly Shenzhen, in PRC has been reviewed by Hong Kong investors in light of events in Beijing on June 4, 1989. While no new investments are planned, concern about ability to supply finished products has caused Hong Kong manufacturers to speed up diversification of their production facilities to other countries in the region and to Europe and North America. Hong Kong economic performance has been and continues to be steady. However economic slowdown is likely to develop in the latter part of 1989, resulting in part from a downturn in exports to the U.S.A., and since June 4, uncertainty about product supply from factories in South China due to cancellation/cutbacks of imports of material by the PRC. Continuing emigration has put additional emphasis on the critical labour shortage, further contributing to the wage/price spiral. The resumption of rising property values and basic services have added to inflationary pressures.

Canada/Hong Kong trade in 1989 will result in the first positive Canadian trade balance, a change which should continue into the 1990's. A comparison of 1989 January/June statistics shows Canadian exports to Hong Kong now exceed Hong Kong domestic exports to Canada. Canadian exports have increased from C\$425 million to C\$600 (up over 38%) while Hong Kong domestic exports to Canada decreased by 2.5% from C\$550 million to C\$530 million. Significant increased Canadian sales are fuelled by the acceptance of and indeed demand for the gold Maple Leaf coin (13% of Canadian exports to Hong Kong) and increases in manufactured Canadian products in telecommunications, building products and food products.

The focus of the Canadian trade program in Hong Kong will be on the major infrastructural development projects totalling some C\$20 billion, recently announced by the Hong Kong government, such as the new airport, additional container port facilities and the necessary bridges, roads and terminals to facilitate these. A similar airport development in Macau will add to the potential for Canadian suppliers of both products and services. Additionally telecommunications equipment requirements will offer excellent opportunities for Canadian suppliers as will most products in the informational technology sector. Priority sectors will

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: HONG KONG

Country: HONG KONG

also include environmental technology, food and beverage, building materials and selected consumer products.

Greater cooperation with the CTOT in Taiwan will result in increased Canadian business opportunities in the next year, as will piggy-backing with initiatives to and from Korea and Japan. Increased trade mission and fair activities by this Post will raise Canada's profile as a supplier of high quality products and services.

Hong Kong is a market with no currency restrictions, language barriers, few tariffs and virtually no non-tariff barriers. It provides excellent transportation and communication networks and serves as the key centre for trade with the PRC. As Hong Kong imports virtually everything it consumes, both raw material and finished goods, the opportunities from Canadian companies are excellent.

Investment in Canada by Hong Kong entrepreneurs will continue unabated as concerns for the future of Hong Kong in the long run force Hong Kong entrepreneurs to look more favourably to Canada as an investment location and to take advantage of the Canada/U.S. free trade agreement. Fixed investment in Canada by Hong Kong companies is estimated to be C\$1 billion.

In the tourism area, Hong Kong travel figures to Canada show the greatest percentage gains worldwide of any country and further growth is forecasted as the severe shortage of air lift capacity is gradually resolved by the introduction of new long range aircraft and increased VFR traffic from increased immigration.

The Economic and Trade Program will be relied upon to provide a continuous leadership role with the six provincial offices in Hong Kong, seeking a co-ordinated and co-operative action program. There are a substantial number of delegations from provincial (both represented and non-represented in Hong Kong) municipal and increasingly Hong Kong-Canada Business Association missions.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: HONG KONG

Country: HONG KONG

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

1. MULTIPLE SECTORS

Large infrastructure multiple sector projects recently announced by HK Govt valued at C\$20 million should allow variety of opportunities for Canadian service and equipment suppliers. Sectors involved are (sea) port, airport, hi speed rail, tunnel, bridges, urban and industrial developments.

2. ADVANCED TECH. PROD. & SERV

Canadian exports in this sector have been gradually increasing over the last five years. Our subsectors of priority will be telecommunications, electronic components, computer software including CAD, and automated systems and components in the electronic manufacturing sector.

3. AGRI & FOOD PRODUCTS & SERVICE

Food and beverage exports have increased dramatically in the last 3 years as a direct result of the Commission's (in cooperation with the Provincial Govts) promotional efforts including solo and instore promo food tastings with major importers and retailers. Efforts will continue and become more focussed to ensure greater consumer awareness.

4. CONSTRUCTION INDUSTRY

Opportunities abound for suppliers of exterior and interior building materials. As well as a number of hotels being constructed, major infrastructural projects will also be excellent markets for Canadian suppliers. Awareness of use of building products to Hong Kong architects will be increased to ensure specifications mirror Cdn supplies.

5. CONSUMER PRODUCTS & SERVICES

There are various sub-sector niches in which Canadian suppliers could make sales. These include leather and specialty skins (ie fish), high fashion design label garments and accessories. Efforts over the next two years will be made, through participation in recognized trade fairs, to assess and tap this market. Cdn Provinces will participate.

6. FISHERIES, SEA PRODUCTS & SERV.

Exports of Canadian fresh, frozen fish and seafoods have been steadily growing over the last 5 years and are featured items in all food and beverage promotions undertaken. This will continue and this sector may be featured in a special "generic" food promotion, in cooperation with key Provincial govts, with a major retailer.

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

- | | |
|-------------------------------------|------------------------------------|
| 1. MINE, METAL, MINERAL PROD & SRV | 4. ADVANCED TECH. PROD. & SERV |
| 2. FOREST PRODUCTS, EQUIP, SERVICES | 5. CONSUMER PRODUCTS & SERVICES |
| 3. CHEM PROD & PETROCHEM, EQP, SERV | 6. FISHERIES, SEA PRODUCTS & SERV. |

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: HONG KONG

Market: HONG KONG

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: SEMI & PROCESSED FOOD & DRINK

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	3317.70 \$M	3711.40 \$M	3980.00 \$M	4200.00 \$M
Canadian Exports	15.00 \$M	33.00 \$M	50.00 \$M	65.00 \$M
Canadian Share of Market	0.50 %	1.00 %	1.30 %	1.60 %

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

Major Competing Countries	Market Share
PEOPLE'S REP OF CHINA	41.00 %
UNITED STATES OF AMERICA	15.50 %
THAILAND	6.10 %
AUSTRALIA	4.70 %
JAPAN	4.60 %
TAIWAN	3.00 %

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

Products/services for which there are good market prospects:

1. Frozen Pork & Pork Products
2. Frozen Beef
3. Fresh Hen Eggs
4. Poultry Wings
5. Fresh Apples
6. Poultry Feet
7. Confectionery
8. Frozen Sausages
9. Fresh/Frozen Vegetables
10. Beef Edible Offals
11. Pork Edible Offals
12. Biscuits/Cookies

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HONG KONG

Market: HONG KONG

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Market prospects have not been adequately explored
- _____
- _____

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

Activity: Food Pacific - Vancouver. 5 Incoming Buyers
09/90
Expected Results: \$500,000

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

Activity: In-store Food Promotion & food tasting with 3-5 retailers
such as PNS, DCH, Wellcome, and CRC supermarkets
Expected Results: \$10 million

Activity: Consumer awareness program through product identification,
generic food promotions, labelling etc.

Activity: Institutional awareness program of high grade Canadian
food products through technical product seminars, etc.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: HONG KONG

Market: HONG KONG

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: FOOD HANDLING, PROCESSING EQUIP

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	312.00 \$M	557.00 \$M	670.00 \$M	800.00 \$M
Canadian Exports	1.00 \$M	1.30 \$M	2.50 \$M	4.00 \$M
Canadian Share of Market	0.30 %	0.20 %	0.40 %	0.50 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	77.00 %
JAPAN	15.00 %
ITALY	38.00 %
GERMANY WEST	2.00 %
FRANCE	1.00 %

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

Products/services for which there are good market prospects:

1. Refrigerators
2. Food Processing Machinery
3. Storage Heaters
4. Electrical Appliances and Apparatus

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HONG KONG

Market: HONG KONG

Factors for Canadian exports not reaching market potential:

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

- _____
- _____

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

Approx. 15 New Hotels

Approximate Value: 1000 M\$

Financing Source : NFR - No external fnding req'd

Contact : Commission for Canada
EXTOTT/PNC

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: HONG KONG

Market: HONG KONG

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1700.00 \$M	2091.00 \$M	3000.00 \$M	3000.00 \$M
Canadian Exports	16.00 \$M	20.00 \$M	12.00 \$M	12.00 \$M
Canadian Share of Market	1.00 %	1.00 %	0.40 %	0.40 %

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

Major Competing Countries	Market Share
JAPAN	62.00 %
TAIWAN	14.20 %
UNITED STATES OF AMERICA	13.80 %
UNITED KINGDOM	4.20 %
KOREA	3.80 %

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

Products/services for which there are good market prospects:

1. Cable TV equipment
2. Line telephone, PABX
3. Cellular telephones
4. Integrated radio system
5. Radio navigation aids
6. Telecom equipment - fibre optic
7. Aerials & reflectors

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HONG KONG

Market: HONG KONG

Factors for Canadian exports not reaching market potential:

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

-
-

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

Activity: Cable TV network equipment supply contract
Expected Results: At least 1 or 2 contracts will be secured

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

Activity: Commtel 90 (December)
Canadian Pavilion - Telecommunications
Expected Results: \$1 Million

Activity: Cenit Asia '90 (Sept) - Telecommunications Fair - Info Booth, to gauge effectiveness of fair

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HONG KONG

Market: HONG KONG

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

Cable TV network eqpt supply	Approximate Value:	200 M\$
	Financing Source :	DOM - Domestically funded NFR - No external fnding req'd
	Contact	: Commission for Canada, HK
Macau Airport Telecom	Approximate Value:	10 M\$
	Financing Source :	DOM - Domestically funded NFR - No external fnding req'd
	Contact	: Commission for Canada, HK
Various Gov't, Private,telecom	Approximate Value:	5 M\$
	Financing Source :	
	Contact	: Commission for Canada, HK

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: HONG KONG

Market: HONG KONG

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: COMPUTERS HARD/SOFTWARE & COMP

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	528.00 \$M	2214.00 \$M	2000.00 \$M	2000.00 \$M
Canadian Exports	1.00 \$M	6.70 \$M	6.00 \$M	6.00 \$M
Canadian Share of Market	0.20 %	0.30 %	0.30 %	0.30 %

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

Major Competing Countries

Market Share

JAPAN	36.00 %
UNITED STATES OF AMERICA	27.00 %
PEOPLE'S REP OF CHINA	13.20 %
TAIWAN	6.50 %
SINGAPORE	6.40 %
UNITED KINGDOM	2.40 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Software (HK Gov't Dept)
2. System Integration
3. Peripherals
4. EDI
5. Datacom equipment, network
6. Computer parts & components

Factors contributing to current successful Canadian exports:

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

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HONG KONG

Market: HONG KONG

Factors for Canadian exports not reaching market potential:

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

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

Activity: Intelligence gathering & strategic support for following projects. Urban Council Library Automation (3 million)

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

Activity: Internecon 90 - August 90
National stand with 10 Cdn electronic components manu
Expected Results: \$2 million

Activity: Autotech - October 90
Canadian stand with 5-8 Cdn companies
Expected Results: \$1 million

Activity: Computer Show (May 7-10/90) - Hardware and Software
Info Booth

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HONG KONG

Market: HONG KONG

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

Govt Data Processing System	Approximate Value: 4 M\$ Financing Source : DOM - Domestically funded NFR - No external fnding req'd Contact : GDPA, Cdn Commission HK
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Implementation of EDI	Approximate Value: 0 M\$ Financing Source : DOM - Domestically funded NFR - No external fnding req'd Contact : Commission for Canada HK
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RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: HONG KONG

Market: HONG KONG

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: PULP AND PAPER PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	256.80 \$M	283.00 \$M	300.00 \$M	330.00 \$M
Canadian Exports	34.30 \$M	40.20 \$M	50.00 \$M	60.00 \$M
Canadian Share of Market	13.30 %	14.20 %	17.00 %	20.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	42.00 %
SOUTH AFRICA	6.80 %
JAPAN	5.20 %
NEW ZEALAND	3.80 %
INDONESIA	3.80 %

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

Products/services for which there are good market prospects:

1. Newsprint
2. Kraft Paper/Linerboard

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HONG KONG

Market: HONG KONG

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
 - Lack of promotion and advertising
 - Unsuitable product
 - Limited Canadian capabilities
 - Lack of Quantities from Canadian
-

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

Activity: Nil. Canadian Suppliers are long & well-established in H.K.

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

Activity: Nil. Canadian Suppliers are long & well-established in H.K.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: HONG KONG

Market: HONG KONG

Sector : MINE, METAL, MINERAL PROD & SRV

Sub-Sector: METALS, PRIMARY & FABRICATED

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	3392.00 \$M	9567.00 \$M	11500.00 \$M	13000.00 \$M
Canadian Exports	119.00 \$M	397.30 \$M	700.00 \$M	1000.00 \$M
Canadian Share of Market	3.50 %	4.15 %	6.20 %	7.60 %

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

Major Competing Countries

Market Share

SWITZERLAND	27.00 %
UNITED KINGDOM	25.00 %
AUSTRALIA	10.90 %
UNITED STATES OF AMERICA	8.10 %
SOUTH AFRICA	3.60 %

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

Products/services for which there are good market prospects:

1. Gold Bullion/Bars/Alloys
2. Aluminium Unwrought
3. Nickel Unwrought
4. Zinc Unwrought
5. Zinc Alloy Unwrought
6. Platinum

Factors contributing to current successful Canadian exports:

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

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DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HONG KONG

Market: HONG KONG

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
 - Lack of promotion and advertising
 - Unsuitable product
 - Lack of Quantities from Canadian Pr
 -
-

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

Activity: Nil. Canadian Suppliers are well-established.

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

Activity: Nil. Canadian Suppliers are well-established.

30/11/89

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HONG KONG

Market: HONG KONG

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

Nil.

Approximate Value: 0 M\$
Financing Source :
Contact :

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: HONG KONG

Market: HONG KONG

Sector : CHEM PROD & PETROCHEM, EQP, SERV

Sub-Sector: CHEM & PETROCHEM PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	-2494.00 \$M	3852.00 \$M	3500.00 \$M	3800.00 \$M
Canadian Exports	40.50 \$M	70.60 \$M	80.00 \$M	90.00 \$M
Canadian Share of Market	1.60 %	1.80 %	2.20 %	2.40 %

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

Major Competing Countries

Market Share

JAPAN	42.50 %
UNITED STATES OF AMERICA	21.50 %
TAIWAN	17.10 %
PEOPLE'S REP OF CHINA	7.90 %

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

Products/services for which there are good market prospects:

1. Organic Chemicals
2. Artificial Resins and Plastic Raw Materials

Factors contributing to current successful Canadian exports:

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

30/11/89

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HONG KONG

Market: HONG KONG

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
 - Lack of promotion and advertising
 - Unsuitable product
 - Lack of Quantities from Canadian
 -
-

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

Activity: Nil. Canadian Suppliers are well-established.

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

Activity: Nil. Canadian Suppliers are well-established.

30/11/89

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HONG KONG

Market: HONG KONG

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

Nil	Approximate Value:	0 M\$
	Financing Source :	
	Contact :	

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: HONG KONG

Market: HONG KONG

Sector : CONSUMER PRODUCTS & SERVICES

Sub-Sector: APPAREL (CLOTH, FUR, SHOES) TEXT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	3602.00 \$M	4169.00 \$M	5200.00 \$M	6140.00 \$M
Canadian Exports	13.87 \$M	13.70 \$M	15.30 \$M	16.40 \$M
Canadian Share of Market	0.38 %	0.30 %	0.30 %	0.27 %

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

Major Competing Countries Market Share

PEOPLE'S REP OF CHINA	25.00 %
ITALY	4.00 %
JAPAN	2.00 %
UNITED KINGDOM	1.30 %
FRANCE	1.00 %

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

Products/services for which there are good market prospects:

1. Upmarket Fashions
2. Designer Clothing
3. Leather of Bovine & Equire
4. Upper Leather of Bovine & Equire
5. Leather of Sheep/Lamb Skin
6. Fish Skin Leather
7. Accessories

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HONG KONG

Market: HONG KONG

Factors for Canadian exports not reaching market potential:

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

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

Activity: Hong Kong Fashion Week - Jan 91 - Canada Night including fashion show - to launch Cdn designers into HK market
Expected Results: C\$100,000

Activity: Hong Kong Leather Fair - Focus will be on newer variety of leather such as fish skin leathers - April 1990
Expected Results: C\$500,000

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: HONG KONG

Market: HONG KONG

Sector : EDUCATION, MEDICAL, HEALTH PROD

Sub-Sector: EDUCATIONAL SERVICES, EQUIPMENT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	116.50 \$M	149.20 \$M	180.60 \$M	216.70 \$M
Canadian Exports	0.15 \$M	0.24 \$M	0.24 \$M	0.35 \$M
Canadian Share of Market	0.13 %	0.16 %	0.13 %	0.16 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	33.00 %
JAPAN	22.00 %
GERMANY WEST	12.00 %
PEOPLE'S REP OF CHINA	12.00 %
UNITED KINGDOM	5.00 %
AUSTRALIA	3.00 %

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

Products/services for which there are good market prospects:

1. Diagnostic Instruments
2. Hospital Apparatus & Supplies
3. Hospital Management System

Factors contributing to current successful Canadian exports:

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

30/11/89

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HONG KONG

Market: HONG KONG

Factors for Canadian exports not reaching market potential:

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

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

Activity: Hospital & Medical Equipment Mission to HK to meet with major buyers, strengthen Canada's image in this sector.10/90
Expected Results: C\$1 million

Activity: Undertake survey of Canadian capability and alert companies of opportunities in HK and regional markets (thru traders)

30/11/89

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HONG KONG

Market: HONG KONG

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

New Hospitals plus expansions	Approximate Value:	10 M\$
10,000 new hospital beds	Financing Source :	
	Contact	: Commission for Canada, HK

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: HONG KONG

Market: HONG KONG

Sector : CONSTRUCTION INDUSTRY

Sub-Sector: BUILDING PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	888.40 \$M	1033.40 \$M	1080.00 \$M	1145.00 \$M
Canadian Exports	8.40 \$M	9.65 \$M	12.00 \$M	16.00 \$M
Canadian Share of Market	0.94 %	0.93 %	1.11 %	1.30 %

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

Major Competing Countries

Market Share

PEOPLE'S REP OF CHINA	22.60 %
TAIWAN	11.70 %
INDONESIA	10.80 %
UNITED STATES OF AMERICA	8.00 %
JAPAN	7.60 %
KOREA	6.40 %

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

Products/services for which there are good market prospects:

1. Carpets
2. Wallpaper Vinyl Coated
3. Copolymers PVC Tiles & Flooring
4. Plywood
5. Builders Woodwork
6. Claddings, Steel
7. Claddings, Aluminium
8. Building Glasses
9. Fiberglass Materials
10. Door Window Frames Aluminium
11. Glass Mirror Sheets

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HONG KONG

Market: HONG KONG

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Unsuitable product
- Market prospects have not been adequately explored
- Lack of Interest by Canadian Export
-

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

- Activity: Participation of IBEX '90 (Int'l Building Exhibition) - in coordination with EXTOTT/PGTF
- Activity: Teaming up H.K. Developers, Building Contractors & Importers with Canadian Suppliers of Building Materials.
- Expected Results: 1990: C\$10 million, 1991: C\$20 million

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

- Activity: IBEX '90 (Int'l Building Exhibition - May 31 to June 2/90 - A Canada Pavilion - in coordination with EXTOTT/PGTF
- Expected Results: C\$5 million

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HONG KONG

Market: HONG KONG

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

Activity: Use of Canadian Construction Wood Seminar with IBEX 90 to HK architects and developers

Expected Results: C\$1 million

Activity: Outgoing mission of suppliers of exterior & interior products 10/90

Expected Results: C\$2 million

Activity: Building Products Incoming Buyers Mission - Sept 26 to Oct 2/90 (Wood Expo 90 - Vancouver)

Expected Results: C\$2 million

Activity: Elenex - Information Booth - 23-26 May, 90

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HONG KONG

Market: HONG KONG

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

New Hang Seng Bank Project	Approximate Value: 400 M\$ Financing Source : NFR - No external fnding req'd Contact : Comm for Cda, HK
Hotel Construction	Approximate Value: 1000 M\$ Financing Source : NFR - No external fnding req'd Contact : Comm for Cda, HK & EXTOTT/PNC
Devpt of the Tram Depot Site	Approximate Value: 300 M\$ Financing Source : NFR - No external fnding req'd Contact : Comm for Cda, HK
70 Storeys Office Comm. Bldg	Approximate Value: 1000 M\$ Financing Source : NFR - No external fnding req'd Contact : Comm for Cda, HK

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: HONG KONG

Market: HONG KONG

Sector : INDUSTRIAL MACHIN, PLANTS, SERV.

Sub-Sector: MANUFACT & MATERIAL PLANT, EQP.

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	55.00 \$M	60.00 \$M	100.00 \$M	200.00 \$M
Canadian Exports	0.50 \$M	1.00 \$M	2.00 \$M	6.00 \$M
Canadian Share of Market	1.00 %	1.70 %	2.00 %	3.00 %

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

Major Competing Countries

Market Share

UNITED KINGDOM	40.00 %
UNITED STATES OF AMERICA	18.00 %
GERMANY WEST	15.00 %
JAPAN	6.00 %

Current Status of Canadian

exports in this sector/subsector: No export results to date

Products/services for which there are good market prospects:

1. Sewage collection & treatment
2. Solid waste disposal
3. Waste incineration
4. Monitoring (Air & Water) equipment
5. Asbestos removal services
6. Environmental impact assessment
7. Mathematic modelling
8. Emergencies planning

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HONG KONG

Market: HONG KONG

Factors for Canadian exports not reaching market potential:

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

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

Activity: Incoming mission (3/90) and outgoing missions (2/90) will continue throughout the year, esp with Taiwan CTOT.

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

Activity: Alert Canadian companies of environmental projects & potential for sale of services & equipment.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HONG KONG

Market: HONG KONG

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

Refuse Transfer Station	Approximate Value:	5 M\$
	Financing Source :	DOM - Domestically funded NFR - No external fnding req'd
	Contact	: Hong Kong
Sewage Collection & Treatment	Approximate Value:	100 M\$
	Financing Source :	DOM - Domestically funded NFR - No external fnding req'd
	Contact	: Hong Kong

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: HONG KONG

Market: HONG KONG

Sector : MULTIPLE SECTORS

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.00 \$M	0.00 \$M	20000.00 \$M	20000.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	500.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	2.50 %

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

Major Competing Countries Market Share

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

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

Products/services for which there are good market prospects:

1. For Airports - Airport Consulting Services
2. Landing Systems
3. Radar Systems
4. Emergency and Security Equipment
5. Terminal and Maintenance
6. Bage Equipment - Fuelling Eqpt.
7. Training Equipment
8. Environmental Control Equipment
9. For Transp. Project - Engr. Consulting Services
10. Bridge/s
11. Rolling Stock
12. Traffic Control Systems

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HONG KONG

Market: HONG KONG

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Market prospects have not been adequately explored
 - New port/airport project. Above n/a
 -
-

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

Activity: Airport/Port Development Mission from Canada/April 90
Expected Results: C\$50 million to C\$100 million

Activity: NTS proposal to establish Airport "Secretariat" in Canada to coordinate Cdn expertise with local opportunities.

Activity: Hong Kong Industrial Trade Fair - 11/90
National Stand, Horizontal Industrial Machinery

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: HONG KONG

Market: HONG KONG

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

HK New Int'l Airport (Lantau)	Approximate Value: 4600 M\$ Financing Source : EDC - Export Dev Corporation Contact : Comm for Cda, HK & EXTOTT/PNC
HK Port Development	Approximate Value: 8400 M\$ Financing Source : EDC - Export Dev Corporation Contact : Comm for Cda, HK & EXTOTT/PNC
Macau Int'l Airport	Approximate Value: 500 M\$ Financing Source : EDC - Export Dev Corporation Contact : Comm for Cda, HK & EXTOTT/PNC
Transportation Infrastructures	Approximate Value: 6500 M\$ Financing Source : EDC - Export Dev Corporation Contact : Comm for Cda, HK & EXTOTT/PNC

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: HONG KONG

Country: HONG KONG

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

	Total (\$ Million)	Canadian Share	Major Competitor Share
Two years ago	12000.00	20.00	30.00
One year ago	15000.00	25.00	25.00
Current year	20000.00	30.00	20.00

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

C \$6 billion (2:4, direct:portfolio)

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

- The United States of America
- Australia
- Thailand
- Malaysia
- The Philippines
- The People's Republic of China

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

- USA: Promos by States, advertising and hi-level missions.
- Aus: Much immigration/investment advertising, seminars.
- Thai: missions with ind asso, advertising seminars
- Phil: joint missions with ind asso. Malay: press TV covering new busin. PRC:missions highlighting proximity, low labor cost

IDP Partners and related program activities:

- Canadian Imperial Bank of Commerce, Hong Kong Branch
- Support of many cases in Investment Program

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: HONG KONG

Country: HONG KONG

IDP Partners and related activities cont d:

Chinese Manufacturers Association of Hong Kong

- Major (regular & extraordinary) bulletin support for Canadian investment opportunities and missions.

Clarkson Gordon (Hong Kong)

- Support of many individual cases in Investment Program

Robert Lee & Fong/McMillan Binch, Hong Kong

- Support of many individual cases in Investment Program

The Federation of Hong Kong Industries

- Director-level exploratory visits to Canada in liaison with Investment Program; support to missions from Canada

Stikeman, Elliott, Hong Kong Office

- Referrals and support of cases in Investment Program

The Bank of Nova Scotia, Hong Kong

- Attendance at events, support of referrals to and from Investment Program

Fraser & Beatty, Hong Kong Office

- Professional counselling and support of many cases in Investment Program

The Royal Bank of Canada, Hong Kong Branch

- Support to Program activities and to missions from Canada with investment content

Price Waterhouse, Hong Kong Office

- Professional counselling on several individual cases; support to missions from Canada.

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: HONG KONG

Country: HONG KONG

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

- Low-cost energy
- The Canada-US Free Trade Agreement
- Immigration and longstanding social connections with Canada
- Available land
- Political and social stability

the following constraints:

- Complicated tax regime: fear of high taxes
- Relative high cost of labour
- Scarcity of certain skills
- Fear of labour unions
- Query on Canadian work ethic

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

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

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

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

RPTD2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: HONG KONG

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

Seq #	Date
Type: MISSION OUT, MINISTERIAL	
9	04/90
Event Description: Ministerial visit can occur over 12 month period. Emphasis placed on (general) investment potential in Cda. All sectors	
City :	
Country : HONG KONG	
Investment Nature: Greenfield Joint Venture Acquisition	
Investment Sector: COMMERCIAL SERVICE	
Event Cooperants :	
All provinces, professional network and others	
Estimated Budget : \$3,000.00	
10	11/90
Event Description: Visit to occur over 12 mo period. General investment potential - all sectors	
City :	
Country : HONG KONG	
Investment Nature: Greenfield Joint Venture Acquisition	
Investment Sector: COMMERCIAL SERVICE	
Event Cooperants :	
All provinces, professional network and others	
Estimated Budget : \$3,000.00	
Type: MISSION OUT, INDUSTRY	
4	04/90
Event Description: sector-targeted infopromo presentations by Cdn industrialists to HK industry assoc.	
City :	
Country : HONG KONG	
Investment Nature: Acquisition Joint Venture Strat. Partners	
Investment Sector: HEALTH CARE PRODUCTS/MEDICAL	
Event Cooperants :	
DEAIT, ISTC, INV CDA, all provinces, professional network	
Estimated Budget : \$7,000.00	

RPTD2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: HONG KONG

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

Seq #

Date

Type: MISSION OUT, INDUSTRY

- | | | |
|---|---|-------|
| 5 | Event Description:
sector-targeted info promo presentations by Cdn industrialists to HK industry assoc.
City :
Country : HONG KONG
Investment Nature: Acquisition
Joint Venture
Strategic Part.
Investment Sector: CONSUMER PRODUCTS
Event Cooperants :
DEAIT, ISTC, INV CDA, all provinces, professional network
Estimated Budget : \$7,000.00 | 09/90 |
| 6 | Event Description:
Sector-targeted info promo presentations by Cdn industrialists to HK industry assoc.
City :
Country : HONG KONG
Investment Nature: Acquisition
Joint Venture
Strategic Part.
Investment Sector: AGRICULTURE/FOOD/FISH
Event Cooperants :
DEAIT, ISTC, INV CDA, all provinces, professional network
Estimated Budget : \$7,000.00 | 10/90 |
| 3 | Event Description:
Sector targeted info promo presentations by Cdn industrialist to HK industry associations.
City :
Country : HONG KONG
Investment Nature: Greenfield
Joint Venture
Strategic Partn
Investment Sector: COMPUTER/COMMUNICATIONS
Event Cooperants :
DEAIT, ISTC Invest Cda, all provinces, professional network
Estimated Budget : \$7,000.00 | 05/90 |

RPTD2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: HONG KONG

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

Seq #

Date

Type: MISSION OUT, INDUSTRY

- 7 Event Description: 05/90
Sector targeted info presentations by Cdn industrialists to HK industry.
- City :
Country : HONG KONG
Investment Nature: Portfolio
Strategic Part.
Greenfield
Investment Sector: COMMERCIAL SERVICE
Event Cooperants :
DEAIT, ISTC, INV CDA, all provinces, professional network
Estimated Budget : \$7,000.00
- 8 Event Description: 05/90
Sector-targed info promo presentations by Cdn industrialist to HK Ind asso over 12 mths period
- City :
Country : HONG KONG
Investment Nature: resource proces
transportation
consumer pdts
Investment Sector: COMMERCIAL SERVICE
Event Cooperants :
DEAIT, ISTC, INV CDA, all provinces, professional network
Estimated Budget : \$7,000.00

Type: DIRECT MAIL CAMPAIGN

- 2 Event Description: 06/90
DM approaches to major industrial sectors over 6 months period
- City : Hong Kong
Country : HONG KONG
Investment Nature: Acquisition
Joint venture
Strat. Partner.
Investment Sector: COMMERCIAL SERVICE
Event Cooperants :
Industrial & Trade Associations
Estimated Budget : \$15,000.00

RPTD2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: HONG KONG

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

Seq #		Date
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Type: DIRECT MAIL CAMPAIGN

1	Event Description: Direct mail to major industrialists, business people & financiers City : Country : HONG KONG Investment Nature: Acquisition Joint venture Greenfield Investment Sector: COMMERCIAL SERVICE Event Cooperants : Professionals: bankers, lawyers, accountants; industrial & trade associations Estimated Budget : \$15,000.00	06/90
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Type: OTHER PROMOTION

11	Event Description: Series of investment luncheons targetting key investors. All sectors. Activity to occur over 12 month period. City : Country : HONG KONG Investment Nature: Greenfield Acquisition Joint Venture Investment Sector: COMMERCIAL SERVICE Event Cooperants : Professional Network, Provinces Estimated Budget : \$10,000.00	12/90
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Total estimated budget for all proposals:	\$88,000.00
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DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Hong Kong

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/02/00	Environmental Protection Equipment Mission to Hong Kong Mission Out, Industry	Industrial Machine, Plants & Services
90/06/09	Ibex 90 (Int'l Building Exchange), Hong Kong Fair, National Stand	Construction Industry
91/01/00	Protectasia, Hong Kong Fair, National Stand	Defence Programs, Prod. & Services

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: ISLAMABAD

Country: PAKISTAN

Pakistan's 1989 5% real growth rate is in line with the long term historical record, but below the economy's potential and recent performance (6.5%).

Pakistan has adopted an economic program which aims at opening up domestic markets encouraging the private sector, reducing the role of the public sector, attracting foreign investment, liberalizing import regulations and supporting the creation of export markets.

Higher rates of growth in the short term are constrained by : the implementation of an IMF/World Bank structural adjustment program, the capacity of Pakistan's domestic financial sectors to mobilize and allocate savings, and the unstable law and order situation, especially in Karachi, which is inhibiting new investment.

Pakistan remains a favoured recipient of official development assistance, in 1989 receiving ODA pledges amounting to US\$ 3.1 billion (about 50% from the World Bank and the Asian Development Bank), representing a 22% increase over 1988 pledges. Major industrial and infrastructure projects as well as infrastructure renewal are generally financed through concessional financing arrangements.

Private sector growth is mixed. Large scale manufacturing is stagnant this year while small scale manufacturing will maintain growth rates in excess of 8%. Karachi remains the principal trade and industrial centre (with about 50% of Pakistan's total trade and industry), but the Karachi economy is not growing and investment is shifting to Lahore.

Pakistan is experiencing short term balance of payments problems, particularly as import liberalization measures have contributed to increasing imports at a faster rate (2.9) than exports (1.9%). As Pakistan's export revenues are increasingly dependent on cotton-based products, and Middle East worker remittances remain an important but declining share of export revenues, it can be expected that Pakistan's high debt service ratio (30%) will remain a problem in the medium term.

Agriculture remains the single largest sector of the economy, contributing 25% of GDP and providing 70% of the country's exports. Emphasis is on introducing modern agricultural technology and mechanization.

Energy accounts for 37% of the development budget. Demands for power are quickly outstripping supplies and the government must urgently increase hydro and thermal generation and transmission systems.

Over 70% of Pakistan's petroleum requirements are imported. There is increased exploration activity and prospects appear good for expansion in this sector.

Defence accounts for 25% of total Pakistan government budgetary expenditures (45% of the recurrent budget). The U.S.A. is the dominant

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: ISLAMABAD

Country: PAKISTAN

supplier of military equipment; however, the fact that Canadian equipment is compatible with USA and NATO standards assists in the marketing of Canadian defence equipment.

Pakistan's transportation and telecommunications system requires expansion and modernization and major investments are planned in these sectors.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: ISLAMABAD

Country: PAKISTAN

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

1. POWER & ENERGY EQUIP. & SERV.

Government of Pakistan gives high priority to its power generation program, demand outstripping supply. World Bank, Asian Dev Bank and CIDA are financing the sector. Canadian companies are well known.

2. OIL & GAS EQUIPMENT, SERVICES

Pakistan has attracted international petroleum exploration companies including seven Canadian companies. Exploration and development activities are increasing. Canadian expertise is well known due in part to CIDA's program.

3. AGRI & FOOD PRODUCTS & SERVICE

Pakistan has set a target to increase its agriculture growth rate to 5% annually from the present 3.8%. To this end improved seeds, chemical fertilizers, pesticides and agriculture machinery will be made available to farmers.

4. DEFENCE PROGRAMS, PRODUCTS, SERV

Approximately 25% of total budgetary expenditure (45% of recurrent budget) is spent on the Armed Forces. U.S. has agreed to US dollars 1.75 billion military (USD 230 mil 1989/90) aid package over six years period starting from July 1988.

5.

6.

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

1. GRAINS AND OILSEEDS

2. MINE, METAL, MINERAL PROD & SRV

3. POWER & ENERGY EQUIP. & SERV.

4. FOREST PRODUCTS, EQUIP, SERVICES

5.

6.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: ISLAMABAD

Market: PAKISTAN

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	995.00 \$M	1000.00 \$M	1100.00 \$M	1200.00 \$M
Canadian Exports	2.00 \$M	2.00 \$M	2.27 \$M	2.50 \$M
Canadian Share of Market	0.20 %	0.20 %	0.20 %	0.20 %

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

Major Competing Countries	Market Share
JORDAN	25.00 %
GERMANY WEST	15.00 %
BELGIUM	10.00 %
JAPAN	10.00 %
DENMARK	10.00 %
OTHER COUNTRIES	30.00 %

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

Products/services for which there are good market prospects:

1. Pulses
2. Potash
3. Seeds
4. Agriculture Machinery
5. Food handling and processing equipment
6. Dairy and poultry breeding stock
7. Services including consulting services.
8. NO
9. NO
10. NO
11. NO
12. NO

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: ISLAMABAD

Market: PAKISTAN

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- CIDA programs
- Strong sectoral capability in Canada
- Willingness of exporters to invest/joint venture in territory
- NO

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Limited Canadian capabilities
- NO
- NO

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

Activity: Follow up on Crop Production Technology Mission
Expected Results: Introduce crop production technology in Pakistan

Activity: NO
Expected Results: NO

Activity: NO
Expected Results: NO

Activity: NO
Expected Results: NO

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: ISLAMABAD

Market: PAKISTAN

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

Activity: Identify Agricultural Trade Exhibition in Canada and promote them in Pakistan

Expected Results: Expose local businessmen to Cdn technology & products.

Activity: Introduce Muriate of Potash to Pakistan

Expected Results: Gain acceptance of this fertilizer to commercial sales

Activity: NO

Expected Results: NO

Activity: NO

Expected Results: NO

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

Activity: Study the sector to increase trade section knowledge about specific opportunities and identify potential importers

Expected Results: Identify specific opportunities to promote Cdn products

Activity: Stimulate Canadian suppliers' interest by informing them about the market

Expected Results: Increase marketing activities

Activity: NO

Expected Results: NO

Activity: NO

Expected Results: NO

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: ISLAMABAD

Market: PAKISTAN

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

Fruit & vegetable Mktg Project	Approximate Value:	26 M\$
	Financing Source :	ASDB - Asian Development Bank
	Contact :	Waheed Khan Comm Officer Cdn High Commission Isbad
Second Aquaculture Dev Project	Approximate Value:	18 M\$
	Financing Source :	ASDB - Asian Development Bank
	Contact :	Waheed Khan Comm Officer Cdn High Commission Isbad
Livestock Dev Project	Approximate Value:	51 M\$
	Financing Source :	ASDB - Asian Development Bank
	Contact :	Waheed Khan Comm Officer Cdn High Commission Isbad

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: ISLAMABAD

Market: PAKISTAN

Sector : GRAINS AND OILSEEDS

Sub-Sector: OILSEEDS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	303.00 \$M	303.00 \$M	507.00 \$M	527.00 \$M
Canadian Exports	15.00 \$M	2.00 \$M	2.00 \$M	7.00 \$M
Canadian Share of Market	5.00 %	0.40 %	0.40 %	1.30 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	53.00 %
MALAYSIA	42.00 %
OTHER COUNTRIES	5.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Degummed Canola Oil in bulk
2. Canola Meal
3. Pulses

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- CIDA programs

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
 - Non-competitive financing
 - Long delivery time high freight rate
 -
-

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: ISLAMABAD

Market: PAKISTAN

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

Activity: Negotiation of new bilateral food aid focussed on Canola oil.
Expected Results: Maintain presence of Canola oil in the market.

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

Activity: Study the local price structure of imported cooking oil and role being played by subsidies, particularly PL-480.
Expected Results: Determine prospects for actual commercial sales.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: ISLAMABAD

Market: PAKISTAN

Sector : DEFENCE PROGRAMS, PRODUCTS, SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	500.00 \$M	600.00 \$M	500.00 \$M	400.00 \$M
Canadian Exports	2.50 \$M	1.00 \$M	1.00 \$M	5.00 \$M
Canadian Share of Market	0.50 %	0.17 %	0.20 %	1.25 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	50.00 %
PEOPLE'S REP OF CHINA	20.00 %
UNITED KINGDOM	10.00 %
FRANCE	5.00 %
GERMANY WEST	5.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Radio Transmission Receivers
2. Helicopters
3. Sonars
4. Bomb Disposal Units
5. Light Armoured Vehicles
6. Helicopter telescoping hangars
7. Flir

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: ISLAMABAD

Market: PAKISTAN

Factors for Canadian exports not reaching market potential:

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

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

Activity: Defence sector study/marketing survey
Expected Results: Better knowledge of the procurement process & future needs

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

Activity: Endeavour to revive August 1988 aborted incoming defence security equipment mission.
Expected Results: Acquaint MODP with Cdn expertise in defence sector.

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DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: ISLAMABAD

Market: PAKISTAN

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

Light Armoured Vehicles

Approximate Value: 0 M\$
Financing Source : EDC - Export Dev Corporation
Contact : Ahsan ul Haq, Comm. Officer
Cdn High Commission, Islamabad

Helicopters

Approximate Value: 0 M\$
Financing Source : EDC - Export Dev Corporation
Contact : Ahsan ul Haq, Comm. Officer

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: ISLAMABAD

Market: PAKISTAN

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	400.00 \$M	500.00 \$M	500.00 \$M	500.00 \$M
Canadian Exports	4.00 \$M	12.00 \$M	15.00 \$M	30.00 \$M
Canadian Share of Market	1.00 %	2.80 %	3.00 %	6.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	40.00 %
GERMANY WEST	15.00 %
JAPAN	15.00 %
ITALY	10.00 %
PEOPLE'S REP OF CHINA	10.00 %
OTHER COUNTRIES	15.00 %

Current Status of Canadian

exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Hydro Turbines
2. Generators
3. Spares and parts for generators & turbines
4. Transformers
5. Switchgear
6. Consulting Services
7. Conductor
8. Boilers
9. Control and Instrumentation equipment

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: ISLAMABAD

Market: PAKISTAN

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- CIDA programs
- Strong sectoral capability in Canada
- Bilateral economic trade agreement
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

Factors for Canadian exports not reaching market potential:

- Non-competitive financing
- _____
- _____

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

Activity: Lobby WAPDA for award of Taunsa Low Head Hydrel Project on a negotiated basis to Canada.

Expected Results: Beginning of contract negotiation for a Low Head Project

Activity: Support B&W efforts in getting their proposal for a 300 MW oil power plant sanctioned by WAPDA.

Expected Results: Increase in export of Cdn thermal power plant equipment.

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

Activity: Arrange for a WAPDA mission to visit Canadian Transmission and Distribution

Expected Results: A better rapport with Cdn companies.

Activity: Possible visit of Minister of Water and Power Mr. Leghari to Canada

Expected Results: nil

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: ISLAMABAD

Market: PAKISTAN

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

Transmission Lines	Approximate Value: 100 M\$
	Financing Source : ASDB - Asian Development Bank IDA - World Bank
	Contact : Ahsan ul Haq, C.O. Canadian High Commission
Allai Khawar, Hydel project	Approximate Value: 120 M\$
	Financing Source : TO BE DETERMINED
	Contact : Ahsan ul Haq, Comm Officer Canadian High Commission
Private Sector Power Generation	Approximate Value: 0 M\$
	Financing Source : ASDB - Asian Development Bank IBRD - World Bank EDC - Export Dev Corporation
	Contact : Ahsan ul Haq, Comm Officer Canadian High Commission

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: ISLAMABAD

Market: PAKISTAN

Sector : TRANSPORT SYS, EQUIP, COMP, SERV.

Sub-Sector: RAIL

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	60.00 \$M	80.00 \$M	80.00 \$M	80.00 \$M
Canadian Exports	6.00 \$M	3.00 \$M	6.00 \$M	30.00 \$M
Canadian Share of Market	10.00 %	3.70 %	7.00 %	37.50 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	60.00 %
GERMANY WEST	10.00 %
JAPAN	10.00 %
UNITED KINGDOM	5.00 %
OTHER COUNTRIES	15.00 %

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

Products/services for which there are good market prospects:

1. Diesel Locomotive Rebuild
2. Spares for Diesel Locomotives Engines
3. Consulting Services and Training
4. Track Rehabilitation
5. M.I.S.

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- CIDA programs
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Bilateral economic trade agreement
- Competitive Canadian financing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: ISLAMABAD

Market: PAKISTAN

Factors for Canadian exports not reaching market potential:

- :Cdn performance is satisfactory.

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

Activity: Lobby Pakistan Railways/Ministry of Railways on behalf of GE & GM.

Expected Results: Proposal to rebuild 101 diesel locomotives, transfer of tech

Activity: Assist CPCS to win computerisation implementation program for Pakistan Railways.

Expected Results: Consulting Services & computer eqpt sale worth C\$ 2.5 MM.

Activity: Provide support to G.E.

Expected Results: Spares & engines worth approx C\$4 MM per year.

Activity: NO

Expected Results: NO

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

Activity: NO

Expected Results: NO

Activity: NO

Expected Results: NO

Activity: NO

Expected Results: NO

Activity: NO

Expected Results: NO

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: ISLAMABAD

Market: PAKISTAN

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

Activity: Send a delegation headed by new Chairman Pakistan Railways Board to Canada, in April 1990.

Expected Results: Better understanding of Canadian expertise in Railway Sec.

Activity: NO

Expected Results: NO

Activity: NO

Expected Results: NO

Activity: NO

Expected Results: NO

01/12/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: ISLAMABAD

Market: PAKISTAN

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

Pak Railways locomotive Rehab. Approximate Value: 170 M\$
Financing Source : IBRD - World Bank
Contact : Post.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: ISLAMABAD

Market: PAKISTAN

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	90.00 \$M	100.00 \$M	120.00 \$M	140.00 \$M
Canadian Exports	10.00 \$M	10.00 \$M	12.00 \$M	14.00 \$M
Canadian Share of Market	11.00 %	10.00 %	10.00 %	10.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	30.00 %
UNION OF SOVIET SOC REP	10.00 %
FRANCE	10.00 %
UNITED KINGDOM	10.00 %
GERMANY WEST	10.00 %
OTHER COUNTRIES	30.00 %

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

Products/services for which there are good market prospects:

1. Drilling Equipment
2. Production Equipment
3. Well Services
4. Gas Processing and Transmission Equipment
5. Consultant Services
6. Exploration Equipment and Services

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: ISLAMABAD

Market: PAKISTAN

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
 - Non-competitive financing
 - Limited appreciation/understanding of distribution system
 - Performance of local agent or representative
 - Lack of aggressive mktg & follow up
-

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

Activity: Follow up on Heavy Oil and EOR Seminar
 Expected Results: Building upon interest generated. Converting leads with sales

Activity: NO
 Expected Results: NO

Activity: NO
 Expected Results: NO

Activity: NO
 Expected Results: NO

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: ISLAMABAD

Market: PAKISTAN

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

Activity: National Petroleum Show in June 1990
Expected Results: Expose local buyers to Canadian technology.

Activity: NO
Expected Results: NO

Activity: NO
Expected Results: NO

Activity: NO
Expected Results: NO

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

Activity: Oil & gas market survey.
Expected Results: Pinpoint opportunities for Canadian companies.

Activity: Incoming buyers program for gas processing and utilization.
Expected Results: Get decision makers to Cdn suppliers for favourable decision

Activity: NO
Expected Results: NO

Activity: NO
Expected Results: NO

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: ISLAMABAD

Market: PAKISTAN

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

OGDC Phase III

Approximate Value: 40 M\$
Financing Source : CIDA - Cdn Int'l Dev Agency
Contact : CIDAHULL

PGCL Phase III

Approximate Value: 250 M\$
Financing Source : ASDB - Asian Development Bank
Contact : Commercial Div., Manila

OGDP

Approximate Value: 125 M\$
Financing Source : ASDB - Asian Development Bank
Contact : Commercial Div., Manila

NO

Approximate Value: 0 M\$
Financing Source :
Contact : NO

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Islamabad

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/08/00	Power Generation & Instrumentation FM Pakistan/Bangladesh Mission In, To Industry	Power & Energy Equip, & Services
90/09/00	Security Products, Defence Products to Pakistan/Bangladesh Mission Out, Industry	Defence Programs, Products & Services
90/11/00	Buyers From Pakistan To Royal Agricultural Winter Fair Mission In, To Fair	Agri & Food Products & Services
90/11/00	Canada Week/Electronic Equip & Services Mission To Pakistan Mission Out, Industry	Advanced Tech. Prod. & Services
91/01/00	Medical Equipment Mission To Pakistan Mission Out, Industry	Education, Medical, Health Products
91/02/00	Buyers FM Pakistan/Bangladesh To Atlantic Farm Show, N.B. Mission In, To Fair	Agri & Food Products & Services
91/03/00	Farm Machinery & Agriculture Implements To Pakistan/Bangl. Mission Out, Industry	Agri & Food Products & Services

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: JAKARTA

Country: INDONESIA

Indonesia's economy is undergoing a very impressive transformation. Growth rates exceeding 5% last year and this for a population of 180 million are a solid achievement. More than 60% of the population derives its livelihood from rice farming. The country is selfsufficient in food. Indonesia is now in the process of becoming a newly-industrialized country (NIC) with a surge in manufacturing investment.

Traditionally, Indonesia has been reliant on oil and gas production and exports. More than 75% of the government's total revenue was derived from its ownership of these resources. However, oil prices fell from \$28/bl., the Yen increased in value against the US dollar, there was a 40% devaluation in the Rupiah in 1986, and, more recently, the US removed the General Preferential Tariff from Indonesia's competitors, leading to transformation from an overregulated bureaucratic market to the present dynamic example. In 1989, Indonesia's oil and gas export earnings will total US\$8.5 billion and non-oil and gas revenues, which grew by 28.6% to US\$ 12.18 billion in fiscal 88/89, are expected to accelerate in the face of an intensive export drive and a much enhanced business climate. At the same time, foreign investment should total US\$5.8 billion this year. According to the State Investment Board, the majority of these new projects are in manufacturing.

Canadian exports have been steady at \$300 million/year as not many Canadian exporters have found it possible to maintain the regular visit schedule necessary to obtain increased market share. By comparison, Australian exports were \$578 million; UK \$340 million; Netherlands \$250 million; and France \$464 million. The sale of Canadian expertise is constant at \$50-60 million/year and more than 35 Canadian firms have established their own offices in Indonesia. Of course a substantially greater number have agency or distribution agreements, but many of these arrangements need review. The Export Development Corporation has not been able to support Canadian exporters to Indonesia due to lack of Section 31 funding. Similarly, CIDA's bilateral program, with its \$45 million in social programs and potash, is fully committed for several years forward and therefore offers little scope to support new Canadian private sector interests. However, Indonesia is a favoured client of the Asia Development Bank and IBRD (World Bank). There are interesting opportunities in the private sector in Indonesia, including forestry, mining, and aquaculture where some Canadian firms are obtaining success. CIDA's industrial co-operation program will be better placed in 1990 to support pursuit of many of these private projects.

In line with the changes in the Indonesian market, Canada will refocus on marketing semi finished products for the new manufacturing industries, to selling production, packaging and finishing machinery for the new industries, and to more vigorous pursuit of consulting, training, and technology transfer arrangements against Asian Development Bank and World Bank funds. Indonesia is a natural market for Canada where the two economies mesh in terms of skills available and technologies required. Indonesia's economy will continue its present growth rate and this, together with continued political stability, will ensure a significant increase in economic opportunities for Canada.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: JAKARTA

Country: INDONESIA

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

1. EDUCATION, MEDICAL, HEALTH PROD
HUMAN RESOURCE DEVELOPMENT AN INDON PRIORITY, A FOCUS OF CIDA'S BILATERAL AND AN AREA WHERE CANADA HAS SUCCESSFULLY EXECUTED SEVERAL COMMERCIAL CONTRACTS.
2. ADVANCED TECH. PROD. & SERV
THE WORLD BANK IS DEVELOPING A \$300M. PROJECT FOR TELECOMMUNICATIONS OUTSIDE PLANT, THE ADB WILL SUPPORT IBRD. THERE IS SOME CANADIAN FINANCING AS WELL FOR TELECOM PROJECTS, AN AREA WHERE CANADA'S EXPERTISE IS WELL RECOGNIZED.
3. CHEM PROD & PETROCHEM, EQP, SERV
WITH INDUSTRIALIZATION THERE IS INCREASING DEMAND FOR PETROCHEMICAL PRODUCTS. DEREGULATION HAS CHANGED THE TERMS OF TRADE BUT THERE ARE SIGNIFICANT OPPORTUNITIES FOR CANADIAN SUPPLIERS TO PURSUE
4. MINE, METAL, MINERAL PROD & SRV
THERE ARE CONTINUED OPPORTUNITIES FOR CANADIAN ENGINEERS AND PROCESS EQUIPMENT SUPPLYING TO THE MINING INDUSTRY. THERE IS NEED TO BETTER DEFINE MINERAL AND METAL IMPORT REQUIREMENTS FOR MARKET DEVELOPMENT.
5. INDUSTRIAL MACHIN, PLANTS, SERV.
WITH INDUSTRIALIZATION PROGRESSING APASE \$5.8 BILLION IN NEW INVESTMENT FOR 1989, CANADA HAS A BROAD RANGE OF OPPORTUNITIES TO PURSUE
6. POWER & ENERGY EQUIP. & SERV.
THE WORLD BANK IS ALLOCATING LARGE SUMS TO POWER DEVELOPMENT TRANSMISSION, AND GENERATION PROJECTS IN INDONESIA

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

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: JAKARTA

Market: INDONESIA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	656.00 \$M	702.00 \$M	758.00 \$M	834.00 \$M
Canadian Exports	3.00 \$M	7.00 \$M	10.00 \$M	40.00 \$M
Canadian Share of Market	0.50 %	1.00 %	1.30 %	4.80 %

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

Major Competing Countries	Market Share
JAPAN	28.00 %
UNITED STATES OF AMERICA	22.00 %
GERMANY WEST	17.00 %
FRANCE	8.00 %
NETHERLANDS	6.00 %

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

Products/services for which there are good market prospects:

1. TELECOMMUNICATIONS
2. DATA COMMUNICATIONS FOR SATELLITE, SPACE SENSING
3. ADVANCED AIRCRAFTS
4. REMOET SENSING
5. INSTRUMENTATION & PROCESS CONTROL
6. CONSULTING & OTHER SERVICES

Factors contributing to current successful Canadian exports:

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

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DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: JAKARTA

Market: INDONESIA

Factors for Canadian exports not reaching market potential:

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

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

Activity: VISIT BY MINISTER FOR TOURISM, POST&TELECOMMUNICATIONS TO CANADA
Expected Results: ACCEPTANCE OF INVITATION ISSUED TO PREVIOUS MINISTER

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

Activity: FOLLOW THE DEVELOPMENTS CONCERNING PERUMTELS DESISSION TO EXPAND TELCOM SWITCHING CAPABILATIES INCLUDING ISDN
Expected Results: REPORT ON A SECTOR WHERE CANADA HAS STRONG EXPERTISE

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: JAKARTA

Market: INDONESIA

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

RADAR IMAGE MAPPING

Approximate Value: 19 M\$
Financing Source : TO BE DETERMINED
Contact : J.CLAPP.TEL.613-996-5829

TELECOMMUNICATION III

Approximate Value: 300 M\$
Financing Source : IBRD - World Bank
ASDB - Asian Development Bank
Contact : J.CLAPP.TEL.613-996-5829

VARIOUS RURAL TELCOM PROJECTS

Approximate Value: 10 M\$
Financing Source : TO BE DETERMINED
Contact : J.CLAPP.TEL.613-996-5829

TURBOPROP ENGINE DEVELOPMENT

Approximate Value: 500 M\$
Financing Source : TO BE DETERMINED
Contact : J.CLAPP.TEL.613-996-5829

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: JAKARTA

Market: INDONESIA

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1600.00 \$M	1700.00 \$M	1750.00 \$M	1800.00 \$M
Canadian Exports	37.00 \$M	25.00 \$M	25.00 \$M	25.00 \$M
Canadian Share of Market	2.30 %	1.50 %	1.40 %	1.30 %

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

Major Competing Countries Market Share

JAPAN	45.00 %
GERMANY WEST	10.00 %
UNITED STATES OF AMERICA	7.00 %
FRANCE	6.00 %
NETHERLANDS	3.00 %
SWEDEN	2.00 %

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

Products/services for which there are good market prospects:

1. CONSULTING SERVICES
2. TRANSFORMERS
3. SWITCHGEARS
4. GENERATORS
5. TURBINES
6. SUBSTATION EQUIPMENT
7. DISTRIBUTION EQUIPMENT
8. INSTRUMENTATION/CONTROL EQUIPMENT

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: JAKARTA

Market: INDONESIA

Factors for Canadian exports not reaching market potential:

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

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

Activity: Continue to follow the developments concerning a possible decision by Indonesia to construct a nuclear power plant
Expected Results: Report on a sector where Canada has strong expertise

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

Activity: Power mission to Canada
Expected Results: Increased awareness of Cdn expertise

Activity: Continued monitoring of multilaterally funded projects
Expected Results: Cdn industry kept informed of upcoming int'l tenders

Activity: Regular visits to PLN and to various suppliers to PLN
Expected Results: Establishment of a list of potential agents for this sector

Activity: Follow up with participants of the November 89 Power and Distribution Mission
Expected Results: Active pursuit of identified trade opportunities.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: JAKARTA

Market: INDONESIA

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

Power Sector Efficiency	Approximate Value: 400 M\$
	Financing Source : IBRD - World Bank
	Contact : J.Clapp.Ph.613-996-5824
Rural Electrification	Approximate Value: 300 M\$
	Financing Source : IBRD - World Bank
	Contact : J.Clapp.Ph.613-996-5824
Power Transmission & Dist.II	Approximate Value: 200 M\$
	Financing Source : IBRD - World Bank
	Contact : J.Clapp.Ph.613-996-5824

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: JAKARTA

Market: INDONESIA

Sector : MINE, METAL, MINERAL PROD & SRV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	645.00 \$M	700.00 \$M	750.00 \$M	800.00 \$M
Canadian Exports	48.00 \$M	35.00 \$M	40.00 \$M	45.00 \$M
Canadian Share of Market	7.30 %	5.00 %	5.00 %	5.60 %

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

Major Competing Countries

Market Share

JAPAN	40.00 %
AUSTRALIA	20.00 %
UNITED STATES OF AMERICA	15.00 %
SINGAPORE	10.00 %
GERMANY WEST	4.00 %

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

Products/services for which there are good market prospects:

1. Zinc Blocks
2. Sulphur
3. Materials Handling Equipment
4. Exploration and Surveying Services
5. Consulting Services

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: JAKARTA

Market: INDONESIA

Factors for Canadian exports not reaching market potential:

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

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

- Activity: Get in touch with the Indonesians who studied in Canada and that are now occupying important positions in the sector
- Expected Results: Establish a network of contacts within the mining sector
- Activity: Continue our visits to private cos which have announced their intention to proceed with large capital investments
- Expected Results: Obtain their procurement list & procedures & promote Cnd exp

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

- Activity: Mailing literature to coal and gold cos.
- Expected Results: Increased awareness of Cdn expertise
- Activity: Follow up with participants to the 2nd Asia Pacific Mining Conference/Exhibition/Mission
- Expected Results: Active pursuit of identified trade opportunities

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: JAKARTA

Market: INDONESIA

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

Kaltim Prima Coal	Approximate Value: 300 M\$
	Financing Source : OTHER
	Contact : J.Clapp.Ph:613-996-5824
Kideco Coal	Approximate Value: 100 M\$
	Financing Source : OTHER
	Contact : J1.Clapp.Ph:613-996-5824
Various Gold Properties	Approximate Value: 50 M\$
	Financing Source : OTHER
	Contact : J.Clapp.Ph:613-996-5824
Expansion plans for Freeport	Approximate Value: 500 M\$
	Financing Source : OTHER
	Contact : J.Clapp.Ph:613-996-5824

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: JAKARTA

Market: INDONESIA

Sector : CHEM PROD & PETROCHEM, EQP, SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	5200.00 \$M	5200.00 \$M	5300.00 \$M	5500.00 \$M
Canadian Exports	75.00 \$M	83.00 \$M	87.00 \$M	93.00 \$M
Canadian Share of Market	1.40 %	1.60 %	1.60 %	1.70 %

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

Major Competing Countries	Market Share
INDONESIA	30.00 %
JAPAN	25.00 %
UNITED STATES OF AMERICA	8.00 %
GERMANY WEST	7.00 %
PEOPLE'S REP OF CHINA	6.00 %
TAIWAN	5.00 %

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

Products/services for which there are good market prospects:

1. SULPHUR
2. CAUSTIC SODA
3. SODA ASH
4. ACETIC ANHYDRIDE
5. SODIUM SULFIDE
6. HEXAMINE
7. SILICATE
8. RUBBER ACCELERATOR
9. PETROCHEMICAL EQUIPMENT/SERVICES

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: JAKARTA

Market: INDONESIA

Factors for Canadian exports not reaching market potential:

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

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

Activity: VISITS AND REGULAR CONTACTS WITH THE MAIN CONTRACTORS OF PETROCHEMICAL PROJECTS.

Expected Results: CANADIAN INDUSTRY KEPT INFORMED OF PROJECT EVOLUTION

Activity: VISITS AND REGULAR CONTACTS WITH CHEMICAL DISTRIBUTORS

Expected Results: IDENTIFY POTENTIAL AGENTS/DISTRIBUTORS

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: JAKARTA

Market: INDONESIA

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

OLEFIN CENTER	Approximate Value: 1050 M\$ Financing Source : OTHER Contact : JOHN CLAPP.TEL.613-996-5824
AROMATIC CENTER	Approximate Value: 916 M\$ Financing Source : TO BE DETERMINED Contact : JOHN CLAPP.TEL.613-996-5824
PETROKIMIA GRESIK	Approximate Value: 210 M\$ Financing Source : IBRD - World Bank Contact : JOHN CLAPP.TEL.613-996-5824
PUSRI 1B	Approximate Value: 210 M\$ Financing Source : OTHER Contact : JOHN CLAPP.TEL.613-996-5824

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: JAKARTA

Market: INDONESIA

Sector : EDUCATION, MEDICAL, HEALTH PROD

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	150.00 \$M	200.00 \$M	250.00 \$M	300.00 \$M
Canadian Exports	9.00 \$M	12.00 \$M	20.00 \$M	30.00 \$M
Canadian Share of Market	6.00 %	6.00 %	8.00 %	10.00 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	25.00 %
AUSTRALIA	20.00 %
FRANCE	15.00 %
GERMANY WEST	10.00 %
JAPAN	10.00 %
UNITED KINGDOM	10.00 %

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

Products/services for which there are good market prospects:

1. CONSULTING SERVICES
2. FELLOWSHIPS
3. EDUCATIONAL EQUIPMENT
4. DENTAL EQUIPMENT
5. OXYGEN CONCENTRATORS
6. DISPOSABLE MEDICAL EQUIPMENT

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: JAKARTA

Market: INDONESIA

Factors for Canadian exports not reaching market potential:

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

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

Activity: MAILING OF PRODUCT LITERATURES TO END USERS (INSTITUTES, UNIVERSITIES, VOCATIONAL CENTRE, HOSPITALS, CLINICS)
Expected Results: POSSIBLE DIRECT SALES BY CANADIAN FIRMS

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

Activity: KEEP IN TOUCH WITH THE PROSPECTIVE PROJECT MANAGERS FOR FUTURE PROJECTS.

Expected Results: ESTABLISH PERSONAL CONTACTS WITHIN THE EDUCATION SECTOR

Activity: FOLLOW UP REGULARLY WITH CANADIAN CONSULTANTS ACTIVE IN EDUCATION/HEALTH SECTORS

Expected Results: DETERMINE THE DIRECTIONS OF CHANGE WITHIN THE SECTOR

Activity: VISIT A NUMBER OF LOCAL FIRMS WHICH HAVE GOOD CONTACTS AT MINISTERIAL LEVELS

Expected Results: OBTAIN INFORMATION ON THE PROJECT, PRIOR TO THE OFF.TENDER

Activity: VISIT A NUMBER OF HOSPITALS (GOVERNMENT & PRIVATE)

Expected Results: DIRECT DEMANDS TO CANADIAN FIRMS

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: JAKARTA

Market: INDONESIA

Sector : INDUSTRIAL MACHIN, PLANTS, SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	3417.80 \$M	3623.65 \$M	3900.00 \$M	4100.00 \$M
Canadian Exports	45.30 \$M	18.70 \$M	4.00 \$M	6.00 \$M
Canadian Share of Market	1.30 %	0.50 %	0.10 %	0.20 %

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

Major Competing Countries

Market Share

JAPAN	33.80 %
UNITED STATES OF AMERICA	16.10 %
GERMANY WEST	10.00 %
TAIWAN	6.20 %
KOREA	2.50 %

Current Status of Canadian

exports in this sector/subsector: Market share declining

Products/services for which there are good market prospects:

1. INDUSTRIAL MACHINERIES
2. FOOD PROCESSING
3. MARKETING/MANAGEMENT CONSULTING SERVICES
4. POLLUTION CONTROL DEVICE
5. MACHINERY INDUSTRY

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: JAKARTA

Market: INDONESIA

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- LOCAL AGENT&AFTER SALES
- MAINTENANCE BACK-UP

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

Activity: MEET CONSULTANTS FOR PRIVATE PROJECTS
Expected Results: PROMOTION OF CANADIAN EXPERTISE

Activity: VISIT INDUSTRIAL PLANTS IN NEED OF RESTRUCTURING
Expected Results: PROMOTION OF CANADIAN EXPERTISE

Activity: SURVEY OF FOOD HANDLERS & PROCESS INDUSTRY AND RELATED
EQUIPMENT REQUIREMENTS
Expected Results: IDENTIFY TRADE OPPORTUNITIES

Activity: MONITOR PRIVATE INVESTMENT WITH BKPM
Expected Results: IDENTIFY TRADE OPPORTUNITIES

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Jakarta

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/05/00	Market Study (Mineral & Metals) Indonesia Other Promotion	Mine, Metal, Mineral, Product & Services
90/09/00	Telecom Mission From Indonesia Mission In, To Industry	Advanced Tech. Prod. & Serv
90/10/00	Mining Equipment & Technology Mission From Indonesia Mission In, To Industry	Mine, Metal, Mineral Prod. & Services
90/10/23	Agriculture & Food Indonesia Info Booth, With Group	Agri & Food Products & Services
90/10/23	Woodworking & Forestry Show, Indonesia Info Booth, With Group	Forest Products, Equip, & Services
90/11/13	Instrumentation Indonesia Info Booth, With Group	Advanced Tech. Prod. & Services
90/11/13	Training Indonesia Info Booth, with Group	Education, Medical, Health Products
91/02/00	CDN Minister Of Science Technology Visit To Indo. Mission Out, Industry	Advanced Tech. Prod. & Serv

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: KUALA LUMPUR

Country: MALAYSIA

The Malaysian economy is well on its way to its third consecutive year of recovery with real GDP growth reaching 8% in the second quarter of 1989. The export led recovery will be sustained by export oriented foreign investment and domestic demand. 391 manufacturing licenses were approved in the first half of 1989 with a proposed capital investment of Cdn\$2.6 bn a 30% increase over the same period in 1988. Foreign equity in these projects (Cdn\$0.8 bn) in the first 6 months has equalled total foreign investment for the whole of last year. Aggregate domestic demand is expected to rise by about 12.5% in real terms with the public sector demand increasing by 10.5%, and private sector investment by 15%. Government spending on infrastructure, recently increased by Cdn\$2.6 bn under the Fifth Malaysian Plan, is expected to have an expansionary effect on domestic demand while the privatisation of government owned enterprises (246 of them with net worth of Cdn \$7 bn) will raise the level of private investment. Debt management has been healthy with the external debt kept below Cdn \$21 bn and the debt service ratio now at 13%. The balance of payment outlook also remains favourable with total export earnings forecasted at Cdn\$26 bn compared to Cdn\$22 for imports with foreign exchange reserves expected to exceed Cdn\$9 bn. Inflation, estimated at 4.5% for 1989 was largely caused by the depreciation of the ringgit, leading to higher import costs. However, Malaysia's requirements for intermediate goods (46% of total gross imports) primarily used in manufacturing, agriculture and construction industries, will continue to rise. Capital goods imports (29%) used for the modernization and expansion of manufacturing plants and infrastructural projects, are also expected to increase. Malaysia, which is now considered by many to be a Newly Industrialized Country (NIC), offers countless opportunities for Canadian exporters and manufacturing companies seeking joint ventures. In 1988, for the first time, total bilateral trade exceeded Cdn\$0.5 bn (Cdn\$516 m). Although the trade balance between the two countries remains in Malaysia's favour, the gap has considerably narrowed with Canadian exports to Malaysia increasing by 31% during the first 5 months of 1989 and Malaysian exports to Canada declining by 11%. Success stories include a Cdn Dlr\$ 21.3 locomotives sale by GM Canada and a multi million sale of gas processing equipment by Malonex Steel. The outlook for Canadian export opportunities is excellent for the upcoming years with Malaysia's imports expected to increase to Cdn\$23 bn in 1990. Opportunities are also good for Canadian firms wishing to expand abroad by virtue of the country's excellent infrastructure, low labour costs, and stable political and economic environment. With all these in mind, the Post will direct its efforts toward increasing trade with the idea of further narrowing the trade imbalance between Malaysia and Canada by promoting Canadian exports and joint ventures in the priority sectors of transportation, advanced technology, power, oil and gas, agriculture/food, and defence.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: KUALA LUMPUR

Country: MALAYSIA

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

1. **ADVANCED TECH. PROD. & SERV**
With rapid growth in the manufacturing sector (currently estimated at 24%+ of GDP), and excellent commodity prices, the Mlsian govt and the private sector are expected to increase their spending on infrastructure. Spending will be aimed at improving efficiency and effectiveness in the areas of telecommunications, office automation and informatics.
2. **OIL & GAS EQUIPMENT, SERVICES**
Proven oil reserves are estimated at 3 bn barrels, 4th largest in Asia Pacific Region while gas reserves are second to Indonesia with 53 mn cu ft. Exploration expenditure expected to average Cdn\$150 mn/yr. Downstream activities will focus on petrochemical industry including MTBE, ethylene, polypropylene projects & development of gas distr network.
3. **AGRI & FOOD PRODUCTS & SERVICE**
Mlsia's food imports remain high & good potential exists for Cdn agribusiness co's interested in penetrating this market. Strong & increasing interest exists in animal feed area. Excellent opportunities exist for joint venture & tech transfer in areas of food processing & meat packaging eqpt, agricultural machinery & eqpt & genetic engineering.
4. **DEFENCE PROGRAMS, PRODUCTS, SERV**
With Mlsian economy expanding (GDP+8%), Mlsian Forces are able to increase material purchases in overall program to reorganize, strengthen & modernize defence capability; MINDEF changing to conventional warfare capability from traditional counter insurgency suppression role and must buy new equipment for practical use and training.
5. **POWER & ENERGY EQUIP. & SERV.**
A number of hydro projects are currently at a planning stage. With Mlsia's current energy policy focusing on maximum use of natural gas following completion of Gas Pipeline (PGUP II) power plant's, conversion to combined cycle will continue to be a priority. Cdn\$500 million/year expected to be spent on new projects for next five years.
- 6.

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

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KUALA LUMPUR

Market: MALAYSIA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1096.00 \$M	1480.70 \$M	1784.90 \$M	1863.60 \$M
Canadian Exports	33.40 \$M	58.30 \$M	60.50 \$M	63.60 \$M
Canadian Share of Market	3.00 %	3.90 %	3.40 %	3.40 %

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

Major Competing Countries

Market Share

AUSTRALIA	19.20 %
NEW ZEALAND	9.50 %
PEOPLE'S REP OF CHINA	9.00 %
UNITED STATES OF AMERICA	7.30 %
THAILAND	5.70 %
INDIA	4.60 %

Current Status of Canadian

exports in this sector/subsector: Market share declining

Products/services for which there are good market prospects:

1. Manufactured fertilizers
2. Food products
3. Agricultural machinery (excluding tractors) & parts
4. Beverages
5. Animal Semen, Bovine
6. Tobacco
7. Veterinary Pharmaceuticals products
8. Breeding Swine, cattle & sheep
9. Livestock

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUALA LUMPUR

Market: MALAYSIA

Factors for Canadian exports not reaching market potential:

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

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

- Activity: Liaise with Dept of Veterinary Services to launch cooperative livestock venture with CLEA
Expected Results: Awareness of Cdn livestock & tech; devpt of bred for tropics
- Activity: Follow-up with Cold Storage to promote Taste of Canada Food Fair
Expected Results: Establish new local market for Canadian food products
- Activity: Assist in possible joint ventures in tanning industry, poultry processing industry and grain cleaning
Expected Results: Awareness of Cdn capabilities; establishment of joint venture
- Activity: Promotion of 2 Malaysian dairy specialists to Royal Agricultural Fair, Toronto
Expected Results: Establish local market for Canadian dairy cattle

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

- Activity: Malaysian International Livestock Show
Expected Results: Enhanced awareness of Cdn capabilities
- Activity: International Dairy Congress
Expected Results: Participation of 2 Malaysian buyers
- Activity: Food Pacific '90
Expected Results: Increase awareness of Mlsian buyers in range of Cdn products
- Activity: Taste of Canada '90
Expected Results: Work with Cda West on 2nd food promotion at Cold Storage

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUALA LUMPUR

Market: MALAYSIA

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

- Activity: Promote Cdn food products with Parkson Grand, Yoahan, and main food brokers
Expected Results: Expand Cdn sales and increase prod profile in retail stores
- Activity: Meet with principal Mlsian plantation & rice milling coys to promote Cdn agricultural equipment and services
Expected Results: Increased awareness & sale of Cdn equipment & services
- Activity: In consultation with major food importers, develop list of marketable Canadian food products
Expected Results: Alert Cdn suppliers to market opportunities in Malaysia
- Activity: Visit major flour mills and ports to identify equipment/technology needs
Expected Results: Alert Cdn suppliers to market opportunities in Malaysia

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KUALA LUMPUR

Market: MALAYSIA

Sector : DEFENCE PROGRAMS, PRODUCTS, SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	320.00 \$M	460.00 \$M	600.00 \$M	1200.00 \$M
Canadian Exports	2.00 \$M	4.60 \$M	6.00 \$M	18.00 \$M
Canadian Share of Market	0.60 %	1.00 %	1.00 %	1.50 %

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

Major Competing Countries	Market Share
UNITED KINGDOM	50.00 %
UNITED STATES OF AMERICA	20.00 %
FRANCE	10.00 %
AUSTRIA	10.00 %
PACIFIC RIM COUNTRIES	5.00 %
EUROPEAN COMMON MARKET C	5.00 %

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

Products/services for which there are good market prospects:

1. Rocket motors and warheads
2. Radars (including SLAR)
3. Communications Systems (All Services)
4. Night vision goggles
5. Telescopic hangars
6. All nature of ammunition
7. NBC equipment
8. Light armoured vehicles
9. Spare paarts (aircraft)
10. LLAD
11. Software for all training purposes (simulation)
12. ASW sonars

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUALA LUMPUR

Market: MALAYSIA

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Limited Canadian capabilities
- Some coys try to sell to MINDEF
- direct without local agent

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

- Activity: In cooperation with Def Attache continue to maintain and develop new contacts amongst senior Armed Forces officers
- Expected Results: Strengthen Cdn profile of defence eqpt & services suppliers
- Activity: Follow up with senior Armed Forces officers and Cdn coys who participated in mission to Canada
- Expected Results: More visits to K.L. by Cdn defence companies
- Activity: Follow up with Quebec coys that participated in Defence Mission to Mlsia in Aug 89 and their Mlsian contacts
- Expected Results: New agent representation & sale of equipment to Malaysia
- Activity: Follow up with Cdn firms that participated in Defence Services 90 Show in Kuala Lumpur
- Expected Results: Establish new agency reps for Cdn defence firms in Mlsia

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUALA LUMPUR

Market: MALAYSIA

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

- Activity: Aggressive support for coys which are active in the market place by series of calls on Mindef and senior officers
Expected Results: Additional \$10m in sales of Cdn defence equipment in Mlsia
- Activity: Organize presentations for potential new suppliers with Mindef
Expected Results: Introduce new product to senior military decision makers

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KUALA LUMPUR

Market: MALAYSIA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: BROADCASTING, INC. CABLE TV

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	14.90 \$M	24.30 \$M	26.00 \$M	28.00 \$M
Canadian Exports	0.01 \$M	0.01 \$M	0.01 \$M	0.01 \$M
Canadian Share of Market	1.00 %	1.00 %	1.00 %	1.00 %

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

Major Competing Countries

Market Share

JAPAN	35.00 %
GERMANY WEST	30.00 %
UNITED KINGDOM	10.00 %
UNITED STATES OF AMERICA	10.00 %
SINGAPORE	5.00 %
ITALY	5.00 %

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

Products/services for which there are good market prospects:

1. TV Transmitters
2. FM Transmitters
3. AM Transmitters
4. Radio-Studio Equipment
5. TV Studio Equipment
6. TV Receive Only Dish
7. Earth Stations
8. Data Over Voice Systems
9. Computer Programs
10. Consultancy Services

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUALA LUMPUR

Market: MALAYSIA

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Market prospects have not been adequately explored
- _____
- _____

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

Activity: Assist Canadian companies in their plans to appoint agents or bid on contracts

Expected Results: Strengthen Cdn presence in sector; eqpt sales for Cdn coys

Activity: Promote broadcasting opportunities with provinces to ensure participation in trade missions

Expected Results: Increase Cdn exposure to emerging commercial opportunities

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

Activity: Advanced technology mission

Expected Results: Increase recognition of Cdn expertise; promote Cdn supply

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

Activity: Track development plans of RTM to determine new requirements

Expected Results: Inform Cdn firms of mkt prospects, increase Cdn tenders

Activity: Research local broadcasting equipment capability and assess interest in forming partnership with Canadian suppliers

Expected Results: Provide Cdn coys with greater range of qualified local aff.

Activity: Establish transmitter station and FM Broadcast station requirements by RTM

Expected Results: Advise Cdn industry of prospects; establish Cda as alt source

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUALA LUMPUR

Market: MALAYSIA

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

RTM TV-Transmitter (including transpoers for rebroadcasting) Approximate Value: 90 M\$
Financing Source : DOM - Domestically funded
Contact : J.St.George, Tlx:MA30269
M.McCormack, EXTOTT/PST

RTM FM Transmitters Approximate Value: 3 M\$
Financing Source : DOM - Domestically funded
Contact : J.St.George, Tlx:MA30269
M.McCormack, EXTOTT/PST

RTM Radio-Studio Equipment Approximate Value: 2 M\$
Financing Source : DOM - Domestically funded
Contact : J.St.George, Tlx:MA30269
M.McCormack, EXOTT/PST

RTM TV Studio Equipment Approximate Value: 4 M\$
Financing Source : DOM - Domestically funded
Contact : J.St.George, Tlx:MA30269
M.McCormack, EXTOTT/PST

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KUALA LUMPUR

Market: MALAYSIA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	339.50 \$M	413.20 \$M	585.90 \$M	681.80 \$M
Canadian Exports	4.00 \$M	5.90 \$M	8.60 \$M	11.40 \$M
Canadian Share of Market	1.20 %	1.40 %	1.50 %	1.60 %

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

Major Competing Countries	Market Share
JAPAN	45.00 %
MALAYSIA	20.00 %
SWEDEN	10.00 %
GERMANY WEST	8.00 %
UNITED STATES OF AMERICA	5.00 %
UNITED KINGDOM	4.00 %

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

Products/services for which there are good market prospects:

1. Mobile Telephone Networks
2. Cellular Mobile Telephones
3. Total Network Management System
4. Information System/Computerization of Services
5. PBX
6. Datacom Peripherals
7. Digital Cross-Connect Leased Circuits
8. Integrated Services Digital Network (ISDN)
9. Training Programs
10. Long Distance (Inter-city) Fibre Optics

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUALA LUMPUR

Market: MALAYSIA

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Limited Canadian capabilities
- Market prospects have not been adequately explored
- _____
- _____

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

- Activity: Survey major informatics clients to assess the market for data communications products & determine mktg strategies.
Expected Results: Identify new opportunities; Datacom mission participants
- Activity: Assist Canadian companies in their plans to appoint agents or establish local joint ventures.
Expected Results: Strengthen Cdn presence in telecoms sector; increase sales
- Activity: Complete follow-up on Quebec mission & promote telecom opportunities with prov. to ensure participation in missions
Expected Results: Increase eqpt sales; Cdn exposure to emerging opportunities
- Activity: Support Spectrocan Engrg Inc in their efforts to secure implementation contract for radio spectrum mgmt with JTM.
Expected Results: Gain recognition of Cdn expertise in radio frequency mgmt.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUALA LUMPUR

Market: MALAYSIA

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

Activity: Datacommunications mission to Canada
Expected Results: Market strengths; identify prospects; formalise agencies

Activity: Advanced Technology mission
Expected Results: Increase recogn Cdn expertise; promote supply capabilities

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

Activity: Track development plans of STM & JTM to determine new requirements for data radio fibre optics
Expected Results: Educate Cdn industry on prospects, increase Cdn tenders

Activity: Identify Malaysian industries utilizing process control instrumentation and assess market prospects
Expected Results: Provide Cdn coys with range of qualified affiliates

Activity: Research local remote sensing capabilities and assess interest in forming partnership with Canadian suppliers
Expected Results: Provide Cdn coys with range of qualified affiliates

Activity: Assist Canadian companies in their efforts to enter market for mobile cellular telephones
Expected Results: Gain recognition of Cdn expertise; increase Cdn sales

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUALA LUMPUR

Market: MALAYSIA

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

STM Mobile Telephone Network (ATUR 800)	Approximate Value: 14 M\$ Financing Source : DOM - Domestically funded Contact : J.St.George, Tlx:MA30269 M.McCormack, EXTOTT/PST
STM Total Network Management	Approximate Value: 13 M\$ Financing Source : DOM - Domestically funded Contact : J.St.George, Tlx:MA30269 M.McCormack, EXTOTT/PST
NEB/STM Radio Data Communications Network	Approximate Value: 0 M\$ Financing Source : DOM - Domestically funded Contact : J.St.George, Tlx:MA30269 M.McCormack, EXTOTT/PST
STM-Long distance (Inter-city) Fibre Optics	Approximate Value: 45 M\$ Financing Source : DOM - Domestically funded Contact : J.St.George, Tlx:MA30269 M.McCormack, EXTOTT/PST

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KUALA LUMPUR

Market: MALAYSIA

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	455.00 \$M	420.00 \$M	400.00 \$M	600.00 \$M
Canadian Exports	3.50 \$M	4.70 \$M	5.00 \$M	6.00 \$M
Canadian Share of Market	0.70 %	1.10 %	1.20 %	1.00 %

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

Major Competing Countries	Market Share
JAPAN	37.00 %
TAIWAN	18.00 %
SINGAPORE	15.00 %
UNITED STATES OF AMERICA	7.00 %
GERMANY WEST	4.00 %
UNITED KINGDOM	4.00 %

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

Products/services for which there are good market prospects:

1. Consulting services
2. Electric plants and parts
3. Steam and other vapour units
4. Power generating machinery
5. Mini hydro
6. Distribution equipment
7. Transformers
8. Scada systems

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUALA LUMPUR

Market: MALAYSIA

Factors for Canadian exports not reaching market potential:

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

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

Activity: Report regularly on upcoming projects undertaken by Malaysian power utilities

Expected Results: Increase Cda's market share for equipment supply & services

Activity: Alert Canadian industry on new bidding opportunities

Expected Results: Ensure Cdas capability recognized/increase bid participation

Activity: Identify more local representatives willing to work with Canadian industry

Expected Results: Increase Cda's industry ability to successfully compete

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUALA LUMPUR

Market: MALAYSIA

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

Pergau Project	Approximate Value: 300 M\$ Financing Source : EDC - Export Dev Corporation Contact : G.des Rivières, Tlx:MA30269 M.McCormack, EXTOTT/PST
Pasir Gudang	Approximate Value: 500 M\$ Financing Source : EDC - Export Dev Corporation Contact : G.des Rivières, Tlx:MA30269 M.McCormack, EXTOTT/PST
Ulu Terengganu	Approximate Value: 350 M\$ Financing Source : EDC - Export Dev Corporation Contact : G.des Rivières, Tlx:MA30269 M.McCormack, EXTOTT/PST
Ulu Jelai	Approximate Value: 350 M\$ Financing Source : EDC - Export Dev Corporation Contact : G.des Rivières, Tlx:MA30269 M.McCormack, EXTOTT/PST

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: KUALA LUMPUR

Market: MALAYSIA

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	400.00 \$M	400.00 \$M	400.00 \$M	450.00 \$M
Canadian Exports	10.00 \$M	10.00 \$M	15.00 \$M	15.00 \$M
Canadian Share of Market	2.50 %	2.50 %	3.70 %	3.30 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	30.00 %
EUROPE	30.00 %
UNITED KINGDOM	30.00 %
MALAYSIA	20.00 %
JAPAN	10.00 %
KOREA	5.00 %

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

Products/services for which there are good market prospects:

1. Project Consulting Services Petrochemical
2. Wireline Logging
3. Mud Engineering/Logging
4. Workover/Completion Equipment
5. Directional Drilling Equipment
6. Casing/Tubing Equipment
7. Drilling Tools
8. Cementing Equipment/Services
9. Gas Processing Equipment
10. Gas Distribution Equipment

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUALA LUMPUR

Market: MALAYSIA

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

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

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

Activity: Support Congas' attempts to secure project management contract for gas distribution project
Expected Results: Increase Cdn mkt share for services, introduce Cdn technology

Activity: Follow-up with members of Alberta Oil & Gas Mission
Expected Results: Increase sale of Canadian made equipment

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

Activity: 4th Malaysian Oil & Gas Petrochemical Exhibition June 1991
Expected Results: Introduce newcomers to the market

Activity: Natural Petroleum Show (June 1990)
Expected Results: Send prominent local agents, facilitate new agency agreements

14/12/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUALA LUMPUR

Market: MALAYSIA

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

Activity: Assist gas distribution equipment and services companies with their efforts to secure contracts

Expected Results: Introduce more Cdn technology & increase our market share

Activity: Inform oil and gas operators on upcoming exploration activities

Expected Results: Secure additional production sharing contracts in Malaysia

Activity: Support BC Gas in its efforts to secure gas distribution franchise

Expected Results: Increase sales opportunities for Cdn equipment suppliers

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: KUALA LUMPUR

Market: MALAYSIA

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

Petronas Second Gas Processing Plant	Approximate Value: 350 M\$ Financing Source : DOM - Domestically funded Contact : G.des Rivieres, Tlx:MA30269 M.McCormack, EXTOTT/PST
MTBE/Polypropylene Plants	Approximate Value: 400 M\$ Financing Source : Contact : G.des Rivieres, Tlx:MA30269 M.McCormack, EXTOTT/PST
MDS Plant	Approximate Value: 1300 M\$ Financing Source : NFR - No external fnding req'd Contact : G.des Rivieres, Tlx:MA30269 M.McCormack, EXTOTT/PST
Malacca Refinery	Approximate Value: 350 M\$ Financing Source : DOM - Domestically funded Contact : G.des Rivieres, Tlx:MA30269 M.McCormack, EXTOTT/PST

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: KUALA LUMPUR

Country: MALAYSIA

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

See attached

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

- Australia
- New Zealand
- United Kingdom
- Singapore

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

- Not available

IDP Partners and related program activities:

Bank of Nova Scotia

- Intelligence on investment outflows

Canadian Investment Advisor to MIDA

- Intelligence on Malaysian corporations seeking to invest overseas

Canadian Manufacturers Association

- Coordinating role in matching of Malaysian and Canadian joint venture

Provincial Trade Offices

- Support in providing research material

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: KUALA LUMPUR

Country: MALAYSIA

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

- Common judicial
- Common juridicial and legislative foundations. Common language
- Relatively open to immigration. Relative ease of access to U.S. market.

the following constraints:

- Lack of awareness of Canada as a place to invest
- Geographic distance
- Cultural differences

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

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

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

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

RPTD2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: KUALA LUMPUR

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

Seq #	Date
Type: ENTREPRENURIAL SEMINAR	
1	10/90
Event Description: Increase awareness of Canada among poential migrant investors	
City : Sabah and Sarawak	
Country : MALAYSIA	
Investment Nature: All	
Investment Sector: COMMERCIAL SERVICE	
Event Cooperants : Provincial Offices	
Estimated Budget : \$10,000.00	
3	01/91
Event Description: Increase awareness of Canada as a place to invest	
City : Penang	
Country : MALAYSIA	
Investment Nature: All	
Investment Sector: COMMERCIAL SERVICE	
Event Cooperants : Provincial Offices	
Estimated Budget : \$10,000.00	
Type: OUTCALL PROGRAM	
2	12/90
Event Description: Corporate liaison calls throughout the year	
City : Cities in Malaysia	
Country : MALAYSIA	
Investment Nature: All	
Investment Sector: COMMERCIAL SERVICE	
Event Cooperants : Bank of Nova Scotia	
Estimated Budget : \$5,000.00	

Total estimated budget for all proposals: \$25,000.00

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Kuala Lumpur

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/05/00	Data Communications Mission To Malaysia Mission Out, Industry	Advanced Tech.Prod. & Services
90/06/00	Buyers From Malaysia To National Petroleum Show Mission In, To Fair	Oil & Gas Equipment & Services
90/07/00	Remote Sensing Equipment And Training Mission From Malaysia Mission In, To Industry	Advanced Tech.Prod. & Services
90/07/00	Aerospace Equipment And Components Mission To Malaysia Mission Out, Industry	Transport System, Equip. Comp, Services
90/10/00	International Livestock Show Kuala Lumpur, Malaysia Info Booth, With Group	Agri. & Food Products & Services
91/01/00	Environment Equipment And Services Mission To Malaysia Mission Out, Industry	Industrial Machine, Plants & Services
91/02/00	Canadian Feed Seminar, Kuala Lumpur, Malaysia Seminar, Abroad	Agri. & Food Products & Services

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: MANILA

Country: PHILIPPINES

Despite some political instability and a coup attempt in December 1989, the Philippines offers good potential for Canadian exports. The political situation in the short term will continue to be unsettled, but regardless of the outcome, government policies, particularly related to trade, management of the economy and encouragement of foreign investment, are unlikely to change significantly.

Government performance in expanding the power, telecommunications and transportation infrastructure has been lacklustre. They have made only modest gains in land distribution and asset privatization, and have done little to effect a better distribution of government funding and economic activity outside the Manila area. Their economic performance however, has been remarkable. Economic growth in 1988 reached 6.7% and is expected to exceed 5.5% for 1989. In spite of the high debt burden, currently at US\$27.6 B, inflation has been kept below 13%, although may increase due to food shortages brought on by recent typhoons and a recent rise in fuel prices. Monetary policy has been very restrictive, with borrowing rates of 25% or more. Approved foreign investment, which doubled in 1988 to just under US\$1B, may reach US\$2B in 1989, while domestic investment may exceed US\$1.5B. The construction industry has been at full capacity for some time, and real estate prices in business areas of Manila have more than doubled in the past year. The recent coup attempt will undoubtedly have a dampening effect on business activity and investment, but a post-coup poll of the business community showed a remarkable optimism about business prospects. Most of the business potential will continue to be with the private sector, but if a stronger regime emerges, there could be faster infrastructure development, which could offer more project opportunities.

Philippine exports have been growing at 18%, but imports have been growing even faster at over 30%. This has led to a serious drain on reserves, which, despite standby support from the IMF, now stand at US\$1.6B, or only 3 months of imports. To date, the government has remained fully committed to a program of import liberalization agreed to with the IMF. While tariffs remain relatively high, less than 700 items still require import permits, down from 3400 in 1986.

The country still relies heavily on aid flows. There was some progress in coordinating the ODA of major donor countries under the umbrella of the Philippine Aid Plan (PAP) but, despite the fanfare, there will likely be few new funds. Aid flows exceeded US\$2B in 1989, but most donors will be watching political developments closely.

Canadian trade performance continues to improve, with 1989 exports likely to exceed C\$200 M, up from C\$132 M in 1988. Of this, virtually all sales, except C\$15 M in CIDA contributions for potash and book paper, were on straight cash terms, with no concessional or EDC financing. Despite the political uncertainties, the private sector is expected to remain strong and demand for imports should continue at a high level. Potential remains especially good for: mining, power generation and distribution, broadcast and telecommunications equipment; grains and oilseeds; and processed foods. The CIDA-EDC C\$43 M concessional line of credit for the telecom sector, signed in November 1989, will greatly assist Canadian marketing efforts. Asian Development and World Bank projects offer potential for sale of a wide variety of consultancy services and capital

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: MANILA

Country: PHILIPPINES

goods. As well, the Mission will continue to pursue many other opportunities such as medical equipment and supplies, remote sensing and mapping equipment and services, livestock, food processing and packaging equipment, and a wide variety of other machinery and equipment to feed the growing industrial base.

Canadian interest in joint-ventures was strong in 1988, but company follow-up was hampered by a shortage in CIDA INC funds. The recent political events will undoubtedly discourage Canadian investment activity over the coming year. Nevertheless, there will continue to be good opportunities for the more aggressive firms.

Outside the Philippines, the economies of Guam and the Marianas are booming, spurred on by rapid increases in Japanese tourism. Imports and economic activity in the other Pacific islands covered by the Embassy in Manila are also increasing. In 1989, Canadian firms sold swine and telecommunications equipment, and were following up on opportunities for food products and aircraft. Over the coming year, information will be gathered on these and other trade opportunities.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: MANILA

Country: PHILIPPINES

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

1. **AGRI & FOOD PRODUCTS & SERVICE**
Continued good market for breeding swine. Possible market for cattle semen and embryos. Rapid growth in imports of food and beverage products and preference for North American products. High level of investment in agrifood sector has led to demand for food processing and packaging machinery and post-harvest equipment. CIDA financed potash sales.
2. **POWER & ENERGY EQUIP. & SERV.**
Serious shortage of power has led to high priority on part of government and Intl financial institutions, notably World Bank and Asian Dev Bank. Good potential for consulting, hydro and thermal plant design and construction, transmission and distribution equipment, SCADA.
3. **ADVANCED TECH. PROD. & SERV**
CIDA/EDC \$43 MM telecoms line of credit in place. High gov't priority on rural telecoms. Growing market for data comms equipment. Many radio and TV stations expanding or upgrading broadcast and studio equipment. Gov't slowly developing framework for using remote sensing and GIS info, which should lead to demand and budget for consulting and equipment.
4. **GRAINS AND OILSEEDS**
Preference for Canadian grain when price competitive with US. Import controls on feed grains should be lifted in 1991. In meantime, could be spot requirements when shortage of corn. Potential for malting barley. Sold some canola meal in 1988, and could sell more if protein price competitive with soya meal.
5. **MINE, METAL, MINERAL PROD & SRV**
High metal prices and abundance of resources have led to a high level of capital investment in mining sector. Continued good market for equipment and services. Strong traditional market for metals and minerals intermediates.
6. **OTHER SERVICES**
Both the Asian Development Bank and World Bank have active programs in the Philippines. In addition to consulting in sectoral areas, they increasingly fund projects in management consulting, institution building and other soft areas of consulting. The ADB funds projects in most developing Asian countries.

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

- | | |
|-------------------------------------|------------------------------------|
| 1. GRAINS AND OILSEEDS | 4. MINE, METAL, MINERAL PROD & SRV |
| 2. CHEM PROD & PETROCHEM, EQP, SERV | 5. AGRI & FOOD PRODUCTS & SERVICE |
| 3. FOREST PRODUCTS, EQUIP, SERVICES | 6. POWER & ENERGY EQUIP. & SERV. |

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MANILA

Market: PHILIPPINES

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	560.00 \$M	620.00 \$M	730.00 \$M	800.00 \$M
Canadian Exports	23.04 \$M	25.00 \$M	30.00 \$M	45.00 \$M
Canadian Share of Market	3.80 %	4.00 %	4.00 %	6.00 %

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

Major Competing Countries

Market Share

AUSTRALIA	34.00 %
UNITED STATES OF AMERICA	31.00 %
EUROPE	14.00 %
NEW ZEALAND	11.00 %
PEOPLE'S REP OF CHINA	5.00 %
UNION OF SOVIET SOC REP	2.00 %

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

Products/services for which there are good market prospects:

1. Dairy products(Milk Powder)
2. Potash/Urea(Fertilizers)
3. Food Processing Equipment
4. Animal Breeding Stock
5. Fresh Fruit
6. Processed Foods (Grocery Items)

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MANILA

Market: PHILIPPINES

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Market prospects have not been adequately explored
- Performance of local agent or representative
- Freight cost from Canada to Manila
- makes Cdn products uncompetitive

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

Activity: Follow up on leads and momentum developed during the Cdn Food and Bev Exhibit, develop relationship with importers.
Expected Results: Incremental sale of Canadian food and bev products.

Activity: Maintain close contact with swine and dairy breeders and assist them in their trade with Canada
Expected Results: Increase in sale of breeding stock.

Activity: Monitor gov't regulation on fresh fruit imports and maintain close contact with local fruit importers.
Expected Results: Increase fresh fruit importation.

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

Activity: Food Processing, Handling and Storage Mission
(tentative Feb 1990)
Expected Results: Develop market interest in this subsector.

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

Activity: Cdn Food and beverage Exhibit 90
Expected Results: Maintain momentum developed in '89 Exhibit.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MANILA

Market: PHILIPPINES

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

CIDA Commodity Grant

Approximate Value: 3 M\$
Financing Source : CIDA - Cdn Int'l Dev Agency
Contact : Mr. George Leclerc

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MANILA

Market: PHILIPPINES

Sector : GRAINS AND OILSEEDS

Sub-Sector: CEREAL GRAINS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	135.00 \$M	180.00 \$M	220.00 \$M	250.00 \$M
Canadian Exports	20.40 \$M	8.80 \$M	108.00 \$M	100.00 \$M
Canadian Share of Market	15.00 %	5.00 %	49.00 %	40.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA

51.00 %

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

Products/services for which there are good market prospects:

1. Wheat

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Lack of program to counter the U.S.
- EEP program.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MANILA

Market: PHILIPPINES

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

Activity: Monitor development of 5 new flour mills, promote Cdn grains and assist them in their trade with Canada.

Expected Results: Possible increase in market share.

Activity: Monitor development of U.S. EEP to alert CWB re timing of bid participation.

Expected Results: Increase wheat sales .

Activity: Continue assisting CWB and CIGI in candidate selection to various grains courses.

Expected Results: Long term effect of favoring Canadian Wheat despite price.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MANILA

Market: PHILIPPINES

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	60.00 \$M	40.00 \$M	40.00 \$M	60.00 \$M
Canadian Exports	1.20 \$M	0.20 \$M	1.50 \$M	10.00 \$M
Canadian Share of Market	2.00 %	0.50 %	1.00 %	5.00 %

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

Major Competing Countries

Market Share

GERMANY WEST	35.00 %
UNITED STATES OF AMERICA	25.00 %
JAPAN	30.00 %
FRANCE	5.00 %
ITALY	5.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. PABX/PBX
2. Rural telecommunications equipment
3. Subscriber radio
4. Data communications equipment
5. VSAT ground stations
6. Main office switching equipment
7. Telecoms test equipment

Factors contributing to current successful Canadian exports:

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

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MANILA

Market: PHILIPPINES

Factors for Canadian exports not reaching market potential:

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

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

Activity: Phil Telecoms
September 1990, Manila
Expected Results: Increase profile, generate leads, develop contacts

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

Activity: Follow-up with participants at TEMIC Network Mgmt seminar to identify opportunities for Cdn suppliers

Expected Results: More opportunities identified and companies alerted

Activity: Promote CIDA/EDA LOC with telecom mgmt to ensure full Cdn participation in rural telecoms program

Expected Results: Increased sales of Canadian rural telecom equipment

Activity: Gather intelligence on PLDT/PHILCOM/EASTERN expansion plans, advise on Cdn capability and alert Cdn cos to opportunities

Expected Results: Increased sales of Canadian equipment

Activity: Through liaison with Teleconsult, gather info on various telecom programs and advise Cdn industry

Expected Results: Increased sales of Canadian equipment

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MANILA

Market: PHILIPPINES

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

Rural Telecoms Program	Approximate Value: 150 M\$
	Financing Source : EDC - Export Dev Corporation
	IDA - World Bank
	ASDB - Asian Development Bank
	Contact : Beth J. Aguilar (Embassy)
Eastern & Philcom Intl Gateway	Approximate Value: 0 M\$
	Financing Source : TO BE DETERMINED
	Contact : Beth J. Aguilar (Embassy)
Digital Telephone System	Approximate Value: 0 M\$
	Financing Source : TO BE DETERMINED
	Contact : Beth J. Aguilar (Embassy)
PLDT X-6 program	Approximate Value: 0 M\$
	Financing Source : TO BE DETERMINED
	Contact : Beth J. Aguilar (Embassy)

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MANILA

Market: PHILIPPINES

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: BROADCASTING, INC. CABLE TV

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	23.50 \$M	10.00 \$M	15.00 \$M	20.00 \$M
Canadian Exports	0.00 \$M	0.15 \$M	2.10 \$M	4.00 \$M
Canadian Share of Market	0.00 %	1.00 %	20.00 %	40.00 %

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

Major Competing Countries	Market Share
JAPAN	40.00 %
UNITED STATES OF AMERICA	35.00 %
KOREA	5.00 %
HONG KONG	10.00 %
UNITED KINGDOM	5.00 %
TAIWAN	5.00 %

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

Products/services for which there are good market prospects:

1. am radio transmitters
2. fm radio transmitters
3. low-power tv transmitters
4. low-power tv repeaters
5. audio switches/consoles
6. video switches/consoles
7. mmds

Factors contributing to current successful Canadian exports:

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

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MANILA

Market: PHILIPPINES

Factors for Canadian exports not reaching market potential:

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

-
-

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

Activity: Promote concept of microwave broadcast technology and ensure Cdn suppliers represented.

Expected Results: Sales of MMDS equipment and consulting services.

Activity: Encourage Cdn participation in Phil. Broadcast conference November 1990

Expected Results: Increase awareness of Cdn capability in broadcast equipt

Activity: Identify expansion plans of Phil. radio and television networks and notify Cdn industry.

Expected Results: More Cdn participation in projects

Activity: Assist Canadian manufacturers to engage local representative

Expected Results: Increased sales of Canadian equipt. More Cdn cos in market

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MANILA

Market: PHILIPPINES

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

ABS-CBN EXPANSION

Approximate Value: 0 M\$
Financing Source : TO BE DETERMINED
Contact : BETH J. AGUILAR (EMBASSY)

OPENING OF CHANNEL 11

Approximate Value: 0 M\$
Financing Source : TO BE DETERMINED
Contact :

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MANILA

Market: PHILIPPINES

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: REMOTE SENSING INC. SPACE SAT

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

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

Major Competing Countries	Market Share
AUSTRALIA	0.00 %
SWEDEN	0.00 %
GERMANY WEST	0.00 %
UNITED STATES OF AMERICA	0.00 %

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

Products/services for which there are good market prospects:

1. GIS software
2. image analysis supplies
3. geophysical surveys

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Market prospects have not been adequately explored
 - Local demand in embryonic stage
-

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MANILA

Market: PHILIPPINES

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

Activity: Follow up new participants of incoming remote sensing mission from Phils. to determine Cdn opportunities.

Expected Results: Increase market awareness of Cdn capability.

Activity: Promote Cdn expertise with Asian Development Bank and assess value of incoming mission.

Expected Results: Increase market awareness of Cdn capability.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MANILA

Market: PHILIPPINES

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	95.00 \$M	150.00 \$M	600.00 \$M	750.00 \$M
Canadian Exports	3.00 \$M	5.00 \$M	12.00 \$M	15.00 \$M
Canadian Share of Market	3.00 %	3.00 %	3.00 %	2.00 %

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

Major Competing Countries	Market Share
JAPAN	40.00 %
UNITED STATES OF AMERICA	20.00 %
ITALY	10.00 %

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

Products/services for which there are good market prospects:

1. Power boilers and accessories
2. Transmission hardware
3. Scada systems
4. Spare parts
5. Used diesel generators
6. Consulting and engineering services

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MANILA

Market: PHILIPPINES

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Concessional loans offered by other countries. Ltd Cdn geothermal knowl

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

Activity: Follow-up developments of Calaca II coal-fired thermal power plant.

Expected Results: Canadian participation in boiler island.

Activity: Follow-up developments of Mindanao Scada requirements.

Expected Results: Possible Canadian equipment supply.

Activity: Monitor Agus III engineering study (EDC) and Pulangui V feasibility study (CIDA).

Expected Results: Cdn participation in projs. (Agus III-1990, Pulangui V-1993)

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

Activity: Inform Canadian companies of National Power Corporation's interest in Build-Operate-Transfer (BOT) schemes.

Expected Results: Cdn participation in BOT opportunities.

Activity: Monitor proposal to supply steel transmission poles.

Expected Results: Potential sales of \$30 million.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MANILA

Market: PHILIPPINES

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

Agus III	Approximate Value: 200 M\$
	Financing Source : ASDB - Asian Development Bank
	Contact : Byron C. N. Lee
	Embassy
Pulangui V	Approximate Value: 200 M\$
	Financing Source : ASDB - Asian Development Bank
	Contact : Byron C. N. Lee
	Embassy
Calaca II	Approximate Value: 300 M\$
	Financing Source : OTHER
	Contact : Byron C. N. Lee

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MANILA

Market: PHILIPPINES

Sector : MINE,METAL,MINERAL PROD & SRV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	107.00 \$M	113.00 \$M	115.00 \$M	120.00 \$M
Canadian Exports	2.00 \$M	3.00 \$M	5.00 \$M	6.00 \$M
Canadian Share of Market	1.80 %	2.60 %	4.30 %	5.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	38.00 %
JAPAN	35.00 %
UNITED KINGDOM	10.00 %
GERMANY WEST	4.00 %
AUSTRALIA	4.00 %

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

Products/services for which there are good market prospects:

1. New mining equipment
2. Used mining equipment
3. Spares
4. Consumeables
5. Consulting services

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MANILA

Market: PHILIPPINES

Factors for Canadian exports not reaching market potential:

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

- _____
- _____

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

Activity: Follow-up with recipients of mailed CDN Mining Eqpt brochure
Expected Results: Export sales and new agency agreements

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

Activity: Info booth in Mine Safety Conference - 1990
Expected Results: Increased awareness of prods & expertise available from Cda

Activity: Follow-up on new mine developments
Expected Results: Possible sales of mining eqpt.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MANILA

Market: PHILIPPINES

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

Semirara Coal Corporation

Approximate Value: 300 M\$

Financing Source : OTHER

EDC - Export Dev Corporation

Contact : Byron C. N. Lee
Embassy

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: MANILA

Country: PHILIPPINES

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

	Total (\$ Million)	Canadian Share	Major Competitor Share
Two years ago	140.00	1.00	0.00
One year ago	110.00	1.00	0.00
Current year	100.00	1.00	0.00

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

Most foreign investment is directed to portfolio and real estate. The Canadian share will continue to be limited.

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

- United States
- Taiwan
- Japan
- Europe

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

- Personal contacts - no apparent gov't promotion
- Personal contacts - no apparent gov't promotion
- Personal contacts - no apparent gov't promotion
- Personal contacts - no apparent gov't promotion

IDP Partners and related program activities:

Burns Fry

- Seeking personal portfolio investment placements

Prudential Bache Securities

- Seeking personal portfolio investment placements

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: MANILA

Country: PHILIPPINES

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

- High interest rates, stable currency, strong real estate market
- Growing Filipino community in Canada leads to investment referrals.

the following constraints:

- Limitations on capital outflows.
- Canadian opportunities not as well known as those in other countries

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

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

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

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

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Manila

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/04/00	Food Products Mission To Manila Mission Out, Industry	Agri & Food Prod. & Services
90/05/00	ASDB Seminars In Canada (Asian Development Bank) Mission In, To Industry	Service Industries
90/06/00	Grains/Oilseeds Mission From Philippine Mission In, To Industry	Grains & Oilseeds.
90/09/00	Power Generation Mission From Philippine Mission In, To Industry	Advanced Tech.Prod. & Services
90/09/00	Philippine Telecom'90, Manila Info Booth, Only	Advanced Tech.Prod. & Services
91/03/00	Food Processing & Packaging Equipment Mission, Philippine Mission Out, Industry	Agri & Food Prod. & Services

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: NEW DELHI

Country: INDIA

Canadian commercial exports to India in 1989 are projected to reach about \$250 million, down from over \$300 million in 1988. A highlight of 1989 was the signing in January of the \$166 million Rajmahal Coal Mine improvement project, and by year-end signature is expected of the \$310 million Chamera II hydro project with CIDA and EDC financing.

Major Capital Projects have been a priority of post marketing efforts in India, one of the largest third-world markets for capital projects. Canadian capital goods exports can no longer compete for certain state-sector projects because of limited availability of the soft financing normally demanded. However, they can still compete for a wide range of projects using funding from World Bank loans, EDC or the EDC/CIDA line of credit for oil and gas equipment. In 1989 several Indian private sector firms launched plans to raise huge sums through public offering, and Canadian exporters are now turning their attention to such private sector capital project opportunities. In total, Canadian firms are working actively on nearly 100 capital opportunities with a total value of \$5,000 million.

Basic commodities (such as newsprint, asbestos, potash, sulphur and pulp) have accounted for over 50% of Canada's exports to India. Most major commodities are "canalised" through two state trading organizations which have the legal monopoly of import. These agencies have been affected by the growing scarcity of foreign exchange, and have given increasing priority to demanding countertrade, or to buying from Eastern European countries which accept rupees. Canadian shippers will have to find innovative ways to accommodate these pressures.

Manufactured goods imports into India are governed by a highly restrictive and very complex import regime. Consumer goods cannot be imported, nor can other products required in such volumes as to justify local assembly or manufacture. Nonetheless hundreds of Canadian firms find a worthwhile market in India for specialized machinery, instruments, high tech devices, specialty chemicals, and other items. Excellent agents are plentiful.

Industrial collaborations, such as tech transfer or joint venture arrangements between Canadian and Indian manufacturers, are often the only way to do business in India given the import restrictions. Under such arrangements, Canadian firms can sell not only technology but also major assemblies and components. India abounds with vigorous private sector firms hungry for such technology and there is no shortage of market needs, but Canadian firms have sometimes found the required government approval procedures to be frustrating and the rewards to be limited by strict guidelines.

The Indian economy is expected to continue to grow at a healthy 5% annually. In the past five years, the private sector has flourished under several important economic liberalization measures. Further progress in liberalizing the economy, especially with respect to imports, is being delayed by the looming foreign exchange shortage, which may also affect prospects for Canadian exporters in all categories in 1990. Nonetheless, in the long term, the Indian economy appears robust and vibrant.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: NEW DELHI

Country: INDIA

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

1. POWER & ENERGY EQUIP. & SERV.
Indian power requirements are enormous and sector is focus of CIDA programs. Canada has successful track record and several large turnkey projects are being pursued by Canadian firms.
2. MINE, METAL, MINERAL PROD & SRV
Match between Canadian capabilities and Indian requirement is good. Turnkey projects supported by attractive financing have potential. Indo-Canadian Working Group on Coal supports Canadian companies' efforts. Minerals trade increasingly requires attention to countertrade.
3. ADVANCED TECH. PROD. & SERV
Indian industrial capability while young is significant in this sector and excellent opportunities exist for industrial collaboration. Several sub-sectors are targeted for strong growth in the future.
4. OIL & GAS EQUIPMENT, SERVICES
Indian requirements are large. Industrial cooperation opportunities promising and essential to a long term strategy. India is increasingly developing in natural gas resources, an area of particular expertise in Canada. Establishment of Working Group on Oil and Gas Equipment may boost.
5. TRANSPORT SYS, EQUIP, COMP, SERV.
Indian transportation requirements and Canadian capabilities match well, especially with regard to Indian Railways and Delhi metro.

6.

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

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: NEW DELHI

Market: INDIA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	519.00 \$M	474.00 \$M	370.00 \$M	375.00 \$M
Canadian Exports	3.00 \$M	1.60 \$M	4.00 \$M	6.00 \$M
Canadian Share of Market	0.50 %	0.30 %	1.10 %	1.50 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	0.00 %
AUSTRALIA	0.00 %
NEW ZEALAND	0.00 %
TURKEY	0.00 %

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

Products/services for which there are good market prospects:

1. Peas and Pulses
2. Food Processing Equipment & Technology
3. Embryos/Frozen Semen
4. Drought resistant seeds (oilseeds, Hort.)
5. Consulting Services
6. Veterinary products

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: NEW DELHI

Market: INDIA

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Non-competitive pricing
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Higher freight cost for commodities.
- ties. Food processing is potential area.

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

- Activity: A 4-5 member Mission from Canada on Peas/pulses and Dryland Farming.
Expected Results: Enhance Canada's export projects in this field.
- Activity: Periodic reporting on market situation with regard to Agri. & Food products.
Expected Results: Keep Canadian exporters upto date on market opportunities.
- Activity: Follow up on the recent Dairy Genetic Missions one outgoing and one incoming.
Expected Results: Better Canadian export prospects.

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

- Activity: Participation at AHARA 91. Exhibition on Food Processing Machinery and Food Products.
Expected Results: Enhance Canada's export prospects.
- Activity: A Crop Production Technology Mission to India - planned for Feb. 1990.
Expected Results: Expose Canada's capability & enhance export prospects from Cda

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: NEW DELHI

Market: INDIA

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

Consolidated Load Use Manage- Approximate Value: 226 M\$
ment Project. Financing Source : OTHER
Contact : Post

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: NEW DELHI

Market: INDIA

Sector : GRAINS AND OILSEEDS

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	809.00 \$M	258.00 \$M	400.00 \$M	410.00 \$M
Canadian Exports	16.00 \$M	55.00 \$M	60.00 \$M	70.00 \$M
Canadian Share of Market	2.00 %	21.30 %	15.00 %	17.00 %

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

Major Competing Countries

Market Share

MALAYSIA	0.00 %
BRAZIL	0.00 %
UNITED STATES OF AMERICA	0.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Rapeseed oil/Canola oil

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Competitive Canadian financing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: NEW DELHI

Market: INDIA

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Non-competitive pricing
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Govt. Imports only.
- Cdn cos exporting through Intl
- trading house only.

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

Activity: Periodic reporting of market situation in relation to Wheat, Coarse grains and oilseeds
Expected Results: Keep Canadian supplier upto date on market opps in India.

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

Activity: Monitor market opportunities more vigorously and develop new contacts in sector.
Expected Results: Enhance Canada's export prospects.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: NEW DELHI

Market: INDIA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1190.00 \$M	1330.00 \$M	1450.00 \$M	1600.00 \$M
Canadian Exports	8.10 \$M	9.00 \$M	10.50 \$M	12.00 \$M
Canadian Share of Market	0.70 %	0.70 %	0.80 %	0.80 %

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

Major Competing Countries

Market Share

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

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Data Communications/Telecom
2. Computer/Software/Electronic Components
3. Remote sensing, GIS
4. Space Communications
5. Electronic Instrumentation
6. Robotics & Artificial Intelligence
7. Consulting Services.

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- CIDA programs
- Competitive pricing
- Willingness of exporters to invest/joint venture in territory
- Personal Rapport with

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: NEW DELHI

Market: INDIA

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Lack of follow-up;lack of patience
- and perservance.Lack of presence

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

Activity: Follow up on proposed MOU between DOT/DOC.

Expected Results: Establishment of Govt. to Govt. & Pvt. to Pvt. linkages

Activity: Continue to support to spar in TDMA & CANAC for Rly.Telecom project; CMC Datacom JV with ITI etc.

Expected Results: Export sales of goods & services valued at Cdn\$ 15 million.

Activity: Support Syntronics JV with WEBEL for development of advanced Computing.

Expected Results: Export sales of goods & TOT valued at Cdn \$10-15 yrs/3 years

Activity: Support AEG Bayly JV with WEBFIL for multiplexer system.

Expected Results: Export sales of goods/TOT face value at \$2m.

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

Activity: Detailed follow up on Electronics India '90 Exhibition and shows/seminars to be held during 1990-91.

Expected Results: Improve business prospects for Canadian companies in sector.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: NEW DELHI

Market: INDIA

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

A phone in every village

Approximate Value: 150 M\$

Financing Source : OTHER

Contact : B.S. Murty, Telecom Comm., Min
of Comm., DOT Sanchar Bhavan

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: NEW DELHI

Market: INDIA

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	730.00 \$M	770.00 \$M	820.00 \$M	870.00 \$M
Canadian Exports	35.00 \$M	38.00 \$M	37.00 \$M	45.00 \$M
Canadian Share of Market	5.00 %	5.00 %	5.00 %	5.00 %

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

Major Competing Countries	Market Share
UNION OF SOVIET SOC REP	23.00 %
UNITED KINGDOM	20.00 %
GERMANY WEST	18.00 %
UNITED STATES OF AMERICA	12.00 %
FRANCE	9.00 %
CANADA	5.00 %

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

Products/services for which there are good market prospects:

1. Engineering, Procurement Management Consulting
2. Hydro Generating Equipment & Services
3. Thermal Generating Equipment & Services
4. Power Transmission Equipment & Services
5. Energy Efficiency Services
6. Pollution Control Services & Equipment
7. Mini/Micro Hydraulic Turbines
8. Power Transformers
9. Switchgear, Power Switchgear assemblies
10. Power Circuit Breakers

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: NEW DELHI

Market: INDIA

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- CIDA programs
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Bilateral economic trade agreement
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory
- Non-tariff protectionist
- follow-up
- measures, inconsistent

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Restrictive standards
- Non-competitive pricing
- Lack of promotion and advertising
- Local Industry Lobby
-
-

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

- Activity:** Continue to work closely with Canadian firms in developing strategies when pursuing major capital projects.
- Expected Results:** Signed contract for one or more major capital projects.
- Activity:** Continue with multi-level call program on GOI officials in support of Canadian project proponents.
- Expected Results:** Signed contract for one or more major capital projects.

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: NEW DELHI

Market: INDIA

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

Activity: ELECRAMA 90 FAIR

Expected Results: Increase in sales of Cdn Power/Electrical Equipment/Services

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

Activity: Visit of Minister of Energy and Sr. Officials of Dept. of Power to Canada.

Expected Results: Facilitate signing of one or more major projects.

Activity: Presentations to GOI officials on Canadian Consulting Services in Power Sector.

Expected Results: Increase in joint venture undertakings in Power Srvcs area.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: NEW DELHI

Market: INDIA

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

Various new Hydel/Thermal proj Approximate Value: 30 M\$
& parts thereof Financing Source : EDC - Export Dev Corporation
CIDA - Cdn Int'l Dev Agency
Contact : M. Hough, CHC, New Delhi
011-608161

Various transmission/distribu- Approximate Value: 30 M\$
tion projs & parts thereof Financing Source : EDC - Export Dev Corporation
CIDA - Cdn Int'l Dev Agency
Contact : M. Hough, CHC, New Delhi
011-608161

Consulting Services contracts Approximate Value: 10 M\$
in relation to above. Financing Source : EDC - Export Dev Corporation
CIDA - Cdn Int'l Dev Agency
Contact : M. Hough, CHC, New Delhi
011-608161

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: NEW DELHI

Market: INDIA

Sector : TRANSPORT SYS, EQUIP, COMP, SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1000.00 \$M	1000.00 \$M	1000.00 \$M	1000.00 \$M
Canadian Exports	20.00 \$M	20.00 \$M	20.00 \$M	20.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.00 %

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

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

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

Products/services for which there are good market prospects:

1. Flight simulators
2. Energy Efficient Equipment for Railways
3. Mass Transit Equipment and Services
4. High Power Diesel Engines
5. Spare Parts Diesel Locomotives
6. 50 Seater Commuter Planes

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: NEW DELHI

Market: INDIA

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Willingness of exporters to invest/joint venture in territory
- GOOD AGENT, TRAINING

Factors for Canadian exports not reaching market potential:

- _____
- _____

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

Activity: Seminar on Canada's mass transit capabilities.
Expected Results: Increase awareness of GOI decision makers.

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

Activity: Mission to Canada of officials from Ministry of Railways.
Expected Results: Increase GOI awareness for Canadian capabilities for railway

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: NEW DELHI

Market: INDIA

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

Activity: Work with CIDA to extend EDC oil and gas line of credit to transportation sector.

Expected Results: Increase GOI procurement from Canada.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: NEW DELHI

Market: INDIA

Sector : MINE,METAL,MINERAL PROD & SRV

Sub-Sector: EQUIPMENT AND MACHINERY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	176.00 \$M	190.00 \$M	220.00 \$M	250.00 \$M
Canadian Exports	1.00 \$M	2.00 \$M	25.00 \$M	30.00 \$M
Canadian Share of Market	0.00 %	1.00 %	11.00 %	12.00 %

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

Major Competing Countries

Market Share

UNION OF SOVIET SOC REP	30.00 %
GERMANY WEST	20.00 %
UNITED KINGDOM	18.00 %
CANADA	11.00 %
FRANCE	10.00 %
AUSTRALIA	8.00 %

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

Products/services for which there are good market prospects:

1. Mining/Excavation Machinery
2. Engineering/Technical Services for Mine designs.
3. Mine Management Systems
4. Rear dump trucks
5. Modular Coal Washeries
6. Project Management
7. Construction Management
8. Coal exploration & Drilling Services

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- CIDA programs
- Competitive pricing
- Bilateral economic trade agreement
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory
- Commitment to Indian

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: NEW DELHI

Market: INDIA

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Restrictive standards
- Lack of promotion and advertising
- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Performance of local agent or representative
- Local Industry Lobby
- Inconsistent mktg approach coupled
- with bureaucratic decision making

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

- Activity: Continue to work closely with Canadian firms in developing appropriate strategies when pursuing major capital projects.
Expected Results: Achieve signing of second major capital project in sector.
- Activity: Continue with multi-level call program on GOI officials in support of Canadian project proponents.
Expected Results: Achieve signing of second major capital project in sector.

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

- Activity: Comprehensive call program on key officials in Indian Coal Sector to present Canadian capabilities.
Expected Results: Incr. in eqpt/srvcs sales & collaborations over next 12 mths

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: NEW DELHI

Market: INDIA

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

64 Projects under implementa-	Approximate Value:	20 M\$
tion in Coal sector	Financing Source :	OTHER
	Contact	: M. Hough

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: NEW DELHI

Market: INDIA

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1900.00 \$M	2000.00 \$M	2100.00 \$M	2200.00 \$M
Canadian Exports	10.00 \$M	20.00 \$M	25.00 \$M	35.00 \$M
Canadian Share of Market	0.50 %	1.00 %	1.20 %	1.60 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	35.00 %
UNION OF SOVIET SOC REP	20.00 %
SINGAPORE	15.00 %
JAPAN	12.00 %
OTHER COUNTRIES	18.00 %

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

Products/services for which there are good market prospects:

1. Oil Field Services
2. Oil Field Equipment
3. Natural Gas Prod. Equipment
4. Natural Gas related services
5. Gas Processing Equipment & Services

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- Provincial export promotion
- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada
- Bilateral economic trade agreement
- Competitive Canadian financing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: NEW DELHI

Market: INDIA

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Non-competitive pricing
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Performance of local agent or representative
- Local Industry
- Lobby
- Lack of medium to long term strategy, small/med sized Cdn firms

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

Activity: Carry out review of major Canadian companies commitment to market.
Expected Results: Determine appropriate level of Cdn Govt. support to sector

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

Activity: Organise mission to India including two presentations on Cdn capabilities in Heavy Oil/Enhanced Oil Recovery area.
Expected Results: Increase in Canadian Eqpt/Services Sales in this sub-sector.

Activity: Promotional program in India on EDC/CIDA Line of Credit.
Expected Results: Facilitate utilization of EDC/CIDA Line of Credit.

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

Activity: If warranted by Canadian companies commitment to market, develop Indo-Cdn Working Group on Oil & Gas.
Expected Results: Incr. level of trade in sector/ident. of major projects

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: NEW DELHI

Market: INDIA

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

Tenders/Project info. being
disseminated.

Approximate Value: 100 M\$
Financing Source : EDC - Export Dev Corporation
CIDA - Cdn Int'l Dev Agency
Contact : M.K. Hough, 1st Secretary
Cdn High Commission

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: NEW DELHI

Market: INDIA

Sector : INDUSTRIAL MACHIN, PLANTS, SERV.

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	900.00 \$M	800.00 \$M	800.00 \$M	900.00 \$M
Canadian Exports	3.00 \$M	3.00 \$M	3.00 \$M	4.00 \$M
Canadian Share of Market	0.30 %	0.40 %	0.40 %	0.40 %

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

Major Competing Countries

Market Share

INDIA	65.00 %
UNITED STATES OF AMERICA	9.00 %
UNITED KINGDOM	7.00 %
GERMANY WEST	7.00 %
JAPAN	6.00 %
UNION OF SOVIET SOC REP	6.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Material Handling Equipment
2. Packaging Machinery
3. Special purpose machinery

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- Fairs and Missions support
- Trade Fair activity

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Non-competitive pricing
- Lack of promotion and advertising
- Very active local industry and lack
- of appreci'n of opps for co-prod.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: NEW DELHI

Market: INDIA

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

Activity: Prepare articles on Indian collaboration program.
Expected Results: Improve familiar'n & help understand opportunities/problems.

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

Activity: Participate in 9th IETF, New Delhi.
Expected Results: Sale of machinery.

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

Activity: Conduct survey to ascertain what gaps exist in local industry.
Expected Results: Match Canadian supply capabilities to be able to export.

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: NEW DELHI

Country: INDIA

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

	Total (\$ Million)	Canadian Share	Major Competitor Share
Two years ago	500.00	2.00	20.00
One year ago	500.00	2.00	20.00
Current year	500.00	2.00	20.00

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

\$20 million. Most forms of overseas investment are not permitted by Indian Govt. Nonetheless, many wealthy Indians keep savings abroad, and some of these funds are invested. Increased promotion of "investor" and "entrepreneurial" immigration could raise total.

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

- No active competitors.

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

- Very little active direct promotion as most forms of investment abroad are not permitted.

IDP Partners and related program activities:

Minerals & Metals Corporation, New Delhi.

- Considering government authorized investment in Canadian potash mining venture.

Canada-India Business Council

- Through annual JBC's enhances Canada's image among Indian businessmen.

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: NEW DELHI

Country: INDIA

IDP Partners and related activities cont d:

Bank of Nova Scotia, Bombay
- Promote Canada generally.

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

- Excellent general reputation.
- Many Indians living there.

the following constraints:

- Far away.
- Little known.

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

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

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

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

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: New Delhi

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/05/00	Commodities Mission to India Mission Out, Industry	
90/06/00	Oil & Gas Mission From India To Nat'l Petroleum Show Mission In, To Fair	Oil & Gas Equipment, Services
90/09/00	Tech Transfer Mission From India Mission In, To Industry	Advanced Tech.Prod.& Serv
90/10/00	Oil & Gas Mission To India Mission Out, Industry	Oil & Gas Equip.Services
91/02/00	9th IETF Indian Engineering Show, India Fair, National Stand	

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: SEOUL

Country: KOREA

Despite a reduction in expectations as a result of a slowdown, the Korean economic growth rate continues to outpace western countries. With a 1989 real growth of 7.5 per cent, the complaints of Korean business regarding recent wage increases and currency appreciation can be put in perspective. After four years of 12 percent real annual growth, the Korean economy appears headed for a pleasantly soft landing.

Both the wage and won increases have had the predictable effects as the price of Korean products has increased, particularly in labour intensive fields such as clothing. As a result Korean firms have had to reduce their goals for export growth. Exports continue to rise and should reach \$62 billion in 1989. However, as wage earners are now feeling the benefits of a 50 percent increase in wages over the past two years and as the newly democratized government responds to public demands for better lifestyles, it is domestic demand which now fuels the Korean economy. Automobile production, steel production, industrial chemical expansion, energy consumption, railway and airport improvements, growth in financial services, an explosion in outward bound tourism, and interest in processed food products are all examples of industries where growth is based on the new affluence of Korean consumers.

As a result of significant relaxation of the formerly rigid and exceptionally protectionist import regime in Korea, total imports have increased by 19 per cent in the first half of 1989. This follows a similar increase in 1988 and will make Korea an import market of \$61.5 billion this year. Canadian exports to Korea mushroomed to a level of just under \$1 billion for the same six month period. This makes Korea the fourth largest market for Canadian goods in the world - following only the USA, Japan, and the United Kingdom. Even if that ranking changes during the balance of the year, the figures clearly demonstrate the newly established importance of Korea to the world trading community and to Canada in particular.

While real economic growth, the trade surplus, and the current account surplus for Korea are all being reduced this year, they all remain positive. The rapid appreciation of the Korean won in recent years has stopped and the IMF has indicated that the won is at a satisfactory level. It is therefore unlikely to change significantly in the short term. In addition, the inflation rate has slowed somewhat and is now hovering in the six per cent range. Thus, a more realistic and sustainable growth has been achieved. At the same time, Korean industry is moving toward more technological sophistication in both their products and production processes.

The service sector continues to be pried open as foreign trading partners maintain pressure and Korean firms develop into truly international organizations. Thus tourism, banking, securities, insurance, and transportation services will grow while Korean firms seek partners and expertise for both domestic and international operations.

Over the next year, there will be continued market opportunities in

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: SEOUL

Country: KOREA

the traditional resource product areas. We also see expanded markets for electronic equipment and software, aerospace equipment and components, specialty communications products, automotive parts, certain food and beverage products, and some agricultural commodities. As suggested above, the financial services and tourism sectors are also poised for rapid expansion. Finally, the possibility of a contract for a second CANDU reactor seems greater now than ever before.

There has been significant Korean investment in Canada over the past year. In view of the internationalization of Korean firms, this trend will continue.

Despite the positive situation described above, the protectionist attitude remains dominant among Korean officials and in some parts of the economy - particularly the agricultural sector. Thus there is a need to increase trade policy and access activities - in both the bilateral and multilateral fora.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: SEOUL

Country: KOREA

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

1. **ADVANCED TECH. PROD. & SERV**
As Korean industry progresses towards an increased value added manufacturing base, there will be increased opportunities for Canadian high technology products/equipment/components manufacturers. The government is also supporting the development of telecommunication and informatics systems requiring a full range of services and equipment.
2. **AGRI & FOOD PRODUCTS & SERVICE**
Korea is a major importer of agricultural products and Canadian firms are gaining increased access to this market. In addition, the trade barriers against manufactured food products are gradually being removed, thus providing a completely new market. Korea has committed itself to removing barriers against 400 agri-food products.
3. **GRAINS AND OILSEEDS**
Korea is a net importer of grains and oilseeds both for human and animal consumption. Market liberalization and access issues are providing positive results and gradually opening the market for Canadian oil and feed stuffs.
4. **DEFENCE PROGRAMS, PRODUCTS, SERV**
The Korean government has committed substantial resources to new defence procurements in areas such as new fighter aircrafts, destroyers, aircraft up-grade and communications and intelligence gathering.
5. **EDUCATION, MEDICAL, HEALTH PROD**
Biotechnology has been identified as a priority sector by the Korean authorities and initial contacts made by the Canadian industry shows promising results. The demand for sophisticated medical equipment is increasing as more funds are allocated to the health sector.
6. **TRANSPORT SYS, EQUIP, COMP, SERV.**
The Korean aerospace industry is developing rapidly offering industrial cooperation and sales opportunities for civil aircraft components maintenance equipment, avionics, engines and complete aircrafts. Hyundai's presence on Canadian soil attracts more interest in Canadian automobile parts manufacturers.

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

- | | |
|-------------------------------------|-----------------------------------|
| 1. MINE, METAL, MINERAL PROD & SRV | 4. AGRI & FOOD PRODUCTS & SERVICE |
| 2. FOREST PRODUCTS, EQUIP, SERVICES | 5. GRAINS AND OILSEEDS |
| 3. CHEM PROD & PETROCHEM, EQP, SERV | 6. ADVANCED TECH. PROD. & SERV |

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SEOUL

Market: KOREA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ANIMAL,POULTRY BREEDING STOCK

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	10.00 \$M	9.00 \$M	13.00 \$M	15.00 \$M
Canadian Exports	0.40 \$M	1.00 \$M	0.80 \$M	1.00 \$M
Canadian Share of Market	3.90 %	13.30 %	6.20 %	6.70 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	38.00 %
UNITED KINGDOM	18.00 %
DENMARK	7.00 %
AUSTRALIA	5.00 %
GERMANY WEST	5.00 %
JAPAN	5.00 %

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

Products/services for which there are good market prospects:

1. Swine breeding stock
2. olstein Bulls
3. Bovine semen
4. Chicken breeding stock
5. Racing Horses
6. Mink
7. Fox
8. Deer breeding stock

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SEOUL

Market: KOREA

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Restrictive quotas
- Market prospects have not been adequately explored
- Performance of local agent or representative

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

Activity: Monitor report on government policy changes on the liberalization of beef and dairy cattle.

Expected Results: Provide information to re-establish our market share.

Activity: Monitor and report deer tenders out for bid

Expected Results: Introduce opportunities to Canadian producers

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SEOUL

Market: KOREA

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: MEATS & MEAT BY-PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	40.00 \$M	73.00 \$M	306.00 \$M	600.00 \$M
Canadian Exports	0.30 \$M	0.80 \$M	20.00 \$M	40.00 \$M
Canadian Share of Market	0.60 %	1.00 %	6.50 %	6.60 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	40.00 %
AUSTRALIA	29.00 %
NEW ZEALAND	0.00 %

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

Products/services for which there are good market prospects:

1. Beef
2. Antler
3. Gallstones

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- Provincial export promotion
- Competitive pricing

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Restrictive quotas
- Non-competitive pricing
- Govt is monopoly importer
- Cdn beef quality unknown

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SEOUL

Market: KOREA

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

Activity: Soeul Food 90 (April 90)
Expected Results: Demonstrate Canadian beef quality and taste

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

Activity: Monitor and report on changes in the government beef import policy
Expected Results: Provide Ottawa wit up-to-date access and policy information

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SEOUL

Market: KOREA

Sector : FISHERIES, SEA PRODUCTS & SERV.

Sub-Sector: FISH & SHELLFISH & OTHER PROD

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	244.00 \$M	342.00 \$M	360.00 \$M	370.00 \$M
Canadian Exports	6.00 \$M	5.00 \$M	5.00 \$M	6.00 \$M
Canadian Share of Market	0.30 %	1.40 %	1.40 %	1.60 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	62.00 %
JAPAN	6.00 %
ARGENTINA	2.00 %
SINGAPORE	2.00 %
TAIWAN	2.00 %
NEW ZEALAND	1.00 %

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

Products/services for which there are good market prospects:

1. Frozen Herring
2. Frozen Salmon
3. Prawns
4. Frozen Cod
5. Ocean Perch
6. Lobsters

Factors contributing to current successful Canadian exports:

- Fairs and Missions support
- Competitive pricing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SEOUL

Market: KOREA

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Restrictive quotas
- Restrictive standards
- Non-competitive pricing
- Limited appreciation/understanding of distribution system
- Slow import liberalization
- Lack of joint-venture fishing coope
- ration with local firms

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

Activity: Seoul Food 90
(April 90)

Expected Results: Increase market share for frozen fish and fish products

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

Activity: Monitor and report on import liberalization

Expected Results: Inform canadian suppliers of new species allowed.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SEOUL

Market: KOREA

Sector : GRAINS AND OILSEEDS

Sub-Sector: CEREAL GRAINS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1046.00 \$M	1342.00 \$M	1600.00 \$M	1900.00 \$M
Canadian Exports	146.00 \$M	11.00 \$M	15.00 \$M	50.00 \$M
Canadian Share of Market	13.90 %	0.90 %	0.90 %	2.60 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	69.00 %
FRANCE	6.00 %
UNITED KINGDOM	5.00 %
THAILAND	4.00 %
AUSTRALIA	3.00 %
GERMANY WEST	1.00 %

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

Products/services for which there are good market prospects:

1. Feed wheat
2. Milling wheat
3. Feed barley
4. Rye
5. Dehydrated alfafa
6. Grain pellets
7. Malt and malting barley
8. Canary seed

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SEOUL

Market: KOREA

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Restrictive quotas
- Non-competitive pricing
- Unsuitable product

- _____
- _____

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

Activity: Incoming feed mission (September 90)
Expected Results: Introduce Canadian feed barley to local importers.

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

Activity: Lobby Korean industry to convince the Korean government to import feed barley.
Expected Results: Sale of 300,000 metric tons.

Activity: Undertake alfalfa feeding trials with CDA.
Expected Results: Demonstrate alfalfa's nutritional value.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SEOUL

Market: KOREA

Sector : GRAINS AND OILSEEDS

Sub-Sector: OILSEEDS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	501.00 \$M	656.00 \$M	778.00 \$M	810.00 \$M
Canadian Exports	7.00 \$M	9.00 \$M	10.00 \$M	11.00 \$M
Canadian Share of Market	1.40 %	1.40 %	1.30 %	1.40 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	54.00 %
MALAYSIA	11.00 %
PHILIPPINES	4.00 %
INDONESIA	1.00 %
SINGAPORE	0.70 %
BRAZIL	0.60 %

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

Products/services for which there are good market prospects:

1. Canola meal
2. Flaxseed
3. Mustard seed
4. Canola seed

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- Competitive pricing

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Import duties are high
- Restrictive quotas

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SEOUL

Market: KOREA

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

Activity: Incoming Canola mission (September 1990)
Expected Results: Meet Canadian suppliers. Explain export market structure.

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

Activity: Monitor and report on canola prices, tariffs and tender opportunities.
Expected Results: Increased market share and new customers.

Activity: Invite Korean soybean crushers to the CWB/CIGI oilseed course.
Expected Results: Introduce Korean crushers to the Canadian industry

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SEOUL

Market: KOREA

Sector : DEFENCE PROGRAMS, PRODUCTS, SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	600.00 \$M	1100.00 \$M	1300.00 \$M	1550.00 \$M
Canadian Exports	40.00 \$M	60.00 \$M	75.00 \$M	100.00 \$M
Canadian Share of Market	7.00 %	5.50 %	5.80 %	6.50 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	90.00 %

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

Products/services for which there are good market prospects:

1. Avionics
2. Simulators
3. Amphibian aircrafts
4. Air ground rockets
5. Electronic warfare systems
6. Radars
7. Security systems/alarms
8. Naval fire controls
9. Remote pilotless vehicules
10. Helicopter engines
11. Engines
12. Up-grade services

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- Fairs and Missions support
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory
- Offset programs

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SEOUL

Market: KOREA

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Restrictive quotas
- Non-competitive pricing
- Lack of promotion and advertising
- Market prospects have not been adequately explored
- Performance of local agent or representative
- Highly regulated.USA
- dominant as key ally
- Korean market potential is treated
- with indifference

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

Activity: Defence aerospace mission to Canada

Expected Results: Introduce Korean buyers to Canadian capabilities.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SEOUL

Market: KOREA

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

Korean Fighter Plane (KFP)	Approximate Value: 13600 M\$ Financing Source : DOM - Domestically funded Contact : K. Lewis, tlx K27425 C. Buchan 613-995-6962
Korean Maritime Aircraft	Approximate Value: 8000 M\$ Financing Source : DOM - Domestically funded Contact : K. Lewis, tlx K27425 C. Buchan 613-995-6962
New Light Troop Transport	Approximate Value: 3000 M\$ Financing Source : DOM - Domestically funded Contact : K. Lewis, tlx 27425 C. Buchan 613-995-6962
Electronic Warfare Trainers	Approximate Value: 250 M\$ Financing Source : DOM - Domestically funded Contact : K. Lewis, tlx K27425 C. Buchan 613-995-6962

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SEOUL

Market: KOREA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	239.00 \$M	265.00 \$M	288.00 \$M	270.00 \$M
Canadian Exports	13.00 \$M	4.00 \$M	1.60 \$M	3.00 \$M
Canadian Share of Market	5.40 %	1.50 %	0.60 %	1.10 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	49.80 %
JAPAN	17.10 %
BELGIUM	11.40 %
SWEDEN	6.70 %
UNITED KINGDOM	2.30 %
SWITZERLAND	1.80 %

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

Products/services for which there are good market prospects:

1. PABX equipment
2. Radio Communication systems
3. Datacommunication systems
4. Multiplexers
5. Satellite sub-systems and earth stations

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- Competitive pricing
- Strong sectoral capability in Canada
- Willingness of exporters to invest/joint venture in territory

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SEOUL

Market: KOREA

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Restrictive standards
- Non-competitive pricing
- Lack of promotion and advertising
- Market prospects have not been adequately explored
- PREFERENCE FOR LOCAL
- SOURCES
-
-

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

Activity: Visit three Korean firms involved in the DOMSAT program
Expected Results: Initiate contact with three Canadian suppliers

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SEOUL

Market: KOREA

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

Domestic Communication & broad	Approximate Value:	350 M\$
casting Satellite (DOMSAT)	Financing Source :	DOM - Domestically funded
	Contact	: S.M.Kim, tlx K27425

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SEOUL

Market: KOREA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: INSTRUMENT & PROCESS CONTROLS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	795.00 \$M	1156.00 \$M	1235.00 \$M	1482.00 \$M
Canadian Exports	2.50 \$M	2.50 \$M	3.60 \$M	5.00 \$M
Canadian Share of Market	0.30 %	0.20 %	0.30 %	0.30 %

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

Major Competing Countries

Market Share

JAPAN	44.00 %
UNITED STATES OF AMERICA	32.60 %
GERMANY WEST	5.80 %
UNITED KINGDOM	3.40 %

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

Products/services for which there are good market prospects:

1. Test/measurement instrumentation
2. Analytical/lab instruments
3. Process control instruments
4. Building automation instruments

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SEOUL

Market: KOREA

Factors for Canadian exports not reaching market potential:

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

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

Activity: Pollution Control Mission to Taiwan and Korea
(November 90)
Expected Results: Introduce Canadian firms to the market

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

Activity: Up-date sector market study
Expected Results: Provide mission members with up-to-date market information

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SEOUL

Market: KOREA

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: OTHER ELECTRONICS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	3413.00 \$M	6025.00 \$M	6187.00 \$M	6490.00 \$M
Canadian Exports	16.00 \$M	27.00 \$M	32.00 \$M	36.00 \$M
Canadian Share of Market	0.47 %	0.45 %	0.52 %	0.55 %

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

Major Competing Countries	Market Share
JAPAN	56.00 %
UNITED STATES OF AMERICA	27.00 %
HONG KONG	4.30 %
TAIWAN	3.60 %
SINGAPORE	2.70 %
FRANCE	1.90 %

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

Products/services for which there are good market prospects:

1. Integrated circuits
2. Power supplies
3. Coils
4. Connectors

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Fairs and Missions support
- Competitive pricing
- Willingness of exporters to invest/joint venture in territory

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SEOUL

Market: KOREA

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Unsuitable product
- Limited Canadian capabilities
- Market prospects have not been adequately explored

- _____
- _____

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

Activity: Korea Electronics Show, November 1990

Expected Results: To introduce Canadian firms and products to this market.

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

Activity: Visit seven Korean importers/distributors.

Expected Results: Initiate contact with four new Canadian suppliers.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SEOUL

Market: KOREA

Sector : TRANSPORT SYS, EQUIP, COMP, SERV.

Sub-Sector: AUTOMOTIVE

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	858.00 \$M	1420.00 \$M	1580.00 \$M	1600.00 \$M
Canadian Exports	0.00 \$M	20.00 \$M	10.00 \$M	0.00 \$M
Canadian Share of Market	0.00 %	1.40 %	0.63 %	0.00 %

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

Major Competing Countries

Market Share

JAPAN	70.00 %
UNITED STATES OF AMERICA	15.00 %
GERMANY WEST	8.00 %

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

Products/services for which there are good market prospects:

1. Aluminum wheels
2. Automotive glass
3. Electric motors
4. Engine components
5. Tooling
6. Transmissions
7. Brake parts
8. Jacks
9. Electronic parts

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Fairs and Missions support
- Provincial export promotion
- Competitive pricing
- Willingness of exporters to invest/joint venture in territory

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SEOUL

Market: KOREA

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Unsuitable product
- Limited appreciation/understanding of distribution system
- echnology transfers and common dev
- elopment work with Japan, USA, FRG

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

Activity: Autoparts buyers from Korea
 (December 90)

Expected Results: Follow-up to incoming mission in October 89.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SEOUL

Market: KOREA

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: WOOD AND WOOD PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	972.00 \$M	1285.00 \$M	1458.00 \$M	1600.00 \$M
Canadian Exports	18.90 \$M	24.50 \$M	33.90 \$M	36.00 \$M
Canadian Share of Market	1.90 %	1.90 %	2.30 %	2.30 %

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

Major Competing Countries

Market Share

MALAYSIA	30.00 %
UNITED STATES OF AMERICA	25.00 %
PACIFIC RIM COUNTRIES	20.00 %
SOLOMON ISLANDS	5.00 %
JAPAN	3.00 %
KOREA	5.00 %

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

Products/services for which there are good market prospects:

1. Logs
2. Lumber
3. Veneer
4. Medium Density Fiber Board
5. Particulate Board
6. Plywood
7. Aspen/Poplar
8. Wood Chips
9. Oriented Strand Board
10. Semi-finished disposable chopsticks
11. Log-homes
12. Timber frame prefab homes

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SEOUL

Market: KOREA

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
 - Import duties are high
 - Restrictive standards
 - Lack of promotion and advertising
 - Limited appreciation/understanding of distribution system
 - Market prospects have not been adequately explored
 - Complex and multi-
 - layered distribution
-
-

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

Activity: Promotion of Timber frame house to be built in Korea
Expected Results: Increased sales

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

Activity: Building Products mission to Korea
(December 90)
Expected Results: To introduce Korean buyers to Canadian products.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SEOUL

Market: KOREA

Sector : EDUCATION, MEDICAL, HEALTH PROD

Sub-Sector: PHARMACEUTICALS, BIOTECHNOLOGY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	35.00 \$M	46.00 \$M	60.00 \$M	78.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	0.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.00 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	0.00 %
JAPAN	0.00 %
FRANCE	0.00 %
DENMARK	0.00 %

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

Products/services for which there are good market prospects:

1. Human healthcare products
2. Food products
3. Chemicals related products

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SEOUL

Market: KOREA

Factors for Canadian exports not reaching market potential:

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

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

Activity: Biotechnology Mission to Korea and Taiwan
(June 90)
Expected Results: Sales and technology transfer agreements signed

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

Activity: Prepare a detailed sector overview and up-date the study.
Expected Results: To provide mission members with adequate information.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SEOUL

Market: KOREA

Sector : EDUCATION, MEDICAL, HEALTH PROD

Sub-Sector: HOSP. & MEDICAL EQUIP, INSTRUM.

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	167.00 \$M	188.00 \$M	255.00 \$M	316.00 \$M
Canadian Exports	1.80 \$M	1.70 \$M	2.80 \$M	3.70 \$M
Canadian Share of Market	1.10 %	0.90 %	1.10 %	1.20 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	41.50 %
JAPAN	30.10 %
GERMANY WEST	12.00 %
UNITED KINGDOM	3.00 %

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

Products/services for which there are good market prospects:

1. High-tech/sophisticated hospital equipment
2. X-Ray Radiographic equipment
3. Analyzing equipment/instruments

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SEOUL

Market: KOREA

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

Activity: Prepare a detailed sector overview in preparation for an hospital/medical equipment mission next year

Expected Results: Identification of target market niches

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: SEOUL

Country: KOREA

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

	Total (\$ Million)	Canadian Share	Major Competitor Share
Two years ago	467.00	4.00	0.00
One year ago	564.00	6.00	0.00
Current year	931.00	15.00	0.00

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

Canada should expect to attract over \$100 million in investment in the resources sector, the automotive parts industry and manufacturing. This trend might slow down in the next few years as Korea's current account surplus is dramatically reduced.

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

- United States
- Indonesia
- Thailand
- Japan
- North Yemen
- Hong Kong

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

- 1. Seminars
- 2. Out-going investment missions
- 3. Out-going and incoming technology transfer missions
- 4. Mailings
- 5. Sign bilateral investment protection agreements

IDP Partners and related program activities:

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: SEOUL

Country: KOREA

IDP Partners and related activities cont d:

Investment Canada

- Supply information on investment climate and answer specific project related questions.

Korea Exim-Bank (Overseas Investment Information Office)

- Provides information on investment services to Korean firms. Disseminates investment opportunities.

Small and Medium Industry Promotion Corporation
Center for Overseas Investment Services

- Provides information on SMB's investment patterns
Provides partners for joint-venture.

Chambers of Commerce

- Disseminate information on investment opportunities

Trade and Industry Associations

- Co-sponsor investment seminars or luncheons

Canadian Banks in Korea

- Provide information on Canadian banking system to potential investors. Participate in seminars.

Law and accounting firms

- Participate in investment seminars
Provide information on Canadian accounting and legal system

Canadian Provinces and municipalities

- Organize missions
Provide province specific information

Bank of Korea

- Provides statistics, analysis and trends.

Ministry of Finance

- Provides information on current government policies

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: SEOUL

Country: KOREA

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

- Availability of natural resources.
- Free Trade Agreement
- Numerous and successful Korean investments in the past few years.
- Skilled, productive and reliable work force.
- Availability of high technology

the following constraints:

- High wages.
- Small domestic market
- Language problem
- Managerial problems due to cultural differences
- Except for major cities, small Korean community size.

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

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

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

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

RPTD2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: SEOUL

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

Seq #	Date
Type: COMMUNICATIONS EXHIBIT	
1	09/90
Event Description: Display on specific investment opportunities.	
City :Seoul	
Country :KOREA	
Investment Nature:Joint-venture Tech Transfer	
Investment Sector:STRATEGIC TECHNOLOGIES	
Event Cooperants :	
ISTC, TPE, Provinces, Trade Associations	
Estimated Budget : \$5,000.00	
Type: MISSION OUT, INDUSTRY	
3	01/91
Event Description: Investment mission and seminars to Korea to introduce specific investment opportunities	
City :Seoul, Pusan	
Country :KOREA	
Investment Nature:All	
Investment Sector:STRATEGIC TECHNOLOGIES	
Event Cooperants :	
ISTC, TPE, INVCAN, Provinces, Korean Chambers of Commerce and Trade Associations.	
Estimated Budget : \$50,000.00	
Type: DIRECT MAIL CAMPAIGN	
4	04/90
Event Description: Disseminate information sent by Investment Canada	
City :All	
Country :KOREA	
Investment Nature:All	
Investment Sector:STRATEGIC TECHNOLOGIES	
Event Cooperants :	
INVCAN	
Estimated Budget : \$1,500.00	

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RPTD2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: SEOUL

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

Seq #

Date

Type: LOCAL PUBLICATION

2 Event Description:

06/90

Produce and mail an attractive brochure containing testimonials by sr Korean executives having invested in Canada.

City :All

Country :KOREA

Investment Nature:All

Investment Sector:STRATEGIC TECHNOLOGIES

Event Cooperants :

INVCAN, TPE

Estimated Budget : \$12,000.00

Total estimated budget for all proposals:

\$68,500.00

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Seoul

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/04/24	Seoul Food Seoul, Korea Fair, National Stand	Agri & Food Prod. & Services. R. Parker
90/05/00	Aerospace Visit From Korea, Mission In, To Industry	Defence Programs, Prod. & Services
90/06/00	Biotech Mission To Korea And Taiwan Mission Out, Industry	Petrochem & Chem Prod. Equipment, Services
90/09/00	Canola Purchase Mission From Korea Mission In, To Industry	Grains & Oilseeds
90/09/00	Korea World Tourism Fair Seoul, Korea Fair, National Stand	Service Industries
90/10/00	Electronics Buyers From Korea Mission In, To Industry	Advanced Tech. Prod. & Serv.
90/11/00	Pollution Control Mission To Korea And Taiwan Mission Out, Industry	Industrial Machine, plants & Service.
90/12/00	Building Products Mission From Korea Mission In, To Industry	Construction Industry

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: SINGAPORE

Country: SINGAPORE

Following a year of exceptionally high growth in '88 which saw gross domestic product increase by 11%, the first half of '89 saw a more moderate but still impressive growth of 9.1%. Growth for '89 is projected to reach 7.5% to 8.5%.

Economic growth continued to be broad base with the financial and business services sector leading in terms of growth and contributing 3.2% to the overall growth rate. The construction sector continued to decline despite the fact that the value of contracts increased by 30% over '88.

Because of the small size of this island state, external demand has and will continue to play a determining role in terms of prospects for economic growth. For the first half of this year, total trade amounted to over three times the GDP.

Bilateral trade with Cda increased by 59% in '88 to reach \$742 mln putting Singapore in first place as our most important trading partner in ASEAN. For the first half of '89, trade continued to grow but by a more modest 6%. Despite a slower pace, we nevertheless feel that prospects for continued growth are excellent.

Singapore maintains its role as a regional entrepot center. Its container port has grown to become the busiest in the world, its airport has been recognized as being one of the most efficient in the world. By the end of '90, the Changi Airport will have a capacity to handle some 20 mln passengers annually. Coupled with recent agreements with European carriers, Changi is well on the way to becoming the major regional air hub of South East Asia. Its telecommunications infrastructure is one of the most advanced in the world and rates among the cheapest. As a result of fiscal & economic planning & incentives which were established, Singapore is now a thriving financial sector.

Labour shortages continue to pose serious problems especially in labour intensive sectors of activities. However, the govt. is holding firm in terms of stemming the tide of foreign workers and putting in place policies to further encourage the growth of higher-value-added industries and service sectors such as finance and banking, transport and communications, information technology.

Post priority sectors will remain essentially the same as last year. Telecommunications, Information Technology, Defence, Agri-Food, Transportation Systems and Equipment and Oil & Gas Equipment and Services. The potential for growth in exports in each of these sectors is excellent. In addition, the promotion of investment to Canada will become an increasingly important activity for the post as we judge the potential to be equally promising.

Canadian economic and commercial relations with Singapore are strengthened by the active Canadian community in Singapore. The Govts of B.C., Ontario and Quebec each maintain active trade offices. In addition, there are now close to sixty Cdn companies established in Singapore, a net increase of 20 new establishments over the past year. The Cdn Business Assoc'n is very active and counts close to 300 members. Two other groups, the Cdn Alumni Assoc'n & the Cdn Assoc'n, also contribute in a significant manner to promoting trade and economic links. In July of this year, the SSEA opened the Cda-ASEAN Center. Once the center is fully staffed and operational, it should provide another link to the business community in the

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: SINGAPORE

Country: SINGAPORE

region.

As indicated last year, tourism between Cda and Spore should continue to increase with the expansion of direct air links. In addition to its present routes, SIA will be launching a Spore-Amsterdam-Toronto service next April (1990). Similarly Air Cda, we are told, is planning a Pacific service sometime next spring.

BRUNEI DARUSSALAM: Brunei's economy is dominated by the oil & liquified natural gas ind. & by the govt sector. With the petro. sector alone acctng for approx. 70% of GDP, the most significant factor governing Brunei's economic growth is the state of the intl oil mrkt, not domestic economic activity. Recent GDP growth has been poor due to low oil prices & energy conservation policies which have reduced oil production fm a high of 261,000 barrels/day to the present level of 155,000 barrels/day.

The govt employs 40% of the labour force. Govt expenditures for '89 are expected to total CDN \$1.9 bln. Public works & defence account for approx. 50% of public spending. Despite reductions in oil revenue, Brunei continues to enjoy sizeable trade surpluses (CDN \$590 mln in '87). Foreign exchange reserves are estimated at CDN \$23-29 billion.

Brunei has allocated CDN \$2.3 bln in its 5th Nat'l Dvlpmt Plan ('86-90) to plans to diversify the economy. These funds are being directed to the dvlpmt of public utilities (CDN \$466 mln), transport & communica'ns (CDN \$466 mln), ind. & commerce (CDN \$233 mln) & security (CDN \$233 mln). In addition, the Min. of Ind. & Primary Resources was created this year to promote dvlpmts in these areas. Progress in the diversification efforts has been slow in coming.

Cda's commercial success in Brunei has been modest to date. This has been due, in part, to the strong & longstanding British presence in the country, as well as the small mkt size (pop.:227,000). With the current 5 year plan ('86-90) in its final phases, many of the proj's involved are either completed or well underway. Nonetheless, there are a number of areas that Cdn firms, willing to take a long term approach to doing business, can pursue. These include oil/gas eqpt & srvcs, educa'n/training, power generation eqpt/srvcs, def. & aerospace prods & srvcs & construction.

Brunei is presently covered fm Singapore. Plans to appoint an Honorary Consul there unfortunately fell through last year.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: SINGAPORE

Country: SINGAPORE

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

1. ADVANCED TECH. PROD. & SERV

Government and industry are focussing their efforts on exploiting the opportunities of Information Technology, telecommunications and instrumentation as both growth industries suitable for the Singapore environment & as pre-requisites to establishing S'pore as a regional services centre.

2. DEFENCE PROGRAMS, PRODUCTS, SERV

Geo-political concerns require the maintenance of one of the region's best-equipped and trained armed forces. There are 55,000 men under arms and 150,000 reservists. The entire subject of defence sales is extremely sensitive, but an excellent market for Canadian products and technology exists.

3. AGRI & FOOD PRODUCTS & SERVICE

Although bulk food products (grains & oilseeds) account for a high percentage of total Canadian exports to Singapore, non-bulk items present significant opportunities for growth as a result of a growing Westernized middle class and the continuing importance of tourism.

4. TRANSPORT SYS, EQUIP, COMP, SERV.

With 51 scheduled international flight carriers and 41,646 flight arrivals in 1988, Singapore is the recognized regional aircraft service centre. While flight simulators are the key element of our exports in this sector, opportunities are also good for increased exports of aircraft engines/parts, avionics/maintenance/over-haul srvc

5. OIL & GAS EQUIPMENT, SERVICES

Despite the depressed state of the oil/gas industry regionally & worldwide, S'pore continues to be a good market for high-tech products & services, destined for re-export. The refinery sector is operating at near capacity & the potential is good for retrofit/replacement eqpt and parts.

6. EDUCATION, MEDICAL, HEALTH PROD

Singapore is emphasizing the development of its healthcare industry in order to better serve its own increasingly affluent and ageing population, and to further develop as a regional centre of medical excellence.

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

1. FOREST PRODUCTS, EQUIP, SERVICES
2. MINE, METAL, MINERAL PROD & SRV
3. INDUSTRIAL MACHIN, PLANTS, SERV.

4. ADVANCED TECH. PROD. & SERV
5. .
6. .

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SINGAPORE

Market: SINGAPORE

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: HORTICULTURE (FRUIT, VEG, FLOR)

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	630.00 \$M	640.00 \$M	640.00 \$M	650.00 \$M
Canadian Exports	2.00 \$M	4.70 \$M	4.00 \$M	4.50 \$M
Canadian Share of Market	1.00 %	1.00 %	1.00 %	1.00 %

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

Major Competing Countries

Market Share

MALAYSIA	30.00 %
PEOPLE'S REP OF CHINA	15.00 %
AUSTRALIA	15.00 %
UNITED STATES OF AMERICA	15.00 %
THAILAND	10.00 %

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

Products/services for which there are good market prospects:

1. Apples
2. Frozen vegetables
3. Pears
4. Strawberries

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SINGAPORE

Market: SINGAPORE

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

Activity: Continue to develop closer rapport with major importers.
Expected Results: Enhance Canadian market share in the area.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SINGAPORE

Market: SINGAPORE

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: SEEDS & SPECIAL CROPS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	105.00 \$M	92.00 \$M	98.00 \$M	100.00 \$M
Canadian Exports	17.00 \$M	18.00 \$M	17.00 \$M	20.00 \$M
Canadian Share of Market	16.00 %	19.00 %	17.00 %	20.00 %

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

Major Competing Countries	Market Share
PEOPLE'S REP OF CHINA	48.00 %
MALAYSIA	16.00 %
INDONESIA	16.00 %

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

Products/services for which there are good market prospects:

1. Soyabeans
2. Yellow split peas
3. Other peas, beans & lentils
4. Sunflower seeds
5. Rapeseed
6. Mustard seed

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SINGAPORE

Market: SINGAPORE

Factors for Canadian exports not reaching market potential:

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

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

Activity: Follow up market opportunities arising out of outgoing Cdn Soyabean Mission and Seminar in May 1988.

Expected Results: Improve image of Canadian prods & increase market share.

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

Activity: Continue to develop close rapport with major importers.

Expected Results: Improved access of Canadian products to local market.

RPTC1 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SINGAPORE

Market: SINGAPORE

Sector : GRAINS AND OILSEEDS

Sub-Sector: OILSEEDS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	200.00 \$M	300.00 \$M	350.00 \$M	380.00 \$M
Canadian Exports	0.00 \$M	24.00 \$M	5.00 \$M	10.00 \$M
Canadian Share of Market	0.00 %	8.00 %	1.00 %	2.00 %

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

Major Competing Countries Market Share

MALAYSIA 60.00 %

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

Products/services for which there are good market prospects:

1. Canola Oil
2. Mustard Seed Oil
3. Soya Bean Oil
4. Corn Oil
5. Sunflower Seed oil

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SINGAPORE

Market: SINGAPORE

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

Activity: To continue to foster close ties with bulk importers
Expected Results: To increase Cdn market share for listed prods/canola oil.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SINGAPORE

Market: SINGAPORE

Sector : DEFENCE PROGRAMS, PRODUCTS, SERV

Sub-Sector: ARMAMENTS & VEHICLES

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	110.00 \$M	200.00 \$M	240.00 \$M	260.00 \$M
Canadian Exports	5.00 \$M	6.00 \$M	8.00 \$M	7.00 \$M
Canadian Share of Market	5.00 %	3.00 %	3.00 %	3.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	35.00 %
GERMANY WEST	20.00 %
FRANCE	20.00 %
UNITED KINGDOM	15.00 %

Current Status of Canadian

exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Military weapons
2. Military vehicles

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- _____
- _____

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SINGAPORE

Market: SINGAPORE

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

Activity: Follow-up on market opportunities arising out of Hi-Tech conference in June 1989.

Expected Results: Stimulate improvement in Canada market show.

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

Activity: Continue to develop contacts and liaise with procurement & technical staff in S'pore Min. of Def./Sheng-Li Group of cos

Expected Results: Improve Canadian market show.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SINGAPORE

Market: SINGAPORE

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

Replacement of existing heavy military vehicles Approximate Value: 3 M\$
Financing Source : NFR - No external fnding req'd
Contact : Denis Comeau, Commercial
Counsellor

Replacement of existing heavy military airport sweepers. Approximate Value: 2 M\$
Financing Source : NFR - No external fnding req'd
Contact : Peter Ho, Commercial Officer

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SINGAPORE

Market: SINGAPORE

Sector : DEFENCE PROGRAMS, PRODUCTS, SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	250.00 \$M	250.00 \$M	250.00 \$M	250.00 \$M
Canadian Exports	1.00 \$M	1.00 \$M	1.00 \$M	1.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.00 %

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

Major Competing Countries	Market Share
UNITED KINGDOM	80.00 %
UNITED STATES OF AMERICA	10.00 %
AUSTRALIA	5.00 %

Products/services for which there are good market prospects:

1. Aircraft/Aircraft simulator
2. Radar
3. Surveillance and patrol equipment

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SINGAPORE

Market: SINGAPORE

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1270.00 \$M	1790.00 \$M	2000.00 \$M	2500.00 \$M
Canadian Exports	4.00 \$M	4.00 \$M	10.00 \$M	15.00 \$M
Canadian Share of Market	0.30 %	0.20 %	0.50 %	0.60 %

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

Major Competing Countries

Market Share

JAPAN	49.00 %
MALAYSIA	21.00 %
UNITED STATES OF AMERICA	10.00 %
TAIWAN	8.00 %

Products/services for which there are good market prospects:

1. Telephone Sets
2. Switching Equipment
3. Pagers
4. Hand-held telephones
5. ISDN Equipment

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SINGAPORE

Market: SINGAPORE

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

Activity: Update Telecoms Market Study.
Expected Results: Increased information on sector & penetration strategy.

Activity: Continue to liaise with Telecoms & advise potential Canadian suppliers of upcoming opportunities.
Expected Results: A further increase in Canadian market penetration.

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

Integrated Switching Digital Network	Approximate Value:	20 M\$
	Financing Source :	NFR - No external fnding req'd
	Contact :	Frank Quah, Commercial Officer

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SINGAPORE

Market: SINGAPORE

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: COMPUTERS HARD/SOFTWARE & COMP

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	405.00 \$M	590.00 \$M	645.00 \$M	700.00 \$M
Canadian Exports	3.00 \$M	6.00 \$M	13.00 \$M	20.00 \$M
Canadian Share of Market	1.00 %	1.00 %	2.00 %	3.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	35.00 %
UNITED KINGDOM	20.00 %
AUSTRALIA	15.00 %
CANADA	2.00 %

Products/services for which there are good market prospects:

1. Micros Software
2. Mainframe Software
3. Industrial Systems

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- _____
- _____

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SINGAPORE

Market: SINGAPORE

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

Activity: Revision and update of market study for this sector.

Expected Results: To increase market information and export strategy.

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

Automated Container Tracking System	Approximate Value:	15 M\$
	Financing Source :	NFR - No external fnding req'd
	Contact	: Frank Quah, Commercial Officer

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SINGAPORE

Market: SINGAPORE

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	30.00 \$M	35.00 \$M	40.00 \$M	45.00 \$M
Canadian Exports	2.00 \$M	2.00 \$M	3.00 \$M	4.00 \$M
Canadian Share of Market	7.00 %	6.00 %	7.00 %	10.00 %

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

Major Competing Countries	Market Share
JAPAN	42.00 %
UNITED KINGDOM	35.00 %
UNITED STATES OF AMERICA	20.00 %

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

Products/services for which there are good market prospects:

1. Telephones
2. Telecommunication System
3. Integrated billing System

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Limited appreciation/understanding of distribution system
- _____
- _____

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SINGAPORE

Market: SINGAPORE

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

Activity: Liaise regularly with senior PTT officials and visit to Brunei.

Expected Results: Raise level of awareness of Canadian capabilities.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SINGAPORE

Market: SINGAPORE

Sector : TRANSPORT SYS, EQUIP, COMP, SERV.

Sub-Sector: AEROSPACE

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	910.00 \$M	580.00 \$M	680.00 \$M	600.00 \$M
Canadian Exports	33.00 \$M	3.00 \$M	18.00 \$M	30.00 \$M
Canadian Share of Market	4.00 %	1.00 %	3.00 %	5.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	83.00 %
UNITED KINGDOM	5.00 %

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

Products/services for which there are good market prospects:

1. Flight simulators
2. Aircraft engines/parts
3. Aircraft assemblies/equipment

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- _____
- _____

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SINGAPORE

Market: SINGAPORE

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

Activity: Continue to develop contacts and liaise with procurement and technical staff in aerospace industry.

Expected Results: Improve Canadian market share.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SINGAPORE

Market: SINGAPORE

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	197.00 \$M	220.00 \$M	250.00 \$M	280.00 \$M
Canadian Exports	10.00 \$M	20.00 \$M	24.00 \$M	28.00 \$M
Canadian Share of Market	5.00 %	9.00 %	10.00 %	10.00 %

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

Major Competing Countries	Market Share
MALAYSIA	70.00 %
BURMA	5.00 %
UNITED STATES OF AMERICA	3.00 %

Products/services for which there are good market prospects:

1. Newsprint
2. Other processed lumber

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SINGAPORE

Market: SINGAPORE

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	350.00 \$M	350.00 \$M	365.00 \$M	380.00 \$M
Canadian Exports	2.00 \$M	2.00 \$M	3.00 \$M	3.00 \$M
Canadian Share of Market	1.00 %	1.00 %	1.00 %	1.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	90.00 %
EUROPEAN COMMON MARKET C	30.00 %

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

Products/services for which there are good market prospects:

1. Refinery process & control equipment
2. Consulting services

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Limited appreciation/understanding of distribution system
- _____
- _____

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SINGAPORE

Market: SINGAPORE

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

Activity: Liase regularly with Brunei Shell representatives.
Expected Results: Raise level of awareness of Cdn capabilities/identify opps.

Activity: Identify potential representatives.
Expected Results: Identification of new opportunities.

Activity: Revision and update by consultant of market study
Expected Results: Increased awareness of market & penetration strategy.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: SINGAPORE

Market: SINGAPORE

Sector : EDUCATION, MEDICAL, HEALTH PROD

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	250.00 \$M	300.00 \$M	350.00 \$M	400.00 \$M
Canadian Exports	2.00 \$M	3.00 \$M	4.00 \$M	4.00 \$M
Canadian Share of Market	1.00 %	1.00 %	1.00 %	1.00 %

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

Major Competing Countries

Market Share

UNITED KINGDOM	24.00 %
PEOPLE'S REP OF CHINA	13.00 %
UNITED STATES OF AMERICA	9.00 %
MALAYSIA	9.00 %
SWITZERLAND	9.00 %

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

Products/services for which there are good market prospects:

1. Pharmaceutical Products
2. Healthcare Equipment

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: SINGAPORE

Market: SINGAPORE

Factors for Canadian exports not reaching market potential:

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

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

Activity: Develop market study on medical apparatus and pharmaceutical sector.

Expected Results: Determine market opportunity for Canadian suppliers.

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: SINGAPORE

Country: SINGAPORE

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

	Total (\$ Million)	Canadian Share	Major Competitor Share
Two years ago	12000.00	3.00	0.00
One year ago	14000.00	3.00	0.00
Current year	18000.00	5.00	0.00

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

Direct C\$10 million.
Portfolio C\$100-200 million.
Real Estate C\$500 million.

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

- Malaysia
- Indonesia
- Thailand
- United States
- Western Europe

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

- With respect to 1,2 & 3 fairly low key approach.
- With respect to 4&5 investments in S'pore added to active j.v.
- In both cases usual type of activities incl. miss., conf., sem.

IDP Partners and related program activities:

Canadian Banks in Singapore.

- Sharing of intelligence, support in providing tax & financial advice to potential investors.

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: SINGAPORE

Country: SINGAPORE

IDP Partners and related activities cont d:

Provincial offices in Singapore.

- Partners in co-op investment promotion activities. Sharing of intelligence.

Singapore Economic Development Board.

- Identification of potential investors and assistance in presenting Canadian opportunities.

Singapore Technologies group of companies.

- Tremendous potential. They are on look-out for investments, joint-ventures, in leading edge tech.

INVCANOTT & EXTOTT/TPE

- Provide support & promotional material.

Financial Institutions in Canada.

- Feeding post with investment, M&A, licensing joint-venture, transfer of technology opportunities.

Provincial & Municipal Economic Development organisations.

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

- Access to US market.
- Stable environment
- Leading edge technology in certain areas.
- Quality of life.

the following constraints:

- Tax structure
- Distance from Singapore
- Lack of EDB presence in Canada
- Lack of aggressiveness by Canadian Business & Financial Community
- Rising concerns on racism in Canada.

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

Type of Investment	Potential
Portfolio	HIGH
Acquisition	HIGH
Greenfield	MEDIUM

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: SINGAPORE

Country: SINGAPORE

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

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

RPTD2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: SINGAPORE

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

Seq #	Date
Type: SEMINAR, ABROAD	
3 Event Description:	04/90
Seminar in Singapore & Brunei	
City :	
Country :SINGAPORE	
Investment Nature:Portfolio	
Acquisition	
Investment Sector:MULTIPLE INVESTMENT SECTORS	
Event Cooperants :	
INVCANOTT, Provinces, Municipalities	
Estimated Budget : \$20,000.00	
Type: MISSION IN, TO INDUSTRY	
1 Event Description:	06/90
Invite key officials from Singapore Technologies Aerospace Group.	
City :	
Country :SINGAPORE	
Investment Nature:Acquisition	
Joint-venture	
Strategic partn	
Investment Sector:AREOSPACE/DEFENCE	
Event Cooperants :	
INVCANOTT	
Provinces/Municipalities	
Estimated Budget : \$40,000.00	
Type: DIRECT MAIL CAMPAIGN	
2 Event Description:	04/90
To support EDP & investor immigration promotion program.	
City :	
Country :SINGAPORE	
Investment Nature:Greenfield	
JV/SP	
Acquisition	
Investment Sector:MULTIPLE INVESTMENT SECTORS	
Event Cooperants :	
INVCANOTT, Provinces, Municipalities	
Estimated Budget : \$10,000.00	

RPTD2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: SINGAPORE

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

Seq #

Date

Type: OUTCALL PROGRAM

4 Event Description:

04/90

Maintain on going active corporate liaison program

City :Singapore

Country :SINGAPORE

Investment Nature:Acquisition

JV/SP

Greenfield

Investment Sector:MULTIPLE INVESTMENT SECTORS

Event Cooperants :

INVCANOTT, Provinces, Municipalities

Estimated Budget : \$10,000.00

Total estimated budget for all proposals:

\$80,000.00

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Singapore

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/05/00	Food & Hotel Asia Trade Fair, Singapore Info Booth, With Group	Agri & Food Products & Services
90/06/00	Communicasia Trade Fair, Singapore Fair, National Stand	Advanced Tech.Products & Services
90/09/00	Buyers From Singapore to Food Pacific '90, Vancouver Mission In, To Fair	Agri & Food Products & Services
90/11/00	Medic Asia Trade Fair In Singapore Fair, National Stand	Education,Medical,Health Products
90/12/00	Offshore South East Asia Exhibition In Singapore Info Booth, With Group	Oil & Gas Equipment, Services

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: TOKYO

Country: JAPAN

While traditional products such as coal and other minerals, wood pulp and lumber remain the firm foundation of Canadian trade into this market, the recent and rapid changes in the Japanese economy have provided opportunities to widely expand our trade base, and which should see Canadian exports surpass \$10 billion in 1990. Of this total, agriculture and processed foods will account for at least \$2.5 billion, and manufactured products \$1.0 billion, with both sectors enjoying growth rates in excess of 15% per year. At the root of these changes was the rapid appreciation of the yen, which in turn led to fundamental changes in Japanese consumption and leisure patterns. Initially the rapid rise of their currency (the result of the Plaza Accords of 1985), led the Japanese Government to enact a series of measures which were designed to soften the impact of what should have been a loss of export trade by stimulating domestic demand. These measures included the shortening of the work week, and the abolition of tax free savings plans. In spite of the fact that external demand did not abate, and Japan still enjoys tremendously high trade surpluses with all industrialized countries except Canada, domestic demand did rise, and dramatically, and this demand has included a huge appetite for foreign, in particular luxury, consumer items. Of interest to the Canadian food sector, and as happened earlier in North America, is that the greater number of women in the work-force, and more two income families, (coupled with the trend to market liberalization) has contributed to a surge in demand for high value-added processed and easy-to-prepare food products and beverages. We are also seeing a strengthening of demand for basic Canadian food products such as seafood, pork and beef.

In housing, Canada has played a significant role in the introduction of the 2X4 construction method, and our exports of lumber for this and the traditional market have shown excellent growth during the past few years. We are currently seeing a phenomena in the housing market that may have as dramatic impact on the landscape as the postwar housing boom in North America. Shortages of skilled carpenters are also making traditional building methods problematic, and are contributing to Japanese acceptance of pre-fabricated building products, including new and innovative uses of traditional lumber. This promises to be an excellent new market opportunity for the Canadian building products industry, in particular for high quality floorings, staircases and similar products. A trend of particular interest is the advance into new fields by the traditional industries. Some of these industries have fixed diversification targets. As example, the steel industry is actively restructuring against the goal of deriving 70% of its revenue from non-steel sources by the year 2000. MITI's guidance and support, coupled with Japan's reliance on imported raw materials, has induced Japanese companies to acquire expertise through R & D investment (particularly in biotechnology, advanced industrial materials, and microelectronics) and through strategic alliances, foreign direct investment, and joint ventures. Overseas direct investment surged from 1987 through 1989, recording year-on-year expansions of 83%, 49% and 41%. 1988/89 fiscal year direct overseas investment reached US\$47 billion, up 280% from 1985/86. In terms of technological expansion some companies have already reached a level of global prominence, for example, Toray Industries and Toho Rayon in carbon fibre. In fact, virtually

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: TOKYO

Country: JAPAN

all major industries have diversification and investment plans, and the scope of these opportunities, and the unpredictability offer both challenge and great opportunity for Canada, and which is reflected in the Post Plan. A second trend, also significant for Canadian exporters, is that as Japanese domestic producers become less competitive with their own products, and with the rising demand for imported goods, they are turning their long-established distribution networks into conduits for new imports. Japan's well-deserved reputation as technological giant continues to grow as Japanese companies position themselves for the 21st century. Japanese companies' dedication of human and capital resources to long-term, expensive research programs together with aggressive international expansions, should open up new opportunities for Canadian companies seeking partners in investment, joint venture and technology transfer. Tourism has been another bright spot for Canada. Japan tops Canada's five best export markets with a forecasted average growth rate of 12.5% to 1994. Canada has become a favorite spot for Japanese tourists, and this in turn has created recognition for Canadian products and services.

In summary, the Japanese economy shows no signs of weakening. While most Western economies worry about "soft landings" and the return of stagflation, Japanese policy makers continue to enjoy low inflation, low unemployment and low interest rates supported by real growth rates of 2.5%, 4.5% and 5.7% in the last three years of what is Japan's longest streak of economic growth since the Great Expansion of the early 1960's. Domestic demand continues unabated, and this "new market" presents Canada with arguably the most significant trade opportunity and challenge of the nineties.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: TOKYO

Country: JAPAN

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

1. AGRI & FOOD PRODUCTS & SERVICE

Agriculture: domestic sector uncompetitive/import liberalization, Sea Products: declining domestic catch/strong domestic demand, EDP/Tele-coms: high yen and new government import policies, Building Materials: pricing/quality/design/finish/new consumer tastes, Leisure Goods: increased leisure time/desire for novelty/price

2. ADVANCED TECH. PROD. & SERV

3. FISHERIES, SEA PRODUCTS & SERV.

4. TRANSPORT SYS, EQUIP, COMP, SERV.

5. FOREST PRODUCTS, EQUIP, SERVICES

6. CONSUMER PRODUCTS & SERVICES

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

1. MINE, METAL, MINERAL PROD & SRV
2. FOREST PRODUCTS, EQUIP, SERVICES
3. GRAINS AND OILSEEDS

4. FISHERIES, SEA PRODUCTS & SERV.
5. AGRI & FOOD PRODUCTS & SERVICE
6. TRANSPORT SYS, EQUIP, COMP, SERV.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ANIMAL,POULTRY BREEDING STOCK

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	600.00 \$M	400.00 \$M	500.00 \$M	500.00 \$M
Canadian Exports	60.00 \$M	60.00 \$M	65.00 \$M	70.00 \$M
Canadian Share of Market	10.00 %	15.00 %	13.00 %	14.00 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	50.00 %
EUROPEAN COMMON MARKET C	10.00 %
PEOPLE'S REP OF CHINA	10.00 %
AUSTRALIA	10.00 %

Products/services for which there are good market prospects:

1. Baled hay
2. Alfalfa pellets, cubes
3. Peat moss
4. Forage and grass seed
5. Mustardseed
6. Pulses
7. Buckwheat
8. Semen, embryos
9. Purebred cattle
10. Purebred swine
11. Poultry breeding stock
12. Horses

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- PEMD support
- Provincial export promotion
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Restrictive standards
- Phytosanitary &
- health regulations
- For some products, market is mature
- i.e. not expanding

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

Activity: Negotiation of bovine embryo health/quality protocol
Expected Results: Sales of \$2 to \$3 million/year

Activity: Negotiation of baled hay fumigation agreement
Expected Results: Sales of \$50 million/year

Activity: Develop heat treatment protocol for suncured hay products
Expected Results: Sales of \$25 million/year

Activity: Develop to facilitate export to Japan

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

Activity: Coordnation and participation in World Swine Show ('91)
Expected Results: Additional exposure of Canadian products

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

Activity: Prepare market report on hay products
Expected Results: Improve awareness/greater market share

Activity: Market development for hay products
Expected Results: Additional long-fibre hay exports of \$25-50 million

Activity: Assist in market development of bovine embryos
Expected Results: New export business of \$2-3 million/year

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: SEEDS & SPECIAL CROPS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	2600.00 \$M	2800.00 \$M	2700.00 \$M	2800.00 \$M
Canadian Exports	430.00 \$M	625.00 \$M	550.00 \$M	600.00 \$M
Canadian Share of Market	16.50 %	22.30 %	20.40 %	21.40 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	50.00 %
MALAYSIA	10.00 %
BRAZIL	10.00 %
PEOPLE'S REP OF CHINA	5.00 %

Current Status of Canadian

exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Canola seed
2. Canola meal
3. Canola oil
4. Soybeans (food grade)
5. Flaxseed
6. Mustardseed

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Competitive pricing

Factors for Canadian exports not reaching market potential:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

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

Activity: Promotion of canola oil thru Canada Food Fairs
Expected Results: Additional awareness and sales

Activity: Twice-yearly canola consultations in Canada & Japan
Expected Results: Exchange of trade & technical info

Activity: Regular oilseed reports plus ad hoc reporting
Expected Results: Additional imports of Canadian oilseeds/products

Activity: Liaison with Japanese industry, government officials
Expected Results: Enhanced relationship and cooperation

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

Activity: Canola oil in Canada Food Fairs (supermarkets)
Expected Results: Regularly stocked item

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

Activity: Study of Japanese canola meal utilization/trends
Expected Results: Focussed market development activity

Activity: Input to provincial government canola industry study
Expected Results: Reinforce importance of Japanese market to canola producers

Activity: Monitor canola oil tariff issue
Expected Results: Safeguard Canadian interests

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: MEATS & MEAT BY-PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	3255.00 \$M	3800.00 \$M	4200.00 \$M	4500.00 \$M
Canadian Exports	164.00 \$M	160.00 \$M	180.00 \$M	200.00 \$M
Canadian Share of Market	5.00 %	4.20 %	4.30 %	4.50 %

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

Major Competing Countries	Market Share
AUSTRALIA	25.00 %
TAIWAN	22.00 %
UNITED STATES OF AMERICA	21.00 %
DENMARK	15.00 %
NEW ZEALAND	10.00 %

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

Products/services for which there are good market prospects:

1. Beef
2. Pork
3. Hosomeat
4. Offal (edible & inedible)
5. Processed meats
6. By-products (glands)
7. Blood serum
8. Hides and skins
9. Blood meal
10. Bone meal
11. Turkey

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- Fairs and Missions support
- Provincial export promotion

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

Factors for Canadian exports not reaching market potential:

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

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

Activity: Market study on horsemeat
Expected Results: Raise market awareness of Canadian exporters

Activity: Market study on game meats
Expected Results: Raise market awareness of Canadian exporters

Activity: Market study on processed beef products
Expected Results: Increase Canadian share of market

Activity: Develop additional new contacts in meat sector
Expected Results: Increase Canadian share of market

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

Activity: CANMEF-related meat promotion events
Expected Results: Increase Canadian share of market

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

Activity: Assist CMC in developing pork marketing strategy
Expected Results: Increase Canadian share of market

Activity: Initiate monthly beef market report
Expected Results: Improved knowledge of market

Activity: Work closely with CANMEF to promote Canadian beef
Expected Results: Increase Canadian share of market

Activity: Study Japanese meat importing/distribution
Expected Results: Assist Cdn exporters in penetrating add'l mkt areas in Jpn

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: SEMI & PROCESSED FOOD & DRINK

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	40.00 %
EUROPEAN COMMON MARKET C	20.00 %
KOREA	10.00 %
TAIWAN	10.00 %
PEOPLE'S REP OF CHINA	10.00 %

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

Products/services for which there are good market prospects:

1. Whisky, alcohol spirits
2. Frozen french fries
3. Bread mix
4. Honey
5. Maple products
6. Bottled water
7. Egg products
8. Mushrooms
9. Custom pack foods
10. Pet foods
11. Processed meats
12. Dairy products

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

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

Activity: Promote Canadian foods thru Canada Food Fair program
Expected Results: New contract and new business

Activity: Encourage buyers missions to Canada
Expected Results: Build awareness of Canada & develop business

Activity: Utilize new food trade enquiry service on priority sector
Expected Results: Bring buyers and sellers together

Activity: Provide market intelligence/surveys on priority sectors
Expected Results: Encourage new Canadian exporters

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

Activity: Expand POP material available
Expected Results: 50-60 companies expected

Activity: Canada Food Fair program
Expected Results: Estimated 100 participants

Activity: Incoming missions/buyers
Expected Results: New business development

Activity: Blueberry promotion
Expected Results: New business development in baking industry

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

Activity: Promote development of OEM products
Expected Results: New business of \$60 million in 3 years

Activity: Organize various product shows
Expected Results: New business development of Cd\$50 million

Activity: Develop new contacts and business relationships
Expected Results: Build awareness of Canada & develop business

Activity: Concentrate marketing efforts on high potential products
Expected Results: Increased sale of 20-30% per year

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: FEED, FERTILIZER & VET PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	4200.00 \$M	3600.00 \$M	4000.00 \$M	3800.00 \$M
Canadian Exports	475.00 \$M	400.00 \$M	450.00 \$M	450.00 \$M
Canadian Share of Market	11.30 %	11.10 %	11.30 %	11.80 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	50.00 %
AUSTRALIA	20.00 %
EUROPEAN COMMON MARKET C	10.00 %
SOUTH AFRICA	5.00 %

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

Products/services for which there are good market prospects:

1. Wheat
2. Barley (feed and malting)
3. Malt
4. Bakery mixes
5. Oats

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

Factors for Canadian exports not reaching market potential:

- _____
- _____

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

Activity: Scheduled reports on wheat (2) and coarse grains (2)
Expected Results: Market intelligence, awareness of competitor activity

Activity: Monitor developments of Japanese Food Agency
Expected Results: Policy on imports may change

Activity: Monitor Japanese gov't food aid procurement
Expected Results: Implications for Canadian wheat sales

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

Activity: Prepare/update report on malt market
Expected Results: Increased market share for Canada

Activity: Prepare/update report on bakery mixes
Expected Results: Expand Cdn share of imports

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : FISHERIES, SEA PRODUCTS & SERV.

Sub-Sector: FISH & SHELLFISH & OTHER PROD

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	11260.00 \$M	13459.00 \$M	14800.00 \$M	16000.00 \$M
Canadian Exports	553.00 \$M	762.00 \$M	840.00 \$M	930.00 \$M
Canadian Share of Market	4.90 %	5.70 %	5.70 %	5.80 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	20.10 %
KOREA	13.90 %
TAIWAN	9.70 %
PEOPLE'S REP OF CHINA	5.70 %
THAILAND	5.60 %
INDONESIA	4.70 %

Current Status of Canadian

exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Pacific Herring Roe
2. Capelin
3. Salmon
4. Crab
5. Atlantic Herring Roe
6. Lobster
7. Sea Urchin
8. Bluefin Tuna
9. Red Fish
10. Northern Shrimp
11. Cod
12. Clams (Geoduck, Surf)

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

Factors contributing to current successful Canadian exports:

- PEMD support
- Fairs and Missions support
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

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

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

- Activity: Promote Canadian seafood under Canada Food Fair program
Expected Results: Increased trade and consumer awareness of Canadian seafood
- Activity: Promote the image of Canada (cleanness, freshness) to consumers
Expected Results: Increased consumer preference for "Canadian fish"
- Activity: Establish computerized market intelligence info system
Expected Results: Provide industry with accurate info quickly
- Activity: Expand awareness in Japan of Canadian fish exporters
Expected Results: Enable Cdn exporters to have easy access to Jpnse market

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

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

Activity: Participation on a larger scale in Foodex
Expected Results: New contacts/business will be generated

Activity: Market development of B.C. salmon
Expected Results: Enhance market penetration

Activity: Capelin mission to Japan
Expected Results: Strengthen the on-going sales promotion

Activity: Promotion of Atlantic lobster
Expected Results: Expand exports to \$40 million

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

Activity: Implementation of Atlantic herring roe promotion measures
Expected Results: Double volume in 5 years starting 1988

Activity: Promotion of sales of Surf Clam
Expected Results: Double volume in one year

Activity: Conduct market studies on specific products with potential
Expected Results: Develop new export opportunities

Activity: Promotion of sales of value-added fishery goods
Expected Results: Contribute to increase profit per visit of products

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : DEFENCE PROGRAMS, PRODUCTS, SERV

Sub-Sector: AEROSPACE & MARINE

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	42000.00 \$M	45000.00 \$M	47000.00 \$M	50000.00 \$M
Canadian Exports	50.00 \$M	60.00 \$M	60.00 \$M	80.00 \$M
Canadian Share of Market	1.10 %	1.20 %	1.20 %	1.30 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	80.00 %
UNITED KINGDOM	5.00 %
FRANCE	2.00 %
GERMANY WEST	2.00 %
SWEDEN	1.00 %
AUSTRIA	1.00 %

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

Products/services for which there are good market prospects:

1. Helicopters
2. Helicopter avionics
3. Winterized military equipment
4. Aircraft engine parts
5. Helicopter haul down equipment
6. Doppler radars
7. Crash position indicator
8. Aircraft servicing equipment
9. Inertial navigation systems
10. Sonobuoys
11. Training equipment

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Tied to U.S. military

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Non-competitive pricing
- Lack of promotion and advertising
- Unsuitable product
- Limited appreciation/understanding of distribution system
- Limited Canadian capabilities
- Market prospects have not been adequately explored
- Prefer local
- production

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

Activity: Defence/aerospace strategy and marketing plan
Expected Results: Increased market profile

Activity: Contract position for retired Japanese naval officer
Expected Results: Increased market knowledge

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

Activity: Hitech Show

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

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

Activity: Market opportunity search re army build up

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1575.00 \$M	1800.00 \$M	2400.00 \$M	3000.00 \$M
Canadian Exports	10.00 \$M	18.00 \$M	25.00 \$M	31.00 \$M
Canadian Share of Market	0.60 %	1.00 %	1.00 %	1.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	50.00 %
MALAYSIA	12.00 %
TAIWAN	8.00 %
KOREA	6.00 %
UNITED KINGDOM	4.00 %
FRANCE	3.00 %

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

Products/services for which there are good market prospects:

1. Digital PARX equipment
2. Value added network equipment
3. Data compression equipment
4. Satellite system equipment

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

Factors for Canadian exports not reaching market potential:

- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- _____
- _____

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

Activity: Canada-Japan Telecom Seminars
Expected Results: Increased interest in market

Activity: Support for Canadian companies in NTT Tracks 2 + 3
procurement
Expected Results: Potential sales of \$10 million per year

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

Activity: Telecom/Datacomm Mission to Japan
Expected Results: Expanded sales of \$2 million

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: COMPUTERS HARD/SOFTWARE & COMP

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	2100.00 \$M	2660.00 \$M	2900.00 \$M	3200.00 \$M
Canadian Exports	20.00 \$M	36.00 \$M	44.00 \$M	80.00 \$M
Canadian Share of Market	1.20 %	1.40 %	1.40 %	2.50 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	72.00 %
TAIWAN	8.00 %
KOREA	6.00 %
UNITED KINGDOM	4.00 %
GERMANY WEST	2.00 %

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

Products/services for which there are good market prospects:

1. Computer software
2. Connectors and components
3. Disc drives and parts

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

Factors for Canadian exports not reaching market potential:

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

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

Activity: Introduction of new Canadian software companies
 Expected Results: Expanded sales of specialty products

Activity: Support for Japanese companies developing software centres in Canada
 Expected Results: Direct investment of \$8 million this year

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

Activity: Canadian Software Mission to Japan
 Expected Results: Prospects of \$2 million initial sales

Activity: JISA Mission to Canada
 Expected Results: Prospects of joint ventures

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: INSTRUMENT & PROCESS CONTROLS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1800.00 \$M	2010.00 \$M	2400.00 \$M	2800.00 \$M
Canadian Exports	16.00 \$M	40.00 \$M	50.00 \$M	52.00 \$M
Canadian Share of Market	0.80 %	1.90 %	2.10 %	1.80 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	0.00 %
KOREA	0.00 %
MALAYSIA	0.00 %
TAIWAN	0.00 %
THAILAND	0.00 %
GERMANY WEST	0.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Chromatograph
2. Lasers
3. Circuit boards
4. Connectors
5. Instrumentation

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

Factors for Canadian exports not reaching market potential:

- Unsuitable product
- Limited appreciation/understanding of distribution system
- Limited Canadian capabilities
- Market prospects have not been adequately explored
- _____
- _____

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

Activity: Japanese electronic industry importers contact program
Expected Results: Continuation of 1988 JEPIA Mission positive trade results

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

Activity: Second JEPIA Mission to Canada

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: NUCLEAR

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	13600.00 \$M	13700.00 \$M	13800.00 \$M	13900.00 \$M
Canadian Exports	12.00 \$M	25.00 \$M	34.00 \$M	35.00 \$M
Canadian Share of Market	0.08 %	0.18 %	0.25 %	0.25 %

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

Major Competing Countries

Market Share

JAPAN	90.00 %
UNITED STATES OF AMERICA	4.90 %
FRANCE	3.20 %
GERMANY WEST	1.00 %
UNITED KINGDOM	0.50 %
SWEDEN	0.20 %

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

Products/services for which there are good market prospects:

1. CANDU reactor
2. Isotopes
3. Irradiators
4. Heavy Water
5. Engineering Services

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

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

Activity: Continuation of representations by Canadian Ministers to their Japanese counterparts on every suitable occasion.
Expected Results: Increased pressure to purchase CANDU & other Cdn tech & eqpt

Activity: Continuation of timely visits by AECL executives to Electric Power Development Co., MITI, Atomic Energy Commission, etc.
Expected Results: Commitment by EPDC to purchase CANDU by 1994/95

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

CANDU	Approximate Value:	2200 M\$
	Financing Source :	
	Contact	: Wynne/Kiyohara, Embassy
Supply of heavy water & Engrng svcs for advncd thermal ractor	Approximate Value:	150 M\$
	Financing Source :	
	Contact	: Wynne/Kiyohara, Embassy

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : TRANSPORT SYS, EQUIP, COMP, SERV.

Sub-Sector: AUTOMOTIVE

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	46000.00 \$M	48000.00 \$M	50000.00 \$M	52000.00 \$M
Canadian Exports	50.00 \$M	60.00 \$M	70.00 \$M	80.00 \$M
Canadian Share of Market	1.00 %	1.00 %	1.20 %	1.30 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	5.00 %
GERMANY WEST	2.00 %
UNITED KINGDOM	1.00 %
FRANCE	1.00 %
TAIWAN	1.00 %
KOREA	1.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Auto glass
2. Tires
3. Auto diagnostic equipment
4. Auto chemicals, i.e., rust proofing
5. Jacks, i.e., all varieties
6. Auto winter accessories
7. Brake pads
8. Auto tools
9. Auto plastics
10. Aluminum wheels
11. Roof racks
12. New auto gadgets

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Fairs and Missions support
- Strong sectoral capability in Canada
- Willingness of exporters to invest/joint venture in territory
- Persistence flexibility

Factors for Canadian exports not reaching market potential:

- Market prospects have not been adequately explored
- Non-interest, inconsistent quality,
- price/delivery problems

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

Activity: Toronto Auto Industries Association Show (May '90)
Expected Results: 15-20 million sales

Activity: Incoming Auto Accessories Mission (May '90)
Expected Results: 10-15 million sales

Activity: Outgoing Auto Parts Sourcing Mission (Oct. '90)
Expected Results: Technology transfer

Activity: Auto Plastics/materials Mission (Nov. '90)
Expected Results: Technology transfer

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

Activity: The Asean Car: Canadian auto opportunities
Expected Results: Share of market

Activity: Top '25' Auto Accessories Study (Sept. '90)
Expected Results: 5-10 million market potential

Activity: Japanese auto transplant opportunities study (Feb. '90)
Expected Results: Share of 1.5 trillion market

Activity: EEC 1992 for Japan: Canadian auto opportunities (May '90)
Expected Results: Share of market

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: WOOD AND WOOD PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	8095.00 \$M	9800.00 \$M	11500.00 \$M	13500.00 \$M
Canadian Exports	1251.00 \$M	1568.00 \$M	1850.00 \$M	2300.00 \$M
Canadian Share of Market	15.50 %	16.00 %	16.00 %	17.00 %

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

Major Competing Countries

Market Share

MALAYSIA	35.00 %
UNITED STATES OF AMERICA	32.00 %
UNION OF SOVIET SOC REP	7.00 %
INDONESIA	3.00 %
PEOPLE'S REP OF CHINA	2.00 %
TAIWAN	2.00 %

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

Products/services for which there are good market prospects:

1. 2X4 dimension lumber
2. Specialized lumber cut
3. Plywood
4. Log homes
5. Hardwood lumber
6. Flooring
7. Manufactured wood products

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

Factors for Canadian exports not reaching market potential:

- Japanese sizes must be accommodated

-

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

Activity: Continue efforts to influence revision of building codes
Expected Results: Expand use of dimension lumber

Activity: Continue efforts to obtain tariff reductions
Expected Results: Lower price to maker for SPF

Activity: Support transfer of R-2000 tech. to Japan
Expected Results: Broadening of choice for consumer

Activity: Continue widespread dissemination of info on Canadian log homes
Expected Results: Continue growth in the market

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

Activity: Follow-up on market study on hardwood products
Expected Results: Pierce into market in a new range of product

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: PULP AND PAPER PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1872.00 \$M	2359.00 \$M	2800.00 \$M	3000.00 \$M
Canadian Exports	802.00 \$M	1027.00 \$M	1250.00 \$M	1350.00 \$M
Canadian Share of Market	43.00 %	44.00 %	44.00 %	45.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	35.00 %
BRAZIL	0.60 %
NEW ZEALAND	0.40 %
SWEDEN	0.30 %
SOUTH AFRICA	0.00 %
CHILE	0.00 %

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

Products/services for which there are good market prospects:

1. Coated papers
2. Newsprint

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

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

Activity: Survey of overseas investment/expansion plans

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

Activity: Mission to Japan: Mechanical pulp

Activity: Survey: Investment overseas

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: EQUIPMENT AND MACHINERY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	350.00 \$M	400.00 \$M	800.00 \$M	1200.00 \$M
Canadian Exports	15.00 \$M	30.00 \$M	45.00 \$M	60.00 \$M
Canadian Share of Market	4.30 %	7.50 %	5.60 %	5.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	40.00 %
SWEDEN	12.00 %
FINLAND	10.00 %
GERMANY WEST	10.00 %

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

Products/services for which there are good market prospects:

1. Forest harvesting equipment
2. Pulp and paper equipment
3. Wood preparation equipment
4. Saw milling equipment

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

Factors for Canadian exports not reaching market potential:

- Unsuitable product
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- _____
- _____

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

Activity: Study of saw milling equipment market
Expected Results: 6-8 good sales opportunities

Activity: Mission of Selected Pulp and Paper Equipment
Expected Results: 8-10 new agency agreements

Activity: Agents to Canada (January 1989)

Activity: Continuing support for forest harvesting program
Expected Results: Expanded sales to \$14 million per year

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

Activity: Pulp and Paper Equipment Mission to Japan
Expected Results: Initial sales of \$3 million

Activity: Saw Mill Equipment Mission to Japan
Expected Results: Initial sales of \$1.5 million

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : MINE, METAL, MINERAL PROD & SRV

Sub-Sector: MINERALS AND MINERAL PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	10795.00 \$M	11200.00 \$M	11600.00 \$M	12000.00 \$M
Canadian Exports	1164.00 \$M	1300.00 \$M	1400.00 \$M	1800.00 \$M
Canadian Share of Market	10.70 %	11.60 %	12.00 %	15.00 %

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

Major Competing Countries

Market Share

AUSTRALIA	22.00 %
UNITED STATES OF AMERICA	13.40 %
BRAZIL	8.20 %
INDONESIA	7.40 %
PHILIPPINES	6.20 %
INDIA	5.70 %

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

Products/services for which there are good market prospects:

1. Copper ore
2. Zinc ore
3. Lead ore
4. Molybdenum ore
5. Niobium ore
6. Rare metals

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : MINE, METAL, MINERAL PROD & SRV

Sub-Sector: METALS, PRIMARY & FABRICATED

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	17141.00 \$M	17800.00 \$M	18500.00 \$M	19300.00 \$M
Canadian Exports	619.00 \$M	700.00 \$M	800.00 \$M	900.00 \$M
Canadian Share of Market	3.61 %	3.93 %	4.32 %	4.66 %

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

Major Competing Countries

Market Share

KOREA	11.60 %
UNITED STATES OF AMERICA	11.10 %
AUSTRALIA	8.80 %
BRAZIL	6.90 %
UNION OF SOVIET SOC REP	4.90 %
SOUTH AFRICA	4.90 %

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

Products/services for which there are good market prospects:

1. Unwrought nickel
2. Refined copper
3. Refined zinc
4. Aluminum ingot

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: PETROLEUM AND PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	40510.00 \$M	42500.00 \$M	43000.00 \$M	43300.00 \$M
Canadian Exports	45.00 \$M	60.00 \$M	80.00 \$M	100.00 \$M
Canadian Share of Market	0.11 %	0.14 %	0.18 %	0.23 %

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

Major Competing Countries	Market Share
SAUDI ARABIA	23.70 %
SINGAPORE	13.10 %
INDONESIA	11.40 %
UNITED STATES OF AMERICA	9.80 %
KUWAIT	8.30 %
UNITED ARAB EMIRATES	5.80 %

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

Products/services for which there are good market prospects:

1. Gas oil
2. Gasoline
3. Crude oil
4. LNG

Factors for Canadian exports not reaching market potential:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : CHEM PROD & PETROCHEM, EQP, SERV

Sub-Sector: CHEM & PETROCHEM PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	13872.90 \$M	20543.30 \$M	20924.10 \$M	22000.00 \$M
Canadian Exports	332.00 \$M	549.40 \$M	559.70 \$M	660.00 \$M
Canadian Share of Market	2.39 %	2.67 %	2.68 %	3.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	31.80 %
GERMANY WEST	13.30 %
FRANCE	6.30 %
UNITED KINGDOM	5.20 %
SWITZERLAND	4.50 %
PEOPLE'S REP OF CHINA	3.50 %

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

Products/services for which there are good market prospects:

1. Methanol
2. Ethylene glycol
3. Organic acids
4. Propyl alcohol
5. Nitrite compounds
6. Diphenylamine

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Jpns domestic mkt prices continues
- to be unfavourable to Cdn exporters

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

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

Activity: Analysis and regular reporting on restructuring of chemical industries
Expected Results: Identification of trade/investment opportunities

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

Activity: Investigate status of environmental technologies and products in Japan
Expected Results: Formulate strategies for industrial cooprat'n in environment

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : CHEM PROD & PETROCHEM, EQP, SERV

Sub-Sector: PLASTICS PRODUCTS, EQUIP, SERVIC

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	448.30 \$M	457.50 \$M	524.00 \$M	550.00 \$M
Canadian Exports	7.70 \$M	12.00 \$M	4.70 \$M	6.00 \$M
Canadian Share of Market	1.70 %	2.60 %	0.90 %	1.10 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	52.00 %
TAIWAN	14.00 %
KOREA	13.00 %
GERMANY WEST	8.70 %
UNITED KINGDOM	6.00 %
SINGAPORE	4.00 %

Products/services for which there are good market prospects:

1. Plates, sheets, film, tape
2. Floor coverings
3. Reinforced plastics (including composites)
4. Tubes and hoses
5. Monofilaments

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- PEMD support
- Fairs and Missions support
- Competitive pricing
- Strong sectoral capability in Canada
- Bilateral economic trade agreement

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

Factors for Canadian exports not reaching market potential:

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

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

Activity: Mission to SAMPE Japan (plastic composites)
 Expected Results: Increased opportunities for export, licensing, joint venture

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

Activity: SAMPE Mission to Canada
 Expected Results: Increased trade and investment in plastics composites

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : CONSUMER PRODUCTS & SERVICES

Sub-Sector: APPAREL (CLOTH, FUR, SHOES) TEXT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	14603.00 \$M	17397.00 \$M	18652.00 \$M	20500.00 \$M
Canadian Exports	46.30 \$M	64.60 \$M	55.00 \$M	62.00 \$M
Canadian Share of Market	0.30 %	0.40 %	0.30 %	0.30 %

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

Major Competing Countries

Market Share

HONG KONG	25.00 %
SCANDINAVIA	15.00 %
UNITED STATES OF AMERICA	15.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Fur skin
2. Fur garments
3. Women's apparel

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Bilateral economic trade agreement

Factors for Canadian exports not reaching market potential:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

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

Activity: Work with Japanese fur industry to more effectively promote Canadian furs

Expected Results: Improved Canadian performance

Activity: Meet with fashion industry to develop markets for Canadian apparel

Expected Results: Increased awareness of Canadian fashion capability

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

Activity: World Fashion Fair

Expected Results: \$1 million

Activity: Solo Show

Activity: Regional Shows

Expected Results: Greater exposure in the regions

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

Activity: Canadian exporters' brochure for distribution to importers

Expected Results: Wider distribution of Canadian enquiries

Activity: Fashion shows in the new chancery

Expected Results: Increased awareness of Canada as supplier of fashion items

Activity: Work with Canadian industry to improve Canadian image

Expected Results: Enhanced marketability

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : CONSUMER PRODUCTS & SERVICES

Sub-Sector: JEWELRY & GIFTWARE

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	753.00 \$M	790.00 \$M	806.00 \$M	825.00 \$M
Canadian Exports	159.20 \$M	177.90 \$M	187.00 \$M	196.00 \$M
Canadian Share of Market	21.10 %	22.50 %	23.20 %	23.80 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	39.00 %
KOREA	27.00 %

Products/services for which there are good market prospects:

1. Costume jewellery
2. Giftware
3. Gold coins

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

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

Activity: Identification of buyers of Canadian jewellery
Expected Results: Better service to Canadian exporters

Activity: Dissemination of information regarding Canadian jewellery
Expected Results: Greater awareness of Canadian capability

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

Activity: Regional shows
Expected Results: Increase in number of agents

Activity: Gift show

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

Activity: Joint promotion with MINT
Expected Results: Enhance sales of both coins & other products

Activity: Support activities of MINT office
Expected Results: Continued growth in sales

Activity: Participate in fashion shows
Expected Results: General exposure

Activity: Develop profile of Canadian jewellery designers
Expected Results: Educate Japanese importers

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : CONSUMER PRODUCTS & SERVICES

Sub-Sector: CULTURE INDUSTRIES

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1655.00 \$M	1839.00 \$M	2000.00 \$M	2200.00 \$M
Canadian Exports	6.10 \$M	5.20 \$M	6.00 \$M	7.00 \$M
Canadian Share of Market	0.40 %	0.30 %	0.30 %	0.30 %

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

Major Competing Countries	Market Share
PEOPLE'S REP OF CHINA	35.00 %
FRANCE	15.00 %
UNITED STATES OF AMERICA	10.00 %

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

Products/services for which there are good market prospects:

1. Arts and crafts

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

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

- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

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

Activity: Identify galleries that may sponsor Canadian artists
Expected Results: Introduction of Canadian art

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

Activity: Establish Canadian art gallery in new chancery
Expected Results: Greater exposure than is presently possible

Activity: Carry out study to determine market potential for Canadian art

Activity: Organize Canadian suppliers and adopt orderly marketing strategy
Expected Results: Potential for general impact

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : CONSUMER PRODUCTS & SERVICES

Sub-Sector: LEISURE PROD. TOOLS HARDWARE

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1074.00 \$M	1179.00 \$M	1202.00 \$M	1226.00 \$M
Canadian Exports	6.40 \$M	6.70 \$M	7.20 \$M	8.00 \$M
Canadian Share of Market	0.60 %	0.60 %	0.60 %	0.70 %

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

Major Competing Countries

Market Share

TAIWAN	15.00 %
UNITED STATES OF AMERICA	15.00 %
AUSTRIA	10.00 %

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

Products/services for which there are good market prospects:

1. Sports equipment
2. Pleasure boats

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Visits to agents/distributors
Expected Results: Better understanding of market

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: International Boat Show
Expected Results: Exposure of Canadian capability

For the next fiscal year, the mission is planning to undertake the following new export support initiative(s) in this sector/sub-sector:

Activity: Develop Canadian consumer products show case
Expected Results: Long-term display and sustained promotion

Activity: Promotion of the role of Canadian Embassy
Expected Results: Educate Japanese importers generate enquiries

Activity: Produce and refine export brochure
Expected Results: Wide distribution of enquiries

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : CONSUMER PRODUCTS & SERVICES

Sub-Sector: FURNITURE & APPLIANCES

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1600.00 \$M	1754.00 \$M	1930.00 \$M	2120.00 \$M
Canadian Exports	9.30 \$M	10.30 \$M	11.50 \$M	13.00 \$M
Canadian Share of Market	0.60 %	0.60 %	0.60 %	0.60 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 30-60 \$M

Major Competing Countries

Market Share

TAIWAN	35.00 %
EUROPEAN COMMON MARKET C	30.00 %
UNITED STATES OF AMERICA	10.00 %

Current Status of Canadian
exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. Furniture
2. Household goods

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Define market parameter
Expected Results: Understanding of Japanese market

Activity: Meet Japanese furniture associations
Expected Results: Promote Canadian capabilities

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Furniture Fair

For the next fiscal year, the mission is planning to undertake the following new export support initiative(s) in this sector/sub-sector:

Activity: Solo show
Expected Results: Focus attention on Canadian furniture and household goods

Activity: Encourage participation in furniture fair
Expected Results: Find new buyers

Activity: Production and distribution of Canadian exporters catalogue
Expected Results: Encourage and find new importers

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : EDUCATION, MEDICAL, HEALTH PROD

Sub-Sector: PHARMACEUTICALS, BIOTECHNOLOGY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1900.00 \$M	2277.00 \$M	2252.00 \$M	2400.00 \$M
Canadian Exports	7.60 \$M	9.50 \$M	8.10 \$M	12.00 \$M
Canadian Share of Market	0.40 %	0.41 %	0.36 %	0.50 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 5-15 \$M

Major Competing Countries	Market Share
GERMANY WEST	34.00 %
UNITED STATES OF AMERICA	20.00 %
SWITZERLAND	15.00 %
UNITED KINGDOM	7.00 %
DENMARK	3.80 %
SWEDEN	3.50 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Diagnostic reagents and kits
2. Serum media

Factors contributing to current successful Canadian exports:

- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Provincial export promotion
- Competitive pricing
- Strong sectoral capability in Canada

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- Ministry of Health
- regulations
- _____
- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Report on company activities, market developments in Japan's biotechnology industry
Expected Results: Information to potential exporters

Activity: Carry out consultants study on diagnostics market
Expected Results: Increase trade and investment in diagnostics area

For the next fiscal year, the mission is planning to undertake the following new export support initiative(s) in this sector/sub-sector:

Activity: Diagnostics Mission to Japan
Expected Results: Increases diagnostics exports

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : EDUCATION, MEDICAL, HEALTH PROD

Sub-Sector: HOSP. & MEDICAL EQUIP, INSTRUM.

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	2560.00 \$M	2839.00 \$M	3135.00 \$M	3400.00 \$M
Canadian Exports	16.20 \$M	20.40 \$M	18.80 \$M	20.00 \$M
Canadian Share of Market	0.60 %	0.70 %	0.60 %	0.60 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: \$M

Major Competing Countries

Market Share

GERMANY WEST	30.00 %
UNITED STATES OF AMERICA	21.00 %
SWITZERLAND	16.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Diagnostic kits
2. Medical equipment
3. Pharmaceuticals
4. Medical supplies

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored

01/12/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Meet importers/distributors

For the next fiscal year, the mission is planning to undertake the following new export support initiative(s) in this sector/sub-sector:

Activity: Encourage Canadian participation in health & medical trade fairs

Expected Results: Increased sales

Activity: Identify distribution structure

Expected Results: Assist market development

Activity: Distribute information on Canadian capability

Expected Results: Enhanced Canadian profile

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : CONSTRUCTION INDUSTRY

Sub-Sector: BUILDING PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	46000.00 \$M	60000.00 \$M	62000.00 \$M	63000.00 \$M
Canadian Exports	3.00 \$M	4.00 \$M	4.50 \$M	6.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 15-30 \$M

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	10.00 %
TAIWAN	5.00 %
EUROPEAN COMMON MARKET C	5.00 %
KOREA	3.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Windows and doors
2. Cabinetry
3. Flooring
4. Granite exterior tiling
5. Millwork
6. Ventilation appliances

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Adapt prod to mkt specs

Factors for Canadian exports not reaching market potential:

- Lack of product adaptation
- Lack of market research

01/12/89

DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Good Living Show '90

For the next fiscal year, the mission is planning to undertake the following new export support initiative(s) in this sector/sub-sector:

Activity: Japan Build '90

Activity: KIHF '90

Activity: Surveys: Granite, (Plywood, concrete form), Wall panelling, Modular Kitchens (JETRO update), pre-fab houses

Activity: Theme village sourcing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : INDUSTRIAL MACHIN, PLANTS, SERV.

Sub-Sector: MANUFACT & MATERIAL PLANT, EQP.

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	160.00 \$M	200.00 \$M	280.00 \$M	350.00 \$M
Canadian Exports	2.00 \$M	4.00 \$M	8.00 \$M	14.00 \$M
Canadian Share of Market	1.20 %	2.00 %	2.90 %	4.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 30-60 \$M

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	60.00 %
GERMANY WEST	20.00 %
FRANCE	5.00 %
UNITED KINGDOM	5.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Packaging machinery
2. Food processing machinery
3. Plastics industry machinery

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing

Factors for Canadian exports not reaching market potential:

- Unsuitable product
 - Limited appreciation/understanding of distribution system
 - Limited Canadian capabilities
 - Market prospects have not been adequately explored
-

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Food machinery study
Expected Results: To increase market awareness

Activity: Packaging industry study
Expected Results: To increase market awareness

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Food Machinery Mission to Japan
Expected Results: 6-8 agency agreements

Activity: Packaging Industry Mission to Japan
Expected Results: 4-5 agency agreements

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: TOKYO

Market: JAPAN

Sector : OTHER SERVICES

Sub-Sector: CONSUL & SERVS NOT ELSE SPECI

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	28000.00 \$M	38000.00 \$M	40000.00 \$M	42000.00 \$M
Canadian Exports	600.00 \$M	1200.00 \$M	800.00 \$M	1600.00 \$M
Canadian Share of Market	2.10 %	3.20 %	2.00 %	3.80 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	40.00 %
UNITED KINGDOM	15.00 %
GERMANY WEST	15.00 %
AUSTRALIA	6.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Electrical general equipment
2. Transportation equipment
3. Consulting services
4. Telecom equipment

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- CIDA programs
- Competitive pricing
- Strong sectoral capability in Canada
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: TOKYO

Market: JAPAN

Factors for Canadian exports not reaching market potential:

- Limited Canadian capabilities
- Market prospects have not been adequately explored
- Performance of local agent or representative
- _____
- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Third Country Cooperation Conference in Canada
 Expected Results: Introduction of new Canadian firms

Activity: Canadian Consulting Eng. Mission to Japan
 Expected Results: Cooperation Agreement with Japanese firms

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Third Country Cooperation Conference
 Expected Results: New cooperative agreements

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: TOKYO

Country: JAPAN

The mission reports that the approximate flows to all countries of investment from its country/territory in Canadian \$ is as follows: (including portfolio flows if a primary focus)

	Total (\$ Million)	Canadian Share	Major Competitor Share
Two years ago	40688.00	0.00	0.00
One year ago	56650.00	0.00	0.00
Current year	79850.00	0.00	0.00

Canada's major competitors for investment from this territory/country are:

- USA
- EEC

The following types of activities are currently being undertaken by Canada's major competitors to attract investment from this territory/country:

- 1. US Gov't protectionist policies & tactics
- 2. EC's 1992 threatened trade bloc.
- 3. State investment promotion activities carried out by local offices' aggressive investment incentive programs & high-profile participation by State Gov'ns.
- 4. Aggressive promotion of M&A & investment banking services by bank

IDP Partners and related program activities:

Selected Japanese Banks

- Intermediary activities with banks customers and contacts

Selected Japanese trading houses

- Intermediary activities with customers and contacts

Japanese government: MITI

- Japanese Investment Survey Mission 22 October to 2 November 1989

Keidanren

- Mission and high-profile speaking platform for visiting VIP's

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: TOKYO

Country: JAPAN

IDP Partners and related activities cont d:

Canadian banks and provincial offices in Tokyo

- Participation in joint promotional activities and shared contacts

Local chambers of commerce, JETRO offices and Canada societies

- Regional awareness programs

JETRO

- Intermediary activities with contacts

CCCJ

- Speaking platform for visiting VIP's

Pacific Automotive Cooperation, Inc.

- Investment workshops for Canadian joint venture partners

Japanese companies operating in Canada

- Investor testimonials

Compared to major competitive destinations, Canada is perceived to have the following advantages:

- World class advanced technologies possessed by Canadian industry in selected sectors
- Government economic policies in support of increased foreign investment (ICA, FTA)
- Most profitable location for production base vis a vis NA market entry in selected sectors
- Ability to secure access to products, both natural resource manufactured, for consumption or use in Japan
- Quality of life, with emphasis on physical security (safety)

the following constraints:

- Market size (U.S. is 10 times and EC market is 12 times the size of Canada's)
- U.S. is far better understood as a location for investment than is Canada
- U.S. Government (and EEC) protectionist activities draw potential investors from Canada
- Existing Japanese investment in U.S. acts as critical mass to attract more

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: TOKYO

Country: JAPAN

The mission indicates the following potential for various types of investment from within its territory/country:

Type of Investment	Potential
Portfolio	HIGH
Acquisition	MEDIUM
Greenfield	HIGH
Joint Venture	HIGH
Strategic Partnering	HIGH
Technology Licensing	MEDIUM

The mission believes that the following sectors are of greatest interest to investors in its territory/country an assigned ranking A = High B = Medium C = Low

Sector	Ranking
Agriculture/Food/Fish	A
Resource Processing	A
Machinery and Equipment	B
Transportation	A
Consumer Products	C
Commercial Service	C
Computer and Communications	B
Health Care Products/Medical	B
Aerospace and Defence	C
Strategic Technologies	A

RPTD2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: TOKYO

The mission has proposed the following investment promotion activities for the next fiscal year:

Seq #	Date
Type: MISSION OUT, INDUSTRY	
7	04/90
Event Description: Support of ISTD promotional activities	
City :	
Country : JAPAN	
Investment Nature: Greenfield	
Joint Venture	
Partnering	
Investment Sector: COMMERCIAL SERVICE	
Event Cooperants :	
ISTC	
Estimated Budget : \$10,000.00	
Type: MISSION IN, TO INDUSTRY	
2	04/90
Event Description: Follow-up activities with respect to Japanese Investment Study Mission to Canada (22 Oct to 2 Nov 1989)	
City :	
Country : JAPAN	
Investment Nature: Greenfield	
Joint Venture	
Partnering	
Investment Sector: COMMERCIAL SERVICE	
Event Cooperants :	
Mission members	
Estimated Budget : \$50,000.00	
Type: LOCAL PUBLICATION	
8	04/90
Event Description: Preparation of Doing Business in Cda publication (in Jpnse), incl. testimonials from investors (& Study Mission members)	
City :	
Country : JAPAN	
Investment Nature: Greenfield	
Joint Venture	
Partnering	
Investment Sector: COMMERCIAL SERVICE	
Event Cooperants :	
Investment Canada, ISTD, Professions, Investors, (Mission members)	
Estimated Budget : \$50,000.00	

RPTD2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: TOKYO

The mission has proposed the following investment promotion activities for the next fiscal year:

Seq #	Date
Type: OUTCALL PROGRAM	
6	04/90
Event Description: Regional outreach program (outside Kanto/Kansai core)	
City :	
Country : JAPAN	
Investment Nature: Greenfield	
Joint Venture	
Partnering	
Investment Sector: COMMERCIAL SERVICE	
Event Cooperants :	
Local associations, governments, banks	
Estimated Budget : \$25,000.00	
Type: OTHER PROMOTION	
1	04/90
Event Description: Ongoing corporate liaison with identified investment and strategic partnering prospects	
City :	
Country : JAPAN	
Investment Nature: Greenfield	
Joint Venture	
Partnering	
Investment Sector: COMMERCIAL SERVICE	
Event Cooperants :	
Professions/Provincial Gov't/Jpnse Gov't, Assoc, Chambers	
Estimated Budget : \$20,000.00	
3	04/90
Event Description: Identification of prospects through ongoing corporate liaison with selected banks and trading houses	
City :	
Country : JAPAN	
Investment Nature: Greenfield	
Joint Venture	
Partnering	
Investment Sector: COMMERCIAL SERVICE	
Event Cooperants :	
Japanese banks and trading companies	
Estimated Budget : \$0.00	

RPTD2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: TOKYO

The mission has proposed the following investment promotion activities for the next fiscal year:

Seq #	Date
Type: OTHER PROMOTION	
5	04/90
Event Description: Support of/coordination with Osaka ConGen investment promotion activities	
City :	
Country : JAPAN	
Investment Nature: Greenfield	
Joint Venture	
Partnering	
Investment Sector: COMMERCIAL SERVICE	
Event Cooperants :	
Osaka Consulate General	
Estimated Budget : \$5,000.00	
4	04/90
Event Description: Sectorally targetted investment initiatives determined in conjunction with ISTC and Embassy sector officers	
City :	
Country : JAPAN	
Investment Nature: Greenfield	
Joint Venture	
Partnering	
Investment Sector: COMMERCIAL SERVICE	
Event Cooperants :	
ISTC	
Estimated Budget : \$20,000.00	
Total estimated budget for all proposals: \$180,000.00	

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Tokyo

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/04/00	Regional Trade Show, Tokyo, Japan Info Booth, Only	Consumer Products
90/04/00	Solo Food Shows, Tokyo Japan Fair, Solo	Agri & Food Products & Services
90/04/00	Good Living Show, Tokyo, Japan Info Booth, Only	Construction Industry
90/05/00	Mission From Japan To Montreal Fur Fair Mission In, To Industry	Consumer Products
90/05/00	North American Lifestyle Show, Tokyo, Japan Info Booth, Only	Consumer Products
90/10/00	New chancery Seminars, Biotech- Nology, Software, Tokyo, Japan Other Promotion	Advanced Tech. Products & Services
90/09/00	Tokyo Int'l Gift Show, Tokyo Japan Info Booth, Only	Consumer Products
90/10/00	Tokyo Motor Show, Tokyo, Japan Fair, National Stand	Transport Sys, Equip, Comp, & Services
91/02/00	Tokyo Sporting Goods Show, Tokyo, Japan Info Booth, Only	Consumer Products
91/02/00	Mission From Japan To CDN. Sporting Goods Show, Montreal Missioin In, To Industry	Consumer Products
00/00/00	BIO'90 - Biotechnology Show, Tokyo, Japan Fair, Solo	Advanced Tech. Products & Services

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: OSAKA

Country: JAPAN

The falling \$US/Yen exchange rate from the early '80's is no longer the dominant economic force influencing Japan's Kansai region. However, there has been a profound change in local attitudes which is now more favourable towards imports, overseas tie-ups, and investment abroad. Strong consumer spending and new business investment in plant and machinery in 1988 offset losses resulting from reduced exports. Japanese company profitability increased as firms successfully shifted production to higher-value-added items and by moving production of low-value-added items offshore. The Japanese economy has traditionally depended on exports for growth in GNP but clearly Japan is moving towards an economy driven increasingly by domestic demand. This means more opportunities for Canadian exporters as Japanese companies seek more from abroad and diversify into new business ventures. The trend in the Kansai of companies moving into new business areas, adopting lower cost production strategies and opening import trade departments has continued and many Canadian companies have already benefited. Kansai exceeds the national average in medium and small-sized businesses integrated into the export economy. Kansai firms have a reputation for being more direct and open to new business ideas than elsewhere in Japan. Opportunities exist for Canadian exporters in the high tech areas of bio-technology, instrumentation, software and communications equipment. Aided by more disposable income, overseas travel, and a spirit of "internationalization", momentum for imports is increasing as Japanese consumers purchase foreign-made goods, particularly processed food, and beverage products and a wide range of consumer items such as fashion garments. The housing boom which peaked in 1988 shows signs of gaining strength again. The longer term indicates strong sales potential as Japanese upgrade their housing which is still far below desired standards. There are major opportunities for manufactured wood products and other building materials. The Vancouver Village is one of many imported housing projects that has generated interest among local consumers. The interest- aspect of these projects is that virtually everything has been imported, from the lumber through to furniture. Japanese have an excellent image of Canadian housing and lifestyles and this image can transfer directly to greater sales opportunities. The Kansai Int'l Airport project (completion 1993), is open to foreign participation and opportunities exist for Canadian companies with the right product and persistence to supply a wide range of goods and services, not necessarily those restricted to the categories of airport-related equipment. Kansai may well become the preferred gateway to Japan due to the inconvenience and limitations of Tokyo's Narita Airport. Japan's external trade surplus is declining gradually, but will remain a major source of political irritation in US/Japan trade relations (Japan was named the principal culprit in the USA's 301 Omnibus Trade Bill this year). At best, Japan will still have no less than \$US 50 billion surplus in each of the next two years and will therefore be subject to pressure to import more from overseas. Protectionist leanings, the expectation of further strengthening of the Yen, and high levels of liquidity will accelerate the movement of production facilities to lower production cost centres closer to traditional export markets.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: OSAKA

Country: JAPAN

The Mission selected the following sectors as priority areas for export promotion activities for the coming fiscal year for the stated reason:

1. AGRI & FOOD PRODUCTS & SERVICE

The Japanese imported food market is expanding rapidly, offering immediate opportunities for competitively priced, high quality food items. Imminent import liberalization (eg. beef 1992), favourable \$/Yen exchange rates and new market-acceptance of foreign goods are factors which will continue benefit suppliers with long range plans.

2. FOREST PRODUCTS, EQUIP, SERVICES

Strong demand continuing in construction and renovation mkts. Rising affluence and increased travel abroad are resulting in diversified tastes which with traditional fondness for natural wood appearances and strong interest in Nth Am housing and lifestyle means unlimited opportunities for high quality building materials suppliers.

3. FISHERIES, SEA PRODUCTS & SERV.

Yen/\$ exchange rate continues to favour established exporters of fresh and processed fish products. Opportunities exist to supply material for local processing, and introduction of lower-cost, non-traditional fish varieties. For live or higher-value processed fish products, successful marketing strategy should treat like consumer products.

4. ADVANCED TECH. PROD. & SERV

Export opportunities exist for a wide variety of advanced technology products, especially those that are specialized and fill niche mkts and have as their competitive advantage, increased productivity, innovative service potential and automation.

5.

6.

The most important current Canadian export sectors to this market are (based on actual export sales):

1. FOREST PRODUCTS, EQUIP, SERVICES
2. MINE, METAL, MINERAL PROD & SRV
3. AGRI & FOOD PRODUCTS & SERVICE

4. CHEM PROD & PETROCHEM, EQP, SERV
5. GRAINS AND OILSEEDS
6. FISHERIES, SEA PRODUCTS & SERV.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: OSAKA

Market: JAPAN

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: MEATS & MEAT BY-PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	761.00 \$M	834.00 \$M	850.00 \$M	878.00 \$M
Canadian Exports	31.00 \$M	35.00 \$M	38.00 \$M	43.00 \$M
Canadian Share of Market	4.10 %	4.20 %	4.50 %	4.90 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 60-100 \$M

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	25.00 %
AUSTRALIA	21.00 %
TAIWAN	19.00 %
DENMARK	16.00 %
NEW ZEALAND	5.00 %
THAILAND	7.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Beef (red meat)
2. Beef Offals
3. Pork
4. Processed Meats
5. Poultry (cornish game hen, turkey etc.)

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Provincial export promotion
- Competitive pricing

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: OSAKA

Market: JAPAN

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
 - Limited appreciation/understanding of distribution system
 - Market prospects have not been adequately explored
 - Performance of local agent or representative
-
-

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Canada Food Fair Programme (ongoing)
Expected Results: Market Development/Direct sales

Activity: Continue Mini/Solo Food Shows at Congen
Expected Results: Direct Sales/New agency agreements

Activity: Follow-up to Technical Beef Seminars
Expected Results: Market Intelligence/Direct sales

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Kobe Import Fair (Sept 90, approval pending)
Expected Results: Market Development/Direct sales

Activity: Foodex-Osaka (approval pending)
Expected Results: Direct Sales/New Agency Relationship

Activity: Osaka International Trade Fair (Apr 90/91)
Expected Results: Market Development/Direct sales

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: OSAKA

Market: JAPAN

For the next fiscal year, the mission is planning to undertake the following new export support initiative(s) in this sector/sub-sector:

Activity: Provide support to newly established Canadian Beef
Exporters Association

Expected Results: Market development

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: OSAKA

Market: JAPAN

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	604.00 \$M	690.00 \$M	785.00 \$M	803.00 \$M
Canadian Exports	10.00 \$M	11.00 \$M	13.00 \$M	14.00 \$M
Canadian Share of Market	1.70 %	1.60 %	1.70 %	1.70 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 30-60 \$M

Major Competing Countries	Market Share
EUROPE	20.00 %
UNITED STATES OF AMERICA	20.00 %
KOREA	10.00 %
TAIWAN	5.00 %
PEOPLE'S REP OF CHINA	5.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Custom Pack Foods
2. Processed Meat Products
3. Candies/Chocolates
4. Mixed Flour Products
5. Bottled Water
6. Pet Food
7. Maple Products
8. Frozen Berries
9. Pasta Products
10. Mushrooms
11. Frozen Vegetables

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Competitive pricing
- Strong sectoral capability in Canada

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: OSAKA

Market: JAPAN

Factors for Canadian exports not reaching market potential:

- Market prospects have not been adequately explored

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Canada Food Fair Programme (ongoing)
Expected Results: Market development/Direct sales

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Kobe Import Fair (Sept 90, approval pending)
Expected Results: Market awareness/Direct sales

Activity: Osaka International Trade Fair (April 90/91, approval pending)
Expected Results: Market awareness/Direct sales

Activity: Solo Food Shows at Congen (March and September annually)
Expected Results: New agency agreements established

Activity: Foodex-Osaka (approval pending)
Expected Results: Direct sales/New agency agreements

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: OSAKA

Market: JAPAN

Sector : FISHERIES, SEA PRODUCTS & SERV.

Sub-Sector: FISH & SHELLFISH & OTHER PROD

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	2430.00 \$M	2580.00 \$M	2760.00 \$M	2800.00 \$M
Canadian Exports	95.00 \$M	109.00 \$M	115.00 \$M	118.00 \$M
Canadian Share of Market	4.00 %	4.20 %	4.20 %	4.20 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries

Market Share

JAPAN	65.00 %
UNITED STATES OF AMERICA	8.00 %
KOREA	7.00 %
TAIWAN	6.00 %
PEOPLE'S REP OF CHINA	2.00 %
INDONESIA	2.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Atlantic Herring Roe
2. Crab (live & processed)
3. Capelin
4. Cod
5. Live Lobster
6. Red Fish
7. Salmon
8. Processed Fish Products
9. Sea Urchin
10. Smelt
11. Salmon Roe

Factors contributing to current successful Canadian exports:

- Import duties are low

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: OSAKA

Market: JAPAN

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector

-

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: OSAKA

Market: JAPAN

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	25000.00 \$M	25000.00 \$M	28000.00 \$M	35000.00 \$M
Canadian Exports	160.00 \$M	160.00 \$M	175.00 \$M	185.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	0.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries	Market Share
JAPAN	60.00 %
UNITED STATES OF AMERICA	30.00 %
EUROPE	8.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Data Communications
2. Instrumentation
3. Software
4. Computers, Hardware
5. Telecommunications
6. Navigation Systems
7. Specialized Testing Equipment
8. Optical (medical instruments)
9. Robotics (vision systems)

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Willingness of exporters to invest/joint venture in territory

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: OSAKA

Market: JAPAN

Factors for Canadian exports not reaching market potential:

- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- _____
- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Corporate Liaison
Expected Results: Market awareness/Direct sales

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Techno Ocean '90
Expected Results: Direct sales, new agency relationships

Activity: Software Mission to Osaka
Expected Results: Direct sales, new agency relationships

For the next fiscal year, the mission is planning to undertake the following new export support initiative(s) in this sector/sub-sector:

Activity: Support marketing activities of Canadian companies already active in this market.
Expected Results: Direct sales, improved image of Canada as high tech supplier

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: OSAKA

Market: JAPAN

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Kansai International Airport Approximate Value: 2000 M\$
Terminal/Facilities Construct. Financing Source : DOM - Domestically funded
Contact : Peter Drabble, Osaka Congen

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: OSAKA

Market: JAPAN

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: WOOD AND WOOD PRODUCTS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1005.00 \$M	1205.00 \$M	1278.00 \$M	1315.00 \$M
Canadian Exports	153.00 \$M	204.00 \$M	233.00 \$M	240.00 \$M
Canadian Share of Market	15.22 %	16.93 %	18.23 %	18.25 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	30.00 %
JAPAN	60.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Remanufactured Wood Products
2. Hardwood Lumber
3. Hardwood Flooring
4. Softwood Lumber (custom-cut)
5. Wooden Doors and Windows
6. Kitchen Cabinets
7. Panelling
8. Hardwood Finger Joint Material
9. Log Cabin

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- Canada is one of few sources of supply
- Strong sectoral capability in Canada

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: OSAKA

Market: JAPAN

Factors for Canadian exports not reaching market potential:

- _____
- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Market Study Pre-cut Plant Raw Material Survey
Expected Results: Greater market penetration for coastal species suppliers

Activity: Distribution of Canada 2x4 Video to local builders
Expected Results: Greater acceptance by smaller builders for 2x4 method

Activity: Follow-up with attendees to Fall '89 2x4 Seminars (Osaka/Kyoto)
Expected Results: Market intelligence, greater sales of lumber and bldg. prdt.

Activity: Corporate Liaison
Expected Results: Market development

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Incoming mission to Canadian Home Show
Expected Results: Direct sales

Activity: Kobe Housing Fair (outgoing mission)
Expected Results: Direct sales/Agency relationship established

Activity: ABC Kaihatsu Canada Show Home Project
Expected Results: Greater profile for building products suppliers/direct sales

Activity: Hyogo 2x4 Seminar Promotion
Expected Results: Continuation of seminar programme started fall '89

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: OSAKA

Market: JAPAN

Sector : CONSUMER PRODUCTS & SERVICES

Sub-Sector: APPAREL (CLOTH, FUR, SHOES) TEXT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	415.00 \$M	418.00 \$M	435.00 \$M	485.00 \$M
Canadian Exports	13.00 \$M	15.00 \$M	18.00 \$M	23.00 \$M
Canadian Share of Market	3.20 %	3.60 %	4.10 %	4.70 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 15-30 \$M

Major Competing Countries	Market Share
EUROPE	60.00 %
UNITED STATES OF AMERICA	25.00 %
TAIWAN	15.00 %
HONG KONG	15.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Fur Garments
2. Leather Garments
3. Fashion Garments
4. Accessories
5. Fur Skins

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- Strong sectoral capability in Canada

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: OSAKA

Market: JAPAN

Factors for Canadian exports not reaching market potential:

- Unsuitable product
 - Limited appreciation/understanding of distribution system
 - Market prospects have not been adequately explored
 - NY
 -
-

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: World Fashion Fair - Follow-up Activities
Expected Results: Direct sales/Market development

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Osaka International Trade Fair (April 90/91, approval pending)
Expected Results: Direct sales/New agency agreements

Activity: Kobe Import Fair (Sept 90, approval pending)
Expected Results: Direct sales/New agency agreements

For the next fiscal year, the mission is planning to undertake the following new export support initiative(s) in this sector/sub-sector:

Activity: Support to garment manufacturers using Congen Multi-purpose room
Expected Results: Direct sales

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: OSAKA

Market: JAPAN

Sector : EDUCATION, MEDICAL, HEALTH PROD

Sub-Sector: PHARMACEUTICALS, BIOTECHNOLOGY

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	351.00 \$M	360.00 \$M	381.00 \$M	385.00 \$M
Canadian Exports	1.00 \$M	1.00 \$M	1.20 \$M	1.20 \$M
Canadian Share of Market	0.01 %	0.01 %	0.01 %	0.01 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 15-30 \$M

Major Competing Countries	Market Share
EUROPE	60.00 %
JAPAN	30.00 %
UNITED STATES OF AMERICA	10.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Diagnostic Products
2. Biological Products
3. Research/Clinical Services

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Trade Fair activity
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Unsuitable product
- Limited appreciation/understanding of distribution system
- Limited Canadian capabilities
- Market prospects have not been adequately explored

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: OSAKA

Market: JAPAN

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Corporate Liaison
Expected Results: Market development

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Japan Bio '90 Symposium and Fair associated with Expo '90 -
Canadian participation by companies and speakers
Expected Results: Direct sales/greater Canadian profile locally

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: OSAKA

Country: JAPAN

The mission reports that the approximate flows to all countries of investment from its country/territory in Canadian \$ is as follows: (including portfolio flows if a primary focus)

	Total (\$ Million)	Canadian Share	Major Competitor Share
Two years ago	6600.00	2.00	48.00
One year ago	4450.00	2.00	48.00
Current year	3660.00	2.00	52.00

The mission is of the opinion that Canada can reasonably expect to attract the following amount of foreign investment from its territory/country next year:

North America continues to be the preferred local for Japanese direct overseas investment, with 47.5% of the total. In 1988, C\$26.58 billion went to North America, 45.4% more than in 1987. Of this figure approx. 20% is derived from the Kansai.

Canada's major competitors for investment from this territory/country are:

- United States
- Europe
- South East Asian Countries

The following types of activities are currently being undertaken by Canada's major competitors to attract investment from this territory/country:

- American States offering attractive incentives
- US Government protectionist policies and tactics
- Promotion of M&A services by banks and securities coys.
- Aggressive corporate liaison activities, high profile participation by State governors, and other politicians.

IDP Partners and related program activities:

- Osaka Chamber of Commerce and Industry
 - Co-sponsor of investment promotion activities, can refer prospective investment candidates.

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: OSAKA

Country: JAPAN

IDP Partners and related activities cont d:

Local Banks, Security Houses, Chartered Accounting Firms
- Post is encouraging client referral, corporate liaison, and establishing of Canada desk in these institutions.

Kyoto/Kobe/other Chambers of Commerce
- Investment Seminars/Mission

Japanese companies with investment in Canada
- Investor testimonials

Provincial and municipal government in Canada
- Sources of information and various support activities re. joint venture partners in Canada

Investment Canada/D.I.S.T.
- Various support activities

Kankeiren
- Speaking platform for VIPs visiting Osaka

Compared to major competitive destinations, Canada is perceived to have

the following advantages:

- Most profitable location for production base for North American market entry, enhanced by FTA.
- World class advanced technologies possessed by Canadian industry.
- Ability to secure access to natural resources and raw materials.
- Quality of life in Canada

the following constraints:

- U.S. far better understood as location for investment than Canada
- U.S. Government protectionist activities draw potential investors from Canada to U.S.
- Existing Japanese investment in U.S. acts as critical mass to attract more
- Japanese M & A activities focussed on U.S.: Canadian market generally too small

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: OSAKA

Country: JAPAN

The mission indicates the following potential for various types of investment from within its territory/country:

Type of Investment	Potential
Portfolio	HIGH
Acquisition	HIGH
Greenfield	MEDIUM
Joint Venture	HIGH
Strategic Partnering	HIGH
Technology Licensing	MEDIUM

The mission believes that the following sectors are of greatest interest to investors in its territory/country an assigned ranking A = High B = Medium C = Low

Sector	Ranking
Agriculture/Food/Fish	A
Resource Processing	A
Machinery and Equipment	B
Transportation	C
Consumer Products	C
Commercial Service	B
Computer and Communications	C
Health Care Products/Medical	B
Aerospace and Defence	B
Strategic Technologies	A

RPTD2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: OSAKA

The mission has proposed the following investment promotion activities for the next fiscal year:

Seq #	Date
Type: FAIR, OTHER	
2	09/90
Event Description:	
Osaka Chamber of Commerce global business opportunities convention	
City	:Osaka
Country	:JAPAN
Investment Nature:	
Investment Sector:	MACHINERY/EQUIPMENT
Event Cooperants :	Various
Estimated Budget :	\$10,000.00
Type: MISSION OUT, MINISTERIAL	
1	01/90
Event Description:	
Support activities associated with Min. visits and ISTC promotional activities.	
City	:Osaka
Country	:JAPAN
Investment Nature:	
Investment Sector:	STRATEGIC TECHNOLOGIES
Event Cooperants :	Support activities associated with Min. visits and ISTC promotional activities.
Estimated Budget :	\$10,000.00
Type: LOCAL PUBLICATION	
3	01/91
Event Description:	
Translation, mail campaign and local communication activities associated with focus 1991 Embassy opening	
City	:Osaka
Country	:JAPAN
Investment Nature:	
Investment Sector:	MACHINERY/EQUIPMENT
Event Cooperants :	Various
Estimated Budget :	\$10,000.00

Total estimated budget for all proposals: \$30,000.00

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Osaka

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/04/00	Osaka International Trade Fair Osaka, Japan Info Booth, Only	Agri & Food Prod. & Services.
90/05/00	Mission To Datacom'90, Tokyo, Japan Mission Out, Industry	Advanced Tech.Prod. & Service.
90/05/00	Manufactured Wood Products Mission To Japan Mission Out, Industry	Forest Prod.Equip.Service
90/09/00	Kobe Import Fair, Osaka, Japan Info Booth, Only	Agri & Food Prod. & Services
90/11/00	World Fashion Fair, Osaka, Japan Fair, National Stand	Consumer Products

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: WELLINGTON

Country: NEW ZEALAND

1989 was the year that New Zealand looked for economic recovery and for escape from the slow-growth (less than 2%) pattern that has typified the economy for more than a decade. The basis for hoped-for acceleration in the economy was laid in five years of reform. The role of the state was circumscribed and responsibility for economic decision-making was passed to market mechanisms. Fields previously closed to outsiders through foreign exchange controls and import licensing are now open for market development; industries in which there had been no competition are now open to new entrants.

The period of adjustment to reform is now reaching its end. With notable struggles in the ports, the Labour government has begun serious work on labour market flexibility, the aspect of the reform package which had been most politically difficult. In the lead-up to an election in 1990, no group seems likely to challenge the fundamental program of reforms, although calls for changes in details are expected.

Unfortunately structural reform has not yet led to anticipated higher growth rates. Unemployment remains significant and is a factor in employees' resistance to further reforms in the labour market. Business, which in the main has supported the economic reforms, has yet to regain its confidence following the 1987 stock market crash. Uncertainties related to government programs to sell state assets, plus several spectacular collapses of over-extended companies (particularly financial groups), have dampened expectations for expansion.

Meaningful recovery in agriculture is reflected in improved markets for Canadian fertilizer materials. The sale of harvesting rights in the state forests is proceeding, so finally capital projects in the forest industry will begin to move ahead: it is crucial that Canadian suppliers establish local representation to benefit from the expected forestry boom.

Total deregulation of communications, extending to market allocation of broadcasting rights, has led to the foundation of new companies eager to sell or use Canadian equipment, which has a well-established reputation in the market. This willingness to look at new products also prevails in the retail food and consumer products industries. Canadian items have been successfully introduced but now emphasis must be placed on keeping the products before the consumer as a regular product line.

International developments hold prospect for improvement in New Zealand growth beginning in 1991: conclusion of the Multi-lateral Trade Negotiations applying GATT discipline to agriculture; and re-emergence of rapid economic growth in Australia following a period of adjustment through much of 1990. In preparation of a return to higher levels of growth, Canadian suppliers of general industrial machinery need to consolidate their presence in the market: this will be a new field for promotion in 1990/91.

In the Pacific Island states, emphasis will continue to centre on projects funded by international financing institutions. In Fiji, tourism has largely recovered from the setbacks suffered from political instability and there is some sign of new mining investment offering potential for Canadian suppliers.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: WELLINGTON

Country: NEW ZEALAND

The Mission selected the following sectors as priority areas for export promotion activities for the coming fiscal year for the stated reason:

1. **ADVANCED TECH. PROD. & SERV**
In deregulated communications (and transport) markets new competing organizations are emerging as significant buyers of goods and services
2. **FOREST PRODUCTS, EQUIP, SERVICES**
Sale of state forest cutting rights will herald new era of capital investment for which Canadian suppliers need to prepare.
3. **AGRI & FOOD PRODUCTS & SERVICE**
Food retailers search for innovative lines to attract consumers while changes in regulatory process open opportunities for import and add complexity in dealing with local authorities.
4. **CONSUMER PRODUCTS & SERVICES**
Removal of barriers to market entry has stimulated flood of imported consumer items. In higher quality sector of market Canadian product has good acceptability. Consumer continue to press for greater variety in household and leisure fields.
5. **INDUSTRIAL MACHIN, PLANTS, SERV.**
Revival of capital investment in New Zealand manufacturing following several years of disinvestment.
- 6.

The most important current Canadian export sectors to this market are (based on actual export sales):

- | | |
|-------------------------------------|------------------------------------|
| 1. CHEM PROD & PETROCHEM, EQP, SERV | 4. |
| 2. FOREST PRODUCTS, EQUIP, SERVICES | 5. FISHERIES, SEA PRODUCTS & SERV. |
| 3. ADVANCED TECH. PROD. & SERV | 6. CONSUMER PRODUCTS & SERVICES |

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WELLINGTON

Market: NEW ZEALAND

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: FOOD HANDLING, PROCESSING EQUIP

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	564.00 \$M	600.00 \$M	645.00 \$M	705.00 \$M
Canadian Exports	5.40 \$M	6.40 \$M	8.00 \$M	9.00 \$M
Canadian Share of Market	1.00 %	1.10 %	1.20 %	1.30 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 30-60 \$M

Major Competing Countries

Market Share

AUSTRALIA	60.00 %
UNITED STATES OF AMERICA	20.00 %
ENGLAND	4.00 %

Current Status of Canadian
exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Processed Pork Meats
2. Processed Retail Pack Food
3. Confectionery
4. Smoked Salmon
5. Fresh Fruit & Vegetables

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Provincial export promotion
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Market prospects have not been adequately explored

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WELLINGTON

Market: NEW ZEALAND

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Phytosanitary Regulations Study.
Expected Results: Opening up of retail fruit & vege market to Canadian market.

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Mission of 10 NZ Food Buyers and C.O. to Food Pacific 90.
Expected Results: New agencies established.

Activity: March 91 Woolworth Taste of Canada promotion.
Expected Results: Expose new products to public.

Activity: Solo Food Show.
Expected Results: New agencies.

For the next fiscal year, the mission is planning to undertake the following new export support initiative(s) in this sector/sub-sector:

Activity: Update Processed Food Market summary.
Expected Results: Inform Canadian suppliers of market opportunities.

Activity: Media relations: Provide editorial material to specialized media.
Expected Results: Improve awareness of Canada as a source.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WELLINGTON

Market: NEW ZEALAND

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Bell Canada contract with Broadcast Corporation Approximate Value: 30 M\$
Financing Source : DOM - Domestically funded
Contact : C. Poulter

Intro of pay per view TV Approximate Value: 10 M\$
Financing Source : DOM - Domestically funded
Contact : C. Poulter

Railways and MCI Telecoms Co. Approximate Value: 30 M\$
Financing Source : DOM - Domestically funded
Contact : C. Poulter

Telecom Corp ISDN/Fibre Optics Approximate Value: 50 M\$
Financing Source : DOM - Domestically funded
Contact : C. Poulter

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WELLINGTON

Market: NEW ZEALAND

Sector : ADVANCED TECH. PROD. & SERV

Sub-Sector: TELECOM, DATACOM, SAT, SPACECOM

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	593.00 \$M	680.00 \$M	770.00 \$M	1117.00 \$M
Canadian Exports	17.20 \$M	20.00 \$M	24.00 \$M	55.70 \$M
Canadian Share of Market	2.90 %	2.90 %	3.10 %	5.00 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 100+ \$M

Major Competing Countries

Market Share

JAPAN	37.00 %
UNITED STATES OF AMERICA	27.00 %
EUROPE	9.00 %
ASIA OR FAR EAST	9.00 %
AUSTRALIA	7.00 %
ENGLAND	6.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Corporate Advisory Services
2. Broadcast and Satellite Equipment
3. Fibre Optic and ISDN Equipment
4. Data Communications
5. Mobile Communications and Services
6. Network Carrier Services
7. Computer Software and Systems Integration
8. Computer Peripherals
9. Radio Based Communications
10. Customer Premises Terminal and Equipment
11. Microwave Equipment/VSAT
12. Electronic Parts and Components

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WELLINGTON

Market: NEW ZEALAND

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Competitive pricing
- Strong sectoral capability in Canada
- Willingness of exporters to invest/joint venture in territory
- Quality assurance is very
- U.S.
- good (esp.) relative to

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Restrictive standards
- Lack of promotion and advertising
- Non-competitive financing
- Market prospects have not been adequately explored
- reqd to waive duty.
- Cld be 50%, CER by 92
-
-

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Market Study Updates.

Expected Results: Keep up-to-date info on sector for CDN industry.

Activity: Ongoing industry visits.

Expected Results: Maintain contact and awareness of CDN presence.

Activity: Ongoing promotion of industry through media program.

Expected Results: Reporting CDN accomplishments to NZ industry.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WELLINGTON

Market: NEW ZEALAND

For the next fiscal year, the mission will carry out the following approved fairs and missions:

- Activity: Communications Mission from CDA to NZ.
Expected Results: New exptrs to enter NZ mkt - to tie sale for cos almost here
- Activity: Attendance and publicity surrounding INTERCOM 90 conference and exhibition.
Expected Results: Encourage NZ'ers to CDA to source product.
- Activity: Journalist to INTERCOM 90.
Expected Results: Media feedback on above accomplishments.
- Activity: Trade info booths at annual NELCON and TUANZ conferences (also HOSP hosting).
Expected Results: Reinforce CDN capability to highly targeted sectors.

For the next fiscal year, the mission is planning to undertake the following new export support initiative(s) in this sector/sub-sector:

- Activity: Report on sale of NZ Radio Frequency Spectrum.
Expected Results: Infom CDA of current activities and new opportunities.
- Activity: Visit to MLBRN and SYDNY Hitech personnel.
Expected Results: Put into place co-ordinated Australasian approach.
- Activity: Visit to Islands (In New Zealand jurisdiction).
Expected Results: Maintain contact - seek new opportunities.
- Activity: INFOS Statistics program (using Modems).
Expected Results: Maintain and utilize up-to-date information.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WELLINGTON

Market: NEW ZEALAND

Projects or portions of major projects within this sector/sub-sector s
in the planning stage which provide opportunities for Canadian suppliers:

Business Plan by Bell Canada Approximate Value: 30 M\$
 Financing Source : DOM - Domestically funded
 Contact : C. Poulter

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WELLINGTON

Market: NEW ZEALAND

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: FORESTRY MGMT SERVICES

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	284.00 \$M	304.00 \$M	338.00 \$M	345.00 \$M
Canadian Exports	13.80 \$M	16.00 \$M	18.40 \$M	22.00 \$M
Canadian Share of Market	4.90 %	5.30 %	5.40 %	6.40 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 60-100 \$M

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	22.00 %
GERMANY WEST	19.00 %
AUSTRALIA	9.00 %
UNITED KINGDOM	9.00 %
SCANDINAVIA	6.00 %
JAPAN	6.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Forest Harvesting Equipment
2. Pulp and Paper Equipment
3. Sawmilling Equipment
4. Transport Equipment
5. Sawn Cedar
6. Consulting Services
7. Cedar Shingles and Shakes
8. Sawn Hemlock/Spruce
9. Sawn Hardwoods

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WELLINGTON

Market: NEW ZEALAND

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Import duties are low
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Trade Fair activity
- Provincial export promotion
- Strong sectoral capability in Canada
- Willingness of exporters to invest/joint venture in territory

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Non-competitive pricing
- Lack of promotion and advertising
- Non-competitive financing
- Performance of local agent or representative
- New mkt prospects are emerging now
- and CDN ind. needs to be informed.

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: New Zealand forestry update.

Expected Results: To keep CDN's aware of status of ind. & oppts presented.

Activity: On-going update of WIN Post Database.

Expected Results: Better respond to CDN requests to identify mktg oppts.

Activity: On-going liaison with forest industry.

Expected Results: Build knowledge, identify oppts. Gather mkt intelligence.

Activity: On-going production of NZ-Canada forest newsletter.

Expected Results: Keep Cdn ind. aware of developments in sales of state forests.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WELLINGTON

Market: NEW ZEALAND

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Logging Industry Research Assoc. Mission to Cda April/May 90
Expected Results: Sales of CDN harvesting mach. Join CDN/NZ research program.

Activity: Australian Pulp & Paper industry T Ass. Exhibition. Rotorua April 90.
Expected Results: Info booth to promote sales of related CDN equip & tech.

Activity: Log Harvester Mission to WOODEXPO '90. VNCVR/BC/ALTA Sept 90
Expected Results: Sales of CDN manufactured harvesting processing equipment.

Projects or portions of major projects within this sector/sub-sector s in the planning stage which provide opportunities for Canadian suppliers:

NZ Forest Products-Kinleith expansion. Approximate Value: 600 M\$
Financing Source :
Contact : Auckland Canadian Consulate.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WELLINGTON

Market: NEW ZEALAND

Sector : CONSUMER PRODUCTS & SERVICES

Sub-Sector: APPAREL (CLOTH, FUR, SHOES) TEXT

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1140.00 \$M	1200.00 \$M	1240.00 \$M	1300.00 \$M
Canadian Exports	9.50 \$M	10.00 \$M	11.00 \$M	12.50 \$M
Canadian Share of Market	0.80 %	0.80 %	0.90 %	0.90 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 30-60 \$M

Major Competing Countries

Market Share

TAIWAN	12.00 %
KOREA	10.00 %
JAPAN	9.00 %
AUSTRALIA	9.00 %
ENGLAND	6.00 %
ITALY	6.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Hardware
2. Housewares
3. Furniture
4. Leisure Living Products
5. Sports & Recreation Products

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Fairs and Missions support
- Provincial export promotion

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WELLINGTON

Market: NEW ZEALAND

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Market prospects have not been adequately explored
- _____
- _____

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Follow up on New Zealand Buyers to Canadian Hardware Show (Feb 90).
Expected Results: New agencies established.

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Buyers to Canadian Hardware Show Feb 91.
Expected Results: New agencies established.

Activity: Info booth at Xmas Merchandise Fair.
Expected Results: Expose new products to trade.

Activity: Info booth at Xmas Gift Stocking Fair.
Expected Results: Expose new products to trade.

Activity: Buyers to TRNTO Furniture Show.
Expected Results: New agencies established.

For the next fiscal year, the mission is planning to undertake the following new export support initiative(s) in this sector/sub-sector:

Activity: Media relations - provide editorial material to specialised media.
Expected Results: Improve awareness of Canada as a source.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WELLINGTON

Market: NEW ZEALAND

Sector : INDUSTRIAL MACHIN, PLANTS, SERV.

Sub-Sector: MANUFACT & MATERIAL PLANT, EQP.

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	1250.00 \$M	1250.00 \$M	1300.00 \$M	1400.00 \$M
Canadian Exports	25.00 \$M	25.00 \$M	26.00 \$M	32.00 \$M
Canadian Share of Market	2.00 %	2.00 %	2.00 %	2.30 %

Cumulative 3 year export potential for
CDN products in this sector/subsector: 60-100 \$M

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	28.00 %
JAPAN	28.00 %
AUSTRALIA	13.00 %
UNITED KINGDOM	9.00 %
KOREA	8.00 %
TAIWAN	5.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Food handling & processing equipment
2. Marine & processing machinery
3. Forestry Consulting & other services
4. Environmental equipment
5. Environmental Consulting & other services
6. Petrochemical services
7. Material Handling equipment
8. Marine Consultancy services
9. Marine Harvesting equipment
10. Engineering joint-ventures

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WELLINGTON

Market: NEW ZEALAND

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- PEMD support
- Provincial export promotion
- Competitive pricing
- Strong sectoral capability in Canada
- Bilateral economic trade agreement
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- Market prospects have not been adequately explored
- _____
- _____

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Information booth program: EMEX 90.
 Expected Results: Introduce Canadian capabilities.

Activity: " " " : HEVAC 90.
 Expected Results: " " "

Activity: " " " : FOODTECH 90.
 Expected Results: " " "

Activity: " " " : FISAEX 91.
 Expected Results: " " "

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WELLINGTON

Market: NEW ZEALAND

For the next fiscal year, the mission is planning to undertake the following new export support initiative(s) in this sector/sub-sector:

Activity: Conduct market surveys with extensive company visits linked to fair participation.

Expected Results: Informing Canadian exporters of opportunities.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WELLINGTON

Market: NEW ZEALAND

Sector : MULTIPLE SECTORS

Sub-Sector: ALL SUB-SECTORS

Cumulative 3 year export potential for
CDN products in this sector/subsector: \$M

Major Competing Countries	Market Share
AUSTRALIA	0.00 %
UNITED STATES OF AMERICA	0.00 %
UNITED KINGDOM	0.00 %
HONG KONG	0.00 %

Current Status of Canadian
exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Touring/Cities
2. Outdoors-Sking
3. Outdoors-Adventure

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Trade Fair activity
- Competitive pricing
- Strong sectoral capability in Canada
- Willingness of exporters to invest/joint venture in territory

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- Market prospects have not been adequately explored
- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WELLINGTON

Market: NEW ZEALAND

In support of Canadian exports in this sector/sub-sector the mission is currently engaged in activities which include:

Activity: Research on New Zealand leisure travel market.

For the next fiscal year, the mission will carry out the following approved fairs and missions:

Activity: Canada Calls: Five Travel Trade Seminars in major New Zealand centres, February 1991.

Expected Results: Increased awareness & increased sales of CDN leisure prods.

Activity: Travel Trade Exhibition. Auckland July 1991

Expected Results: Same result as above.

Activity: Travel Trade Mission - ALTA/BC/ONT/QUE. May 1991

Expected Results: CDN Tour Product increasing sales of new & existing products

Activity: Ski Influencer Mission - BC/A;TA. February 1992.

Expected Results: CDN Ski Tour Prod. increased sales of grp & indep. ski prod.

For the next fiscal year, the mission is planning to undertake the following new export support initiative(s) in this sector/sub-sector:

Activity: Travel Media Fact Finding visit to BC,ALTA,ONT,QUE,NS,PEI.

Expected Results: + CDN tourism editorial exposure reaching target market.

Activity: Product Launch Seminars in co-op with tour operators

Expected Results: Increase sales of tour prod. by retail travel agents.

Activity: General Media Relations.

Expected Results: Increased editorial on CDA in publictns reaching target mkts

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: WELLINGTON

Country: NEW ZEALAND

The mission reports that the approximate flows to all countries of investment from its country/territory in Canadian \$ is as follows: (including portfolio flows if a primary focus)

	Total (\$ Million)	Canadian Share	Major Competitor Share
Two years ago	1700.00	1.00	25.00
One year ago	2000.00	20.00	25.00
Current year	2100.00	9.00	25.00

The mission is of the opinion that Canada can reasonably expect to attract the following amount of foreign investment from its territory/country next year:

Canada already has the largest single overseas New Zealand direct investment in Fletcher Challenge Canada. This was further expanded in purchase of gas production by Petrocorp, a Fletcher subsidiary. Retained earnings by Fletcher companies will probably overshadow further new investment.

Canada's major competitors for investment from this territory/country are:

- Australia
- United States of America
- EC
- Chile

The following types of activities are currently being undertaken by Canada's major competitors to attract investment from this territory/country:

- Investment promotion is normally a minor aspect of general commercial promotional events such as Ministerial visits, missions etc.

RPTD1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROMOTION PROFILE

Mission: WELLINGTON

Country: NEW ZEALAND

Compared to major competitive destinations, Canada is perceived to have the following advantages:

- Resource base. Large market under FTA with USA.

the following constraints:

- Harmonized business law under CER with Australia.

The mission indicates the following potential for various types of investment from within its territory/country:

Type of Investment	Potential
Portfolio	MEDIUM
Acquisition	MEDIUM
Greenfield	LOW
Joint Venture	MEDIUM
Strategic Partnering	LOW
Technology Licensing	MEDIUM

The mission believes that the following sectors are of greatest interest to investors in its territory/country an assigned ranking A = High B = Medium C = Low

Sector	Ranking
Agriculture/Food/Fish	A
Resource Processing	A
Machinery and Equipment	C
Transportation	C
Consumer Products	C
Commercial Service	B
Computer and Communications	B
Health Care Products/Medical	C
Aerospace and Defence	C
Strategic Technologies	C

RPTD2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 INVESTMENT PROGRAM ACTIVITIES IN MISSIONS ABROAD

Mission: WELLINGTON

The mission has proposed the following investment promotion activities for the next fiscal year:

Seq #	Date
Type: DIRECT MAIL CAMPAIGN	
1	05/90
Event Description: Distribution to major corporates.	
City :Wellington	
Country :NEW ZEALAND	
Investment Nature:Acquisition joint venture	
Investment Sector:RESOURCE PROCESSING	
Event Cooperants :	
Estimated Budget : \$2,000.00	
Type: OUTCALL PROGRAM	
2	07/90
Event Description: Head of Mission visit program.	
City :Auckland	
Country :NEW ZEALAND	
Investment Nature:Acquisition/ joint venture	
Investment Sector:RESOURCE PROCESSING	
Event Cooperants :	
Estimated Budget : \$0.00	
3	07/90
Event Description: Head of Mission visit program.	
City :Auckland	
Country :NEW ZEALAND	
Investment Nature:Acquisition/ joint venture	
Investment Sector:RESOURCE PROCESSING	
Event Cooperants :	
Estimated Budget : \$0.00	
Total estimated budget for all proposals: \$2,000.00	

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Wellington

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/04/00	Lira Mission From New Zealand Mission In, To Industry	Forest Products, Equip & Service
90/05/00	Xmas Merchandise Fair - New Zealand Fair, National Stand	Consumer Products
90/06/00	Communications Mission To New Zealand Mission Out, Industry	Advanced Tech. Products & Services
90/08/00	New Zealand Buyers To Food Pacific Mission In, To Fair	Agri & Food Products & Services
90/09/00	Lumber Mission From style Show, New Zealand Mission In, To Industry	Forest Products, Equip, & Services
90/09/00	Forest Equipment Mission From New Zealand Mission In, To Industry	Foresst Products, Equip, & Services
90/09/00	Timber Machinists From New Zealand Missiion In, To Industry	Forest Products, Equip, & Services
90/10/00	Appita 90 - New Zealand Fair, National Stand	Foresst products, Equip, & Services
91/01/00	New Zealand Buyers To Toronto Furniture Show Mission In, To Fair	Consumer Products
91/02/00	Consumer Goods Solo Show, Auckland, New Zealand Fair, Solo	Consumer Products
91/03/00	Taste Of Canada Food Promotion, New Zealand Other Promotion	Agri & Food Products & Services
91/03/00	Solo Food Show, Auckland, New Zealand	Agri & Food Products & Services