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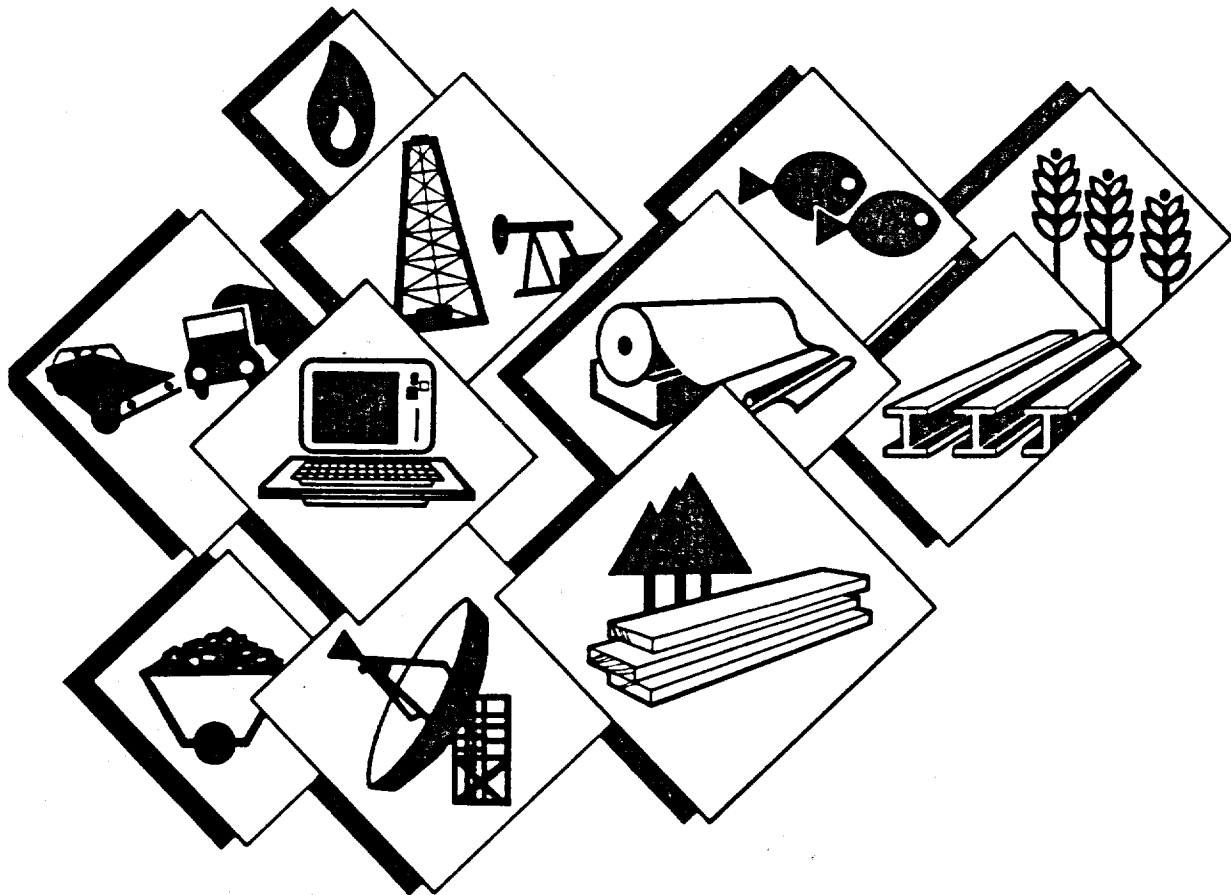
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GEOGRAPHICAL SYNOPSIS FOR CONSULTATION PURPOSES ONLY

EASTERN EUROPE

1990-91 EXPORT AND INVESTMENT PROMOTION OPERATIONAL PLAN



JANUARY 1990



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

FORWARD

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

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

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

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

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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 data on sectors or geographic regions to be accessed conveniently.

II

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

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

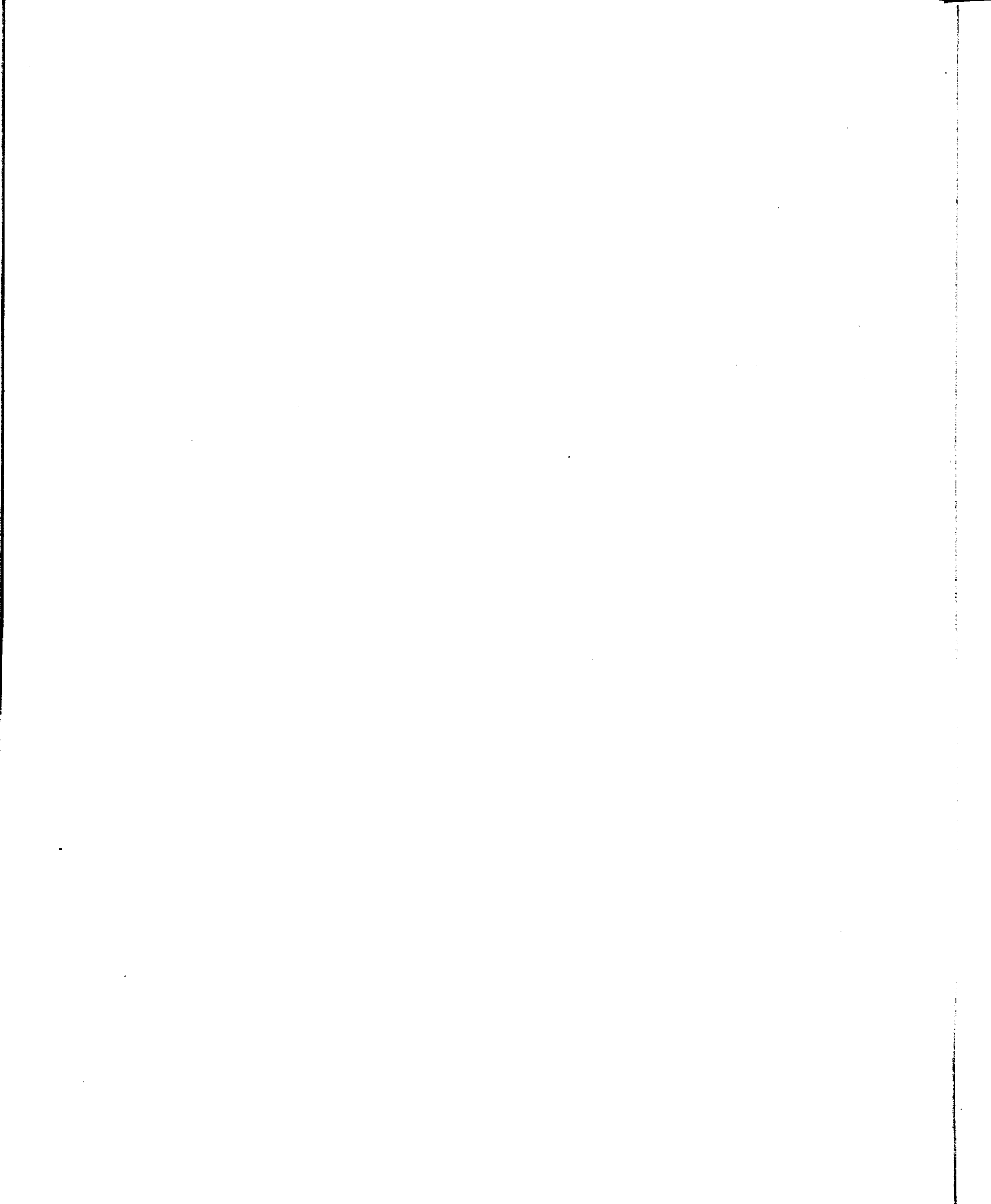
It was recognized that these objectives can be met but only if a full and effective partnership of the federal and provincial governments, the private sector and labour can be achieved to ensure a more focused and consistent approach to international marketing. Appropriate means of assembling and organizing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

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

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

III

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



DEPARTMENT OF EXTERNAL AFFAIRS
AND INTERNATIONAL TRADE CANADA
EXPORT AND INVESTMENT PROMOTION PLANNING SYSTEM
1990/91 GEOGRAPHIC SYNOPSIS
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RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: BELGRADE

Country: ALBANIA

There has been little improvement, if any, in Albania's economy in the past year. With few reliable statistics available, it is difficult to make precise assessments but it is clear that the party Politburo is unhappy with the state and direction of the economy. The country's crucial oil and chromite industry, traditional foreign exchange earners, have suffered productivity losses due to antiquated equipment. Agricultural growth has failed to keep pace with domestic needs despite increased mechanization of sowing and harvesting equipment.

Foreign trade continues to be dominated by several European partners, most notably Czechoslovakia, Yugoslavia, Romania, Italy, West Germany, Austria, and Greece.

Trade with Canada declined substantially in the first half of 1989-- exports decreased from \$776,000 to \$103,000. A major hurdle to trading with Albania has been its constitutional ban on acceptance of foreign credits. Some new ground has been broken by the FRG in this respect with the issuance of DM20 million in technical and cooperation assistance. Perhaps this indicates a softening of their position on credit.

While Albania has critical import needs to modernize its aging industrial equipment, its ability to pay and its tardiness in responding to trade enquiries make it a difficult market to penetrate. Albania's insistence on "mutually-balanced trade" makes doing business even more difficult since the products they have available for export enjoy little demand in Canada. However, some creativity in placing Albanian goods in third markets could be a key to opening up more substantial trade links with Albania. This approach is currently being pursued by a few Canadian companies.

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: BELGRADE

Country: BULGARIA

The Bulgarian economy has taken a noticeable downturn in 1989-90. Planned growth had been set at an ambitious 6.1% for 1988, but actual growth appears to be about 2-2.5%.

Over 80% of Bulgaria's trade is conducted with other Comecon members, primarily with the USSR. Of the 18% trade carried out with OECD countries, more than half is done with West Germany. Other major OECD trading partners include, in descending order, Italy, Austria, France, U.K. Bulgaria's appetite for Western goods has been on the increase; in 1988, imports from the OECD increased 4.1% over the previous year. Exports to the West have grown as well, but at a slower rate of about 3.2%. Therefore, Bulgaria's trade deficit with non-socialist countries increased in 1988, to an all-time high of \$1.66 billion U.S.

To finance this current account deficit, Bulgaria has undertaken hard currency debt at an ever-increasing rate: an estimate for 1988 puts Bulgarian gross debt at approx. \$7.6 billion, a 23% increase over 1987. This rather alarming trend towards over-indebtedness has made Bulgaria a much greater financial risk in the eyes of the Western banking community than in the previous decade when the country enjoyed an almost unblemished credit rating.

In the face of declining trends in the economy, and economic liberalization in the USSR and other Comecon countries, Bulgaria has launched an ambitious program to open up its own economy. In Feb. 1989, legislation known as Decree 56 was enacted which, at least on paper, paves the way for price reforms, elimination of export subsidies, establishment of commercial banks, and a substantial change in the forms of ownership of business. Foreign firms are entitled to set up joint ventures with majority ownership and management, or indeed wholly-owned subsidiaries. Profits will be permitted to be repatriated in convertible currency. To date, about 4000 new "firms" have been registered, but almost all of them are 1 or 2-man operations ie. cab drivers, craftspeople, fast food stands, etc. Foreign companies have not beat a path to Bulgaria's door: only a handful of joint ventures have been registered, most of them having existed before Decree 56 in one form or another. Over the next year, we will be better able to judge the true extent of the economic liberalization measures, and foreign business confidence in the legislative protection offered.

The one bright spot on the economic scene this year has been in agriculture. For the first time in 6-7 years, climatic conditions have been virtually perfect, resulting in extremely plentiful harvests of grains, vegetables, fruits, tobacco, oilseeds, etc. Ironically, this harvest coincided with the exodus of almost 300,000 Turkish Bulgarians, many of whom were agricultural labourers. This labour shortage, precisely at harvest time, has meant that some fine produce has overripened or spoiled in the fields. This will almost surely be evident in the consumer market, where "second rate" produce has usually been dumped. There is, however, an abundant supply of first quality tomatoes, tobacco, fruits, etc. to serve Bulgaria's food product export customers.

Canada's trade with Bulgaria has always been rather modest, bouyed only occasionally by grain sales in years of unfavourable harvests. This year, Bulgaria will not be in the market for imported grains, and, in fact, may have quality wheat available for export in small quantities. In 1988, Can-

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: BELGRADE

Country: BULGARIA

Canada exported about \$25.7 million to Bulgaria, with sales of zinc accounting for 83% of the total. In the same year, Canada imported about \$12 million of Bulgarian goods, primarily clothing and food products.

For the coming year, we will begin to see the first deliveries of Canadian meat processing equipment, a deal worth some \$25 million over 2 years. After three years of marketing, the first Canadian recycling machinery will arrive in Bulgaria shortly. There are also excellent prospects for a Canadian firm to win a \$300 million turnkey pulp mill project. The 1989-90 year will mark the best year to date for exports of Canadian manufactured goods, and the beginning of our diversification from primarily one-item sales ie. grains or zinc. If the Bulgarian economy does indeed "loosen up", there may be even brighter prospects for Canadian sales to a much broader range of Bulgarian customers.

In short, this is a year of potentially major change in the Bulgarian economy. The system will have to adjust to deal with private business, foreign investment, financing of hard currency debt, reorganization of the agricultural work force, etc., etc. As the dust settles, Canadian business may be in a position to capitalize on the new conditions created to win a larger share of the Bulgarian market.

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: BELGRADE

Country: YUGOSLAVIA

Yugoslavia's economic picture remains fairly bleak in 1989. The Markovic government is attempting to cure the economy by means of dramatic systemic restructuring. New legislation affecting virtually all economic areas including reorganization of social enterprises, foreign investment, joint ventures, banking, foreign exchange, labour laws, etc., have been enacted or introduced. The ultimate goal is an economic system based on a market-oriented model, however, achievement of this goal is proving difficult and painful in the short term. Personal incomes have not kept pace with rampant inflation which threatens to break 1000% barrier by year end. Accelerating inflation has affected domestic investment plans as well as private consumption. The export factor, however, continues to stand out as the economy's bright spot; growth in the order of 5% is expected towards OECD markets while overall export growth should increase by 3% in 1989. Strong export performance has filled foreign exchange coffers significantly, allowing more imports (in line with a major liberalization of the import regime) and an enhanced ability to service foreign debt. This was reduced by about \$3 billion in the past year to approximately \$17 billion. The progressive liberalization of imports, aimed at creating a more competitive marketplace and a more productive industrial sector, will be of significant interest to Canadian exporters. In the first half of 1989 total imports from hard currency countries increased by 17%; Yugoslav imports from Canada in this period were up 55%! Since about 80% of investment spending by enterprises is covered by their own resources, Yugoslav firms with strong export performance should be targetted as prospective clients since they have substantial foreign exchange available. Many of these enterprises are "dusting off" modernization and investment plans aimed at enhancing their productivity and output. Opportunities should open up in such sectors as mining, food processing, oil and gas exploration and refining and telecommunications. Two Canadian firms recently signed contracts valued at over \$10 million in the mining and petroleum sectors. Additional opportunities are apparent in the fields of cattle breeding and genetic material, seed potatoes, coking coal, asbestos and wood pulp. Foreign investment, particularly in the form of joint ventures, is taking on increased importance thanks to new legislation allowing foreigners up to 100% ownership of new and existing enterprises. Several Canadian firms have formed joint ventures in the informatics, car rental and engineering sectors. Canadian business visitors can expect to meet interlocutors who are more business-minded as the prospect of a market-oriented economy becomes more of a reality. Requests for countertrade can continue to be expected however, as Yugoslav buyers seek to stretch available hard currency to the greatest extent possible. In summary, Yugoslavia's economy is undergoing a complete transformation which will take considerable time to fully implement. Unfortunately, external creditors and internal detractors are exhibiting limited patience with the slow pace of progress.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: BELGRADE

Country: BULGARIA

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

1. FOREST PRODUCTS, EQUIP, SERVICES

Bulgarians plan to contract a turnkey bleached kraft pulp mill, to be built at Silistra (north-eastern Bulgaria). Project value over \$300 million. Cdn pulp and paper technology is well-known due to Cdn-built plants of similar type in Poland, Czechoslovakia and USSR. Two Cdn. bids on Silistra project received; decision expected shortly.

2. INDUSTRIAL MACHIN, PLANTS, SERV.

Recycling technology: Bulgarians contract 5 to 6 recycling projects (plants and equipment) yearly. After three years of marketing, they have finally been convinced to make initial purchase from Cdn company. Once machinery is delivered and tested, we believe door will be open for future sales in wide variety of recycling machines/technologies.

3. AGRI & FOOD PRODUCTS & SERVICE

Food processing technology: Canadian company has just won major turn-key project for meat processing, which may have spinoffs for additional business. Bulgarian exporter of jams to Canada recently criticized for shipping product containing glass shards--this could pave the way for sales of better processing/packaging machinery.

4. OIL & GAS EQUIPMENT, SERVICES

Sales of oil/gas equipment to third countries which have contracted Bulgarian engineering firms to build major plants look promising. Cdn firms have developed good relations with contractors Montagi, Chiminvest, Technoexportstroj, etc which are all doing projects in Middle East esp. Syria, Iraq, Libya.

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. AGRI & FOOD PRODUCTS & SERVICE

4. INDUSTRIAL MACHIN, PLANTS, SERV.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: BELGRADE

Country: YUGOSLAVIA

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

1. OIL & GAS EQUIPMENT, SERVICES

Canadian firms have already been successful in World Bank financed expansion projects in this sector. Over past few years, a series of missions, fairs in Canada, seminars, private company visits, and Embassy visits to customers have greatly increased knowledge of Canadian capabilities in oil/gas sector. Substantial opportunities for sales.

2. MINE, METAL, MINERAL PROD & SRV

Yugoslavia continues to be a significant importer of raw minerals such as coking coal, iron ore, sulphur and asbestos. Our priority within this sector is, however, equipment and turn key plants/plant modernizations such as copper smelter, metallurgy revamping, mining equipment, etc. Canadian companies made significant sales in 1989.

3. TRANSPORT SYS, EQUIP, COMP, SERV.

World Bank financed railroad projects offer significant opportunities for computerized control systems, freight handling, etc. Belgrade subway project has been revived. Railroad authority has requirements for locomotive spare parts for Canadian locomotives. On-going attempts to push Yugo govt. to purchase 4 CL-215 waterbombing aircraft.

4. AGRI & FOOD PRODUCTS & SERVICE

Opportunities exist for sales of oilseeds, poultry and meat products and other grocery items to meet new consumer demand. Breeding cattle and other genetic material required to upgrade local production show good potential as a result of visits to the Royal Winter Fair and other Canadian facilities by Yugoslav officials.

5. CONSTRUCTION INDUSTRY

Yugoslavia is achieving significant success in third country turnkey projects. With access to EDC financing and well-known expertise, Canadian companies could be ideal subcontractors for many of these projects in collaboration with major Yugoslav firms ie. Rade Koncar, Ingra and Jugoturbina

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

1. MINE, METAL, MINERAL PROD & SRV
2. OIL & GAS EQUIPMENT, SERVICES
3. POWER & ENERGY EQUIP. & SERV.

4. FOREST PRODUCTS, EQUIP, SERVICES
5. TRANSPORT SYS, EQUIP, COMP, SERV.
6. INDUSTRIAL MACHIN, PLANTS, SERV.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: BULGARIA

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	60.00 \$M	60.00 \$M	40.00 \$M	50.00 \$M
Canadian Exports	0.50 \$M	0.50 \$M	12.00 \$M	18.00 \$M
Canadian Share of Market	0.80 %	0.80 %	30.00 %	36.00 %

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

Major Competing Countries	Market Share
SWEDEN	30.00 %
AUSTRIA	30.00 %
GERMANY WEST	15.00 %
POLAND	10.00 %

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

Products/services for which there are good market prospects:

1. Meat processing equipment
2. Tobacco processing equipment
3. Food sterilization
4. Food packaging

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: BULGARIA

Factors for Canadian exports not reaching market potential:

- Market prospects have not been adequately explored

-

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

Activity: Plovdiv International Fair

Expected Results: Knud Simonsen Industries plus 4-5 subsuppliers will exhibit

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: BULGARIA

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	40.00 \$M	20.00 \$M	30.00 \$M	250.00 \$M
Canadian Exports	0.30 \$M	0.00 \$M	0.00 \$M	200.00 \$M
Canadian Share of Market	0.70 %	0.00 %	0.00 %	80.00 %

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

Major Competing Countries

Market Share

UNION OF SOVIET SOC REP	50.00 %
AUSTRIA	30.00 %
GERMANY WEST	20.00 %

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

Products/services for which there are good market prospects:

1. Turnkey bleached pulp mill

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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- _____

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DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: BULGARIA

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

Activity: Accompany Cdn company reps to financial negotiations in Sofia

Expected Results: Attractive financing package/banks, EDC, prod. buy-back

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

Silistra Pulp Mill Project

Approximate Value: 300 M\$

Financing Source : CN'TRADE

EDC - Export Dev Corporation

B.C. - Buyer Credits required

Contact

: Canadian Embassy, Belgrade

EDC

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: BULGARIA

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	30.00 \$M	25.00 \$M	35.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	3.00 \$M	5.00 \$M
Canadian Share of Market	0.00 %	0.00 %	12.00 %	14.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	40.00 %
GERMANY WEST	25.00 %

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

Products/services for which there are good market prospects:

1. Oil and gas separators
2. oilfield drilling equipment

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- _____
- _____

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DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: BULGARIA

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

Activity: plovdiv International Fair
Expected Results: Cdns with Bulg partners to meet end customers ie. Mid East

Activity: Delegation to Intercan
Expected Results: Improve knowledge of Canadian capabilities

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: BULGARIA

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	20.00 \$M	20.00 \$M	12.00 \$M	15.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.50 \$M	1.30 \$M
Canadian Share of Market	0.00 %	0.00 %	4.00 %	8.60 %

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

Major Competing Countries

Market Share

JAPAN	40.00 %
GERMANY WEST	30.00 %
ENGLAND	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. metal shredders
2. mobile shredders
3. rubber tire shredders
4. hazardous waste disposal
5. recovery of precious metals from electronics

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

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

- _____
- _____

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: BULGARIA

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

Activity: Accompany Cdn company rep to Sofia for negotiation of two addtnl. contracts, and supervision of first shipment arrvl.
Expected Results: Contract for \$350,000 negotiated before year-end.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: YUGOSLAVIA

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	3.50 \$M	4.40 \$M	6.00 \$M	7.00 \$M
Canadian Exports	0.08 \$M	0.01 \$M	0.01 \$M	1.00 \$M
Canadian Share of Market	2.30 %	2.20 %	1.60 %	14.20 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	40.00 %
GERMANY WEST	20.00 %
FRANCE	20.00 %
NETHERLANDS	10.00 %
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. Breeding cattle
2. Bovine genetic material
3. Turkey breeding stock

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

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

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DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: YUGOSLAVIA

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

Activity: Novi Sad Agricultural Fair
Expected Results: intro of new Canadian firms to 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: Incoming missions to Agribition and Royal Winter Fair
Expected Results: Better knowledge of Canadian capabilities

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: YUGOSLAVIA

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	1.50 \$M	1.60 \$M	2.00 \$M	2.00 \$M
Canadian Exports	0.00 \$M	0.16 \$M	0.20 \$M	0.30 \$M
Canadian Share of Market	0.00 %	10.00 %	10.00 %	15.00 %

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

Major Competing Countries

Market Share

NETHERLANDS
AUSTRIA

87.00 %
5.00 %

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

Factors contributing to current successful Canadian exports:

- Import duties are low
- Aggressive marketing
- Provincial export promotion
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada

Factors for Canadian exports not reaching market potential:

- Import restrictions are a significant impediment in this sector
- Restrictive quotas
- Restrictive standards
- Non-competitive pricing
- Lack of promotion and advertising
- Limited appreciation/understanding of distribution system
- phyto-sanitary regs
- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: YUGOSLAVIA

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

Activity: Field testing still underway by Centrocoop and UPI
Expected Results: Early results quite satisfactory; should lead to addtl sales

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

Activity: Novi Sad agricultural fair
Expected Results: Better 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: Four candidates nominated for Canadian Seed Potato Technology Course
Expected Results: Greater mkt penetration due to better product knowledge

Activity: Additional field testing by Yugoslav customers
Expected Results: More confidence in quality/yield of Canadian seed stock

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: YUGOSLAVIA

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	8.00 \$M	6.40 \$M	10.00 \$M	60.00 \$M
Canadian Exports	8.00 \$M	1.60 \$M	0.70 \$M	45.00 \$M
Canadian Share of Market	100.00 %	40.00 %	14.00 %	75.00 %

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

Major Competing Countries

Market Share

FRANCE	30.00 %
UNITED KINGDOM	30.00 %
NETHERLANDS	10.00 %
SPAIN	10.00 %
ITALY	5.00 %

Factors for Canadian exports not reaching market potential:

- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: YUGOSLAVIA

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	400.00 \$M	324.00 \$M	350.00 \$M	350.00 \$M
Canadian Exports	2.50 \$M	8.20 \$M	10.00 \$M	10.00 \$M
Canadian Share of Market	0.63 %	2.50 %	2.80 %	2.80 %

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

Major Competing Countries

Market Share

UNION OF SOVIET SOC REP	42.00 %
ZIMBABWE	30.00 %
UNITED STATES OF AMERICA	18.00 %

Factors for Canadian exports not reaching market potential:

- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: YUGOSLAVIA

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	10.00 \$M	12.00 \$M	20.00 \$M	70.00 \$M
Canadian Exports	7.00 \$M	5.00 \$M	10.00 \$M	40.00 \$M
Canadian Share of Market	70.00 %	40.00 %	50.00 %	57.00 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	10.00 %
GERMANY WEST	5.00 %

Factors for Canadian exports not reaching market potential:

- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BELGRADE

Market: YUGOSLAVIA

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	130.00 \$M	110.00 \$M
Canadian Exports	0.00 \$M	3.00 \$M	7.00 \$M	5.50 \$M
Canadian Share of Market	0.00 %	2.00 %	5.40 %	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	80.00 %
JAPAN	5.00 %
GERMANY WEST	5.00 %
FRANCE	4.00 %

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

Products/services for which there are good market prospects:

1. logging and cementing units
2. oil and gas separators
3. fracturing units
4. drilling equipment
5. spares and components

Factors contributing to current successful Canadian exports:

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BELGRADE

Market: YUGOSLAVIA

Factors for Canadian exports not reaching market potential:

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

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Belgrade

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/05/00	Int'l Agricultural Fair Novi Sad, Yugoslavia Info Booth	Agri & Food Products & Services
90/05/00	Food Processing Mission to Yugoslavia & Bulgaria Mission Out, Industry	Agri & Food Products & Services
90/06/00	Mission from Yugoslavia to Cda Mining Exhibition, Sudbury Mission In, To Fair	Mine, Metal, Mineral Products & Services
90/09/17	Zagreb Int'l Autumn Fair Zagreb, Yugoslavia Fair, National Stand	General

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RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: BUCHAREST

Country: ROMANIA

Romania's top economic priority since mid 1981 has been its attempt to eliminate the foreign debt and by March 1989, it more or less reached that goal. This was achieved by heavily promoting exports to generate hard currency while severely curtailing imports and restricting domestic consumption. This policy of rapid debt repayment and the preoccupation with investment in grandiose projects led to the impoverishment of the vast majority of the population and stagnation of the economy. Failure to invest in industrial modernization and restructuring will affect Romania's economic prospects throughout the 1990s. Even with the foreign debt essentially paid off, it is unlikely there will be any significant improvement in living standards (possibly the lowest in Europe) unless present policies are reversed.

Agriculture, which has traditionally been an important hard currency earner, has been suffering through several years of poor growing conditions. While some improvement has been reported (but perhaps incorrectly) it is unlikely to regain its former importance. Manufacturing for export as well as the domestic market have been seriously affected by arbitrary restriction of imports to maintain trade surpluses. Lacking repair parts, maintenance of manufacturing facilities (which in many cases are becoming increasingly outmoded) is falling behind. This together with a lack of raw materials and organizational problems continues to result in production shortfalls and non-achievement of export targets. While some progress has been achieved over the past year energy shortages continue with a negative impact on all other sectors of the economy.

Romania's current Five Year Plan (1986-1990) emphasizes investment in energy, irrigation and further processing of raw materials. Apart from nuclear energy, the plan is not to invest in new facilities, but to modernize, upgrade and improve productivity in all industry sectors. If there is to be any change, it will have to come as a result of some relaxing of austerity in the 5 year plan (1991-1995). The use of incentives and penalties in production units for exceeding or failing to meet objectives is growing. However, their effect is largely negative as most production shortfalls are beyond the control of the individual units. There is also some official concern over product quality since it is affecting competitiveness, but there has been little if any improvement.

Canadian economic activity with Romania is concentrated on the Cernavoda nuclear project. For all intents and purposes, orders for Canadian equipment/components for Units 1 and 2 have been placed. It had been anticipated that the Romanian authorities would have delineated by now their requirements for Units 3, 4, 5 but as of October, 1989 this has not occurred. During January-June, 1989, Canada's overall exports to Romania fell to \$11.9 million compared to \$36.9 million for the same period last year; on the other hand Romanian exports to Canada increased to \$48.8 million from \$31.2 million. A structural change of our exports has occurred since raw materials essentially have been eliminated (iron ore, asbestos and sulphur) and replaced by some agricultural products (especially bovine raw hides and turkey poults). Although the bulk of our imports remains the same (light industry products) a new major category was added, steel products, which was the major contributor to the increase.

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RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: BUCHAREST

Country: ROMANIA

The trend of falling exports to and rising imports from Romania is also typical of trends being experienced by other of Romania's trading partners. In addition to price, countertrade in one form or another will be a key factor if there are to be successes in the Romanian market.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: BUCHAREST

Country: ROMANIA

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.
THE CONSTRUCTION OF NUCLEAR POWER REACTORS CONTINUES TO BE A TOP PRIORITY FOR THE ROMANIAN GOVT DUE TO THE COUNTRY'S CRITICAL ENERGY SHORTAGE
2. AGRI & FOOD PRODUCTS & SERVICE
THERE IS AN INCREASING INTEREST IN CANADIAN RAW HIDES AND GOOD OPPORTUNITIES EXIST FOR BREEDING SWINE AND BOVINE SEMEN EXPORTS. MARKET MAY OPEN SOON FOR EMBRYO TRANSPLANTS.
3. OIL & GAS EQUIPMENT, SERVICES
RECENT CONTACTS BETWEEN ROM OIL SECTOR AND ALBERTA OIL SANDS TECHNOLOGY AND RESEARCH AUTHORITY GENERATED REAL OPPORTUNITIES FOR JOINT PARTICIPATIONS IN THIRD COUNTRY OIL RECOVERY PROJECTS.
4. CHEM PROD & PETROCHEM, EQP, SERV
ROMANIA CONTINUES TO BE AN IMPORTANT IMPORTER AND TRADER OF CHEMICAL AND PETROCHEMICAL PRODUCTS AND HAS RECENTLY EXPRESSED INTEREST IN INCLUDING CANADIAN FIRMS ON THEIR SUPPLIERS' LIST.
5. FOREST PRODUCTS, EQUIP, SERVICES
ROMANIA IS A PRODUCER AND EXPORTER OF FORESTRY PRODUCTS BUT ITS RESOURCES ARE LIMITED AND IMPORTS OF CANADIAN PULP AND VENEER WILL CONTINUE.
6. OTHER SERVICES

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

1. AGRI & FOOD PRODUCTS & SERVICE
2. POWER & ENERGY EQUIP. & SERV.
3. INVALID LOOKUP ON CODES FILE

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUCHAREST

Market: ROMANIA

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	70.00 \$M	50.00 \$M	50.00 \$M	60.00 \$M
Canadian Exports	0.00 \$M	3.00 \$M	15.00 \$M	15.00 \$M
Canadian Share of Market	0.00 %	6.00 %	30.00 %	25.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	50.00 %
AFRICA	5.00 %
ASIA OR FAR EAST	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. Raw Hides
2. Turkey Breeding Stock
3. Slaughterhouse eqpt & services
4. Semen
5. Canola
6. Live cattle breeding stock

Factors contributing to current successful Canadian exports:

- Import duties are low
- Aggressive marketing
- PEMD support
- Provincial export promotion
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Bilateral economic trade agreement
- Cdn agric products almost
- Distance factor
- unknown in Romania

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUCHAREST

Market: ROMANIA

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
 - Y
 - N.T.B.
 -
-

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

Activity: Ongoing promotion of Cdn capabilities in this sector through regular calls and visits to appropriate Romanian officials.
 Expected Results: To create a favourable image for Cdn agric prod & services

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

Activity: Bucharest International Fair'91
 Expected Results: Participation of Cdn Agric Companies

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

Activity: Revitalizing the Canadian-Romanian Joint Agriculture Commission
 Expected Results: To increase Canadian share in the Romanian market

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUCHAREST

Market: ROMANIA

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

Slaughterhouse eqpt & services Approximate Value: 1 M\$
Financing Source : TO BE DETERMINED
Contact : Min of Food Industry

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUCHAREST

Market: ROMANIA

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: NUCLEAR

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	60.00 \$M	50.00 \$M	40.00 \$M	100.00 \$M
Canadian Exports	50.00 \$M	10.00 \$M	8.00 \$M	90.00 \$M
Canadian Share of Market	83.00 %	20.00 %	20.00 %	90.00 %

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

Major Competing Countries

Market Share

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

Current Status of Canadian

exports in this sector/subsector: Well established and growing

Products/services for which there are good market prospects:

1. Heavy water supply
2. Technical cooperation in nucl eqpt manufacturing
3. CANDU eqpt/components supply
4. Nuclear Engineering Advisory Services

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Aggressive marketing
- Trade Fair activity
- Competitive pricing
- Canada is one of few sources of supply
- Strong sectoral capability in Canada
- Bilateral economic trade agreement
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

Factors for Canadian exports not reaching market potential:

- Delay by local decision makers

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUCHAREST

Market: ROMANIA

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

Activity: Continuing support for heavy water sale for Cernavoda units 1 and 2

Expected Results: Heavy water supply

Activity: OCI export promotion for Cernavoda units 3,4 and 5

Expected Results: Additional sales of nuclear equipment/components & services

Activity: Continuing support for nuclear countertrade activities

Expected Results: Foreign exchange accumulation to support Canadian sales

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

Activity: Bucharest International Fair TIB91

Expected Results: Increased exports of Cdn nucl capabilities

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUCHAREST

Market: ROMANIA

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

Cernavoda units 3,4 & 5

Approximate Value: 300 M\$
Financing Source : TO BE DETERMINED
Contact : Canadian Embassy, Bucharest
EXTOTT/RBT

Additional nuclear power units
beyond Cernavoda

Approximate Value: 700 M\$
Financing Source : TO BE DETERMINED
Contact : Canadian Embassy, Bucharest
EXTOTT/RBT

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUCHAREST

Market: ROMANIA

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	42.00 \$M	30.00 \$M	30.00 \$M	35.00 \$M
Canadian Exports	2.40 \$M	0.20 \$M	0.50 \$M	3.50 \$M
Canadian Share of Market	5.70 %	0.70 %	1.70 %	10.00 %

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

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

Products/services for which there are good market prospects:

1. Cord Pulp
2. Veneer & logs

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
- Bilateral economic trade agreement

Factors for Canadian exports not reaching market potential:

- Sellers' market, Cdn companies
- are not interest in Rom market

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUCHAREST

Market: ROMANIA

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

Activity: Revitalizing Cdn interest in the Romanian market
Expected Results: Spot sales

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

Activity: Bucharest International Fair TIB91
Expected Results: Participation of Cdn forest products companies

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

Activity: Steady contact with Cdn potential exporters for updating market prospects in Romania
Expected Results: Bringing Cdn suppliers & Rom importers together

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUCHAREST

Market: ROMANIA

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

Floresti tyre factory
development

Approximate Value: 0 M\$
Financing Source :
Contact : Canadian Embassy, Bucharest

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUCHAREST

Market: ROMANIA

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	11.00 \$M	9.00 \$M	8.00 \$M	8.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	1.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	12.50 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	30.00 %
EUROPEAN COMMON MARKET C	25.00 %
COMECON	20.00 %
JAPAN	5.00 %

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

Products/services for which there are good market prospects:

1. Enhanced oil recovery
2. Sulphur recovery
3. Third country projects

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Trade Fair activity
- Provincial export promotion
- Strong sectoral capability in Canada

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUCHAREST

Market: ROMANIA

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
- Strong local capability
- _____
- _____

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

Activity: Follow-up on newly signed MOU between AOSTRA, Alberta and Rompetrol
Expected Results: Increased market potential for Cdn oil recovery capabilities

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

Activity: Bucharest International Fair TIB91
Expected Results: Improved exposure of advanced Cdn technologies

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUCHAREST

Market: ROMANIA

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

Iran heavy oil recovery	Approximate Value:	0 M\$
AOSTRA-ROMPETROL joint venture	Financing Source :	
	Contact	: Canadian Embassy, Bucharest

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUCHAREST

Market: ROMANIA

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	500.00 \$M	480.00 \$M	450.00 \$M	470.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	4.70 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	1.00 %

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

Major Competing Countries	Market Share
EUROPEAN COMMON MARKET C	40.00 %
COMECON	50.00 %
UNITED STATES OF AMERICA	10.00 %

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

Products/services for which there are good market prospects:

1. Organic chemicals
2. Inorganic specialties

Factors contributing to current successful Canadian exports:

- Import duties are low

Factors for Canadian exports not reaching market potential:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUCHAREST

Market: ROMANIA

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

Activity: Calls & visits to appropriate FTOs to find out their import priorities for the coming years
Expected Results: Receiving more specific info for focused marketing

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

Activity: Bucharest International Fair TIB'91
Expected Results: Participation of Cdn Chemical Product Companies

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

Activity: Round table discussions with senior Romanian officials
Expected Results: Creating a favourable image and smoothing decision making

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUCHAREST

Market: ROMANIA

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

unknown

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

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Bucharest

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/06/12	Buyers from Eastern Europe to National Petroleum Show Calgary Mission In, To Fair	Oil & Gas Equipment & Services
90/10/00	Bucharest International Fair Romania Fair, National Stand	General

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: BUDAPEST

Country: HUNGARY

During 1989/90 Hungarian economic reforms accelerated further with the passage of new legislation covering joint ventures, transformation of state enterprises into joint stock companies as well as ownership and transfer of real estate. These measures were designed to encourage further foreign investment and a greater degree of privatization in the economy. Forty percent of imports were liberalized as of Jan. 1, 1989; as of Jan. 1, 1990 this level will rise to 60% reaching 80% by 1991. State subsidies are being gradually reduced further with the aim of eliminating them altogether in order to introduce a greater degree of efficiency and competitiveness into the Hungarian economy.

As a result of Hungary's political and economic liberalization Canadian company interest in doing business in Hungary increased significantly. Of the ten Canadian-Hungarian joint ventures that have been established four commenced operations in 1989 and a further six Canadian companies opened offices in Hungary. During 1989/90 additional projects with a total value of \$1 billion were under discussion. As a result of this increased commercial activity the resources of the TID program and the mission as a whole were heavily taxed. The number of business visitors which already is the second highest in Eastern Europe and which even exceeds that of some larger West European mission, increased by almost 80% during the period of Jan-Sept 1989. This trend is expected to continue as more Canadian firms are looking at Hungary either as a market for their goods and services or as an operation base from which both West and East European markets can be serviced. Opportunities for Canadian exports continue to exist in agriculture and agro-industry, telecommunications, energy (primarily oil and gas and nuclear technology), pulp and paper, information technology and metallurgy. With the revision of Cocom rules increasing opportunities are expected in the high technology field.

In addition to an expected increase in business visitors and missions the increased decentralization and privatization within the Hungarian economy will present additional challenges for the TID program in uncovering new export opportunities for Canada and in assisting Canadian firms in establishing contacts with Hungarian companies.

The post will continue to lend its strong support to Canadian exporters and potential investors in their efforts in Hungary providing them with advice and assistance in establishing a presence in this market, especially in light of formidable European competition.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: BUDAPEST

Country: HUNGARY

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

1. OIL & GAS EQUIPMENT, SERVICES

Hungarian oil and gas industry received a second loan from World Bank worth US \$110 million. Canadian companies have already won contracts in first World Bank projects in recent years and their follow up with their clients could result in additional business.

2. AGRI & FOOD PRODUCTS & SERVICE

New Hungarian industry policy makers strive for more energy independence from Soviet supplies. Canadian companies could supply various technologies (and equipment along with services) incl. CANDU, SLOWPOKE, Waste Heat Energy Equipment, combined cycle generators, etc.

3. POWER & ENERGY EQUIP. & SERV.

Hungarian PTT, Hungarian National Railways, Hungarian National Petroleum Trust, Hungarian Electricity Trust, to name a few have long term plans to modernize their communication networks with the assistance of foreign companies.

4. FOREST PRODUCTS, EQUIP, SERVICES

Supporting the quality of food processing and packaging and labelling is a priority in Hungary in order to move Hungary's international market position. As most of their technology is to be imported we feel there will be market opportunities for Canadian companies.

5. ADVANCED TECH. PROD. & SERV

Recent increased activity of press in Hungary in view of good democratization resulted in an increased demand for paper, newsprint and pulp. Modernization plans for pulp and paper industry are also expected to create opportunities for Canadian suppliers of equipment and technology in this sector.

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

1. OIL & GAS EQUIPMENT, SERVICES

5. AGRI & FOOD PRODUCTS & SERVICE

3. ADVANCED TECH. PROD. & SERV

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUDAPEST

Market: HUNGARY

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	923.00 \$M	1080.00 \$M	1130.00 \$M	1190.00 \$M
Canadian Exports	2.30 \$M	3.20 \$M	3.40 \$M	3.50 \$M
Canadian Share of Market	0.25 %	0.30 %	0.30 %	0.30 %

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

Major Competing Countries	Market Share
GERMANY WEST	25.00 %
NETHERLANDS	20.00 %
OTHER COUNTRIES	20.00 %
EAST GERMANY	15.00 %
UNITED KINGDOM	10.00 %
ISRAEL	10.00 %

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

Products/services for which there are good market prospects:

1. Animal breeding stock
2. Poultry breeding stock
3. Seeds and special crops
4. Food processing, labelling and packaging equipment
5. Veterinary eqpt and technology
6. Plant growth chambers
7. Agriculture machinery and technology

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUDAPEST

Market: HUNGARY

Factors contributing to current successful Canadian exports:

- Import duties are moderate
- Aggressive marketing
- Fairs and Missions support
- Trade Fair activity
- 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:

- Import restrictions are a significant impediment in this sector
- Restrictive standards
- 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: Continue to attract Canadian farm equipment manufacturers to Hungary.

Expected Results: Co-production of Canadian equipment in Hungary.

Activity: Continue to support Canadian companies in their sales efforts of various breeding stocks (animal plant)

Expected Results: Increased exports.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUDAPEST

Market: HUNGARY

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

Activity: OMEK-1990. National Agriculture and Food Exhibition and Show, Budapest.

Expected Results: Increasing awareness of Cdn capabilities. Growth in sales.

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

Integrated livestock industry project	Approximate Value:	148 M\$
	Financing Source :	IDA - World Bank
	Contact	: HJ Himmelsbach, (011-36-1) 176-7686 tlx:(61)-22-4588

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUDAPEST

Market: HUNGARY

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	180.00 \$M	210.00 \$M	250.00 \$M	260.00 \$M
Canadian Exports	0.09 \$M	0.20 \$M	0.30 \$M	0.50 \$M
Canadian Share of Market	0.05 %	0.10 %	0.10 %	0.20 %

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

Major Competing Countries

Market Share

FINLAND	30.00 %
SWEDEN	25.00 %
AUSTRIA	15.00 %
GERMANY WEST	15.00 %
OTHER COUNTRIES	10.00 %
ISRAEL	5.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Communication equipment
2. Computers
3. Computers and peripherals manufacturing tech.eqpt
4. Computer software

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
- Bilateral economic trade agreement
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUDAPEST

Market: HUNGARY

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: Entice Canadian telecommunications equipment firms to seriously look at this market.
Expected Results: Expanding sales (slowly)

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

Activity: Budapest Int'l Spring Fair (May 1990)
Expected Results: Make Hungarians aware 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: Assist Northern Telecom in establishing in Hungary.
Expected Results: Rapid growth of sales.

Activity: Assist Canadian companies in connection with \$5 b telecommunications modernization project 1990-2000.
Expected Results: Significant sales potential for Canadian firms.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUDAPEST

Market: HUNGARY

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

Second Telecommunications
Project

Approximate Value: 26 M\$
Financing Source : IBRD - World Bank
Contact : HJ Himmelsbach, (011-36-1)
176-7686 tlx:(61)-22-4588

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUDAPEST

Market: HUNGARY

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	44.00 \$M	60.00 \$M	70.00 \$M	80.00 \$M
Canadian Exports	0.25 \$M	0.60 \$M	0.70 \$M	1.00 \$M
Canadian Share of Market	0.60 %	1.00 %	1.00 %	1.25 %

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

Major Competing Countries

Market Share

UNION OF SOVIET SOC REP	30.00 %
CZECHOSLOVAKIA	20.00 %
GERMANY WEST	20.00 %
EAST GERMANY	10.00 %
AUSTRIA	10.00 %
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. Nuclear industry equipment and services
2. AECL "Slow Poke" Reactor
3. Utility Management info System
4. Geothermal electric generation equipment
5. Incinerators and related energy equipment
6. Services related to hydro energy generation

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
- Bilateral economic trade agreement
- Competitive Canadian financing
- Willingness of exporters to invest/joint venture in territory

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUDAPEST

Market: HUNGARY

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: Alencor Ltd.. (Montreal). Incinerators and garbage processing plants.

Expected Results: By 1990/91 sale of two plants.

Activity: React Ltd. (Calgary) Two pilot projects for waste heat utilization.

Expected Results: Potential sale of equipment by 1990/91.

Activity: AECL "Slow Poke" reactor.

Expected Results: Sale of one unit by 1990/91.

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

Activity: Budapest Int'l Spring Fair (May 1990)

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

Activity: Sale of CANDU reactor for PAKS Nuclear Power Plant

Expected Results: If any than after mid 90's.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: BUDAPEST

Market: HUNGARY

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	48.50 \$M	53.00 \$M	56.00 \$M	58.00 \$M
Canadian Exports	0.60 \$M	0.80 \$M	0.90 \$M	0.10 \$M
Canadian Share of Market	1.20 %	1.50 %	1.60 %	1.70 %

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

Major Competing Countries	Market Share
UNITED STATES OF AMERICA	50.00 %
JAPAN	20.00 %
GERMANY WEST	15.00 %
EUROPEAN COMMON MARKET C	15.00 %

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

Products/services for which there are good market prospects:

1. Technologies for enhanced oil recovery (EOR).
2. Equipment for EOR.
3. Various oil field tools and ancillary materials.
4. Gas/oil pipeline construction equipment.
5. Seismic
6. Data processing of oil/gas exploratory drillings.
7. Management of medium and large size oil companies.

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
- Bilateral economic trade agreement
- Willingness of exporters to invest/joint venture in territory

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUDAPEST

Market: HUNGARY

Factors for Canadian exports not reaching market potential:

- 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: Continued assistance to Canadian firms in their marketing efforts with National Petroleum Trust (OKGT).
Expected Results: Slow but steady increase in both value and volume.

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

Activity: National Petroleum Show five 1990 (incoming mission).
Expected Results: Greater awareness of Cdn capabilities with part of OKGT.

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: BUDAPEST

Market: HUNGARY

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

Petroleum Project No. 2

Approximate Value: 185 M\$

Financing Source : IBRD - World Bank

Contact : Extott/RBT, 613-996-6359
HJ Himmelsbach (011-36-1)

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Budapest

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/05/00	Budapest International Fair Hungary Fair, National Stand	General
90/08/31	OMEK 90 - Budapest Fair, National Stand	Agri & Food Products & Services

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: MOSCOW

Country: UNION OF SOVIET SOC REP

"Perestroika, or the restructuring of the Soviet economy in the Gorbachev era, continues. The structure of the foreign trade sector and methods of doing business with Soviet organizations have changed significantly, but the ultimate impact of Perestroika on the Soviet economy remains unclear. For instance, there are now some 6000 Soviet enterprises authorized to engage in foreign trade, but there are serious limitations on their activities and regulations affecting them seem to be under almost constant review. Soviet industrial ministries and their associated foreign trade organizations are being reorganized, streamlined, and decentralized but the influence of these changes on economic decision-making remains to be seen. The Soviet cooperative movement is growing rapidly, with thousands of small co-ops engaging in activities from the service sector to manufacturing; but the evident success of co-ops is causing resentment in some areas with demands for government control. The Soviet economy continues to experience a chronic shortage of foreign exchange, with export earnings hurt by relatively low world prices for oil and natural gas and some raw materials (the USSR's chief hard currency earners) and the dearth of high-quality manufactured goods available for export to the west. This has resulted in strong Soviet emphasis on formation of joint ventures designed to provide Soviet access to Western technology, know-how and marketing abilities at minimum cost in foreign currency plus the prospect of export earnings from the output of these joint ventures. The Soviet willingness to permit the creation of joint ventures and to explore many other forms of economic interaction with western countries after years of considerable isolation from the world trading system has caused excitement in the West, including Canada. Increasingly large numbers of Canadian companies are expressing interest in doing business with the USSR, making market investigation visits, and signing joint venture agreements with Soviet partners (about two dozen agreements to date). Among the existing Soviet-Canadian joint ventures are organizations covering food service, oil/gas equipment, hotel construction, printing services, entertainment, cattle breeding and industrial equipment manufacturing. The Government of Canada has taken an active role in redressing the Canada-USSR trade imbalance. The post provides assistance to Canadian businesses interested in sourcing Soviet products and advises Soviet enterprises on their best approach to the Canadian market. Concerning Canadian exports, a very high percentage of Canadian companies interested in the USSR rely on the post for help in virtually every aspect of their business relationship with the Soviets from basic market intelligence to advice on banking, local representation, market promotion, accreditation and joint venture formation. The range of products for which the post's assistance is requested continues to widen as Canadians increase their visits to the USSR, and the demands on Post resources become more onerous as Canadian business finds that basic support services (communications, accommodation, transportation) do not meet their needs. Without additional resources, initiation of trade promotion activity by the Post is difficult under an increasingly large responsive workload. In the next fiscal year the major sectors covered by Post activity will be agriculture and food, oil and gas equipment and services, forest products equipment plus some emphasis on environmental, joint ventures will also be important, covering a broad range of

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RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: MOSCOW

Country: UNION OF SOVIET SOC REP

industrial sectors. Perceived new opportunity in technology inflow will be explored. In the grains sector, the Post will continue to provide full support to the Canadian Wheat Board and the Canadian Grains Commission in maintaining Canada's position as a leading supplier of grains to the USSR. The Post will continue its role in assisting ongoing Canada-USSR trade for a such as the Mixed Agricultural Commission and the Mixed Economic Commission. In terms of regional focus, the Post's activities will emphasize trade development with the western RSFSR (Russian Republic), the Ukraine and the Baltic republics as the areas with greatest potential for Canadian success; however, the Post's input will certainly be required in monitoring new opportunity in the Soviet Far East, in Mongolia and in Central Asian republics. The coming year will be the first for the Canada-USSR Business Council (holding its inaugural meeting in November 89) and the Post expects to devote considerable time to supporting the early activities of the Business Council in order to help it play a significant role in the development of Canada-USSR trade relations.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: MOSCOW

Country: UNION OF SOVIET SOC REP

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

Soviet Union is Canada's largest market for grains. USSR domestic production generally does not meet demand.

2. AGRI & FOOD PRODUCTS & SERVICE

Agricultural reform has high priority in Soviet Union, including means of improving production, transportation, storage and packaging of food. This will require import of western technology and equipment.

3. CHEM PROD & PETROCHEM, EQP, SERV

Oil and natural gas exports provide the majority of USSR foreign exchange earnings. USSR continues to expand oil/gas exploration and development including Arctic and offshore regions. Upgrading existing facilities is also important.

4. FOREST PRODUCTS, EQUIP, SERVICES

USSR is one of world's largest forest products producers but requires major improvements to existing sawmill and pulp/paper operations to assist efficiency and environmental considerations.

5. ADVANCED TECH. PROD. & SERV

Soviet telecommunications system is out of date and inadequate to meet current needs. There is increasing Soviet priority assigned to this sector.

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

1. GRAINS AND OILSEEDS
2. CHEM PROD & PETROCHEM, EQP, SERV
3. MINE, METAL, MINERAL PROD & SRV

4. AGRI & FOOD PRODUCTS & SERVICE
5. MULTIPLE SECTORS

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ALL SUB-SECTORS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	100.00 \$M	125.00 \$M	125.00 \$M	100.00 \$M
Canadian Exports	5.00 \$M	4.00 \$M	5.00 \$M	5.00 \$M
Canadian Share of Market	5.00 %	3.00 %	4.00 %	5.00 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	20.00 %
UNITED KINGDOM	20.00 %
NEW ZEALAND	10.00 %
GERMANY WEST	30.00 %
DENMARK	15.00 %

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

Products/services for which there are good market prospects:

1. Live cattle
2. Dryland agricultural equipment
3. Bovine semen
4. Bovine embryos
5. Food processing/packaging
6. Grain handling technology
7. Public catering/restaurants

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
- Bilateral economic trade agreement
- Willingness of exporters to invest/joint venture in territory

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

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: Embryo transfer contracts and establishment of joint venture for Canadian firms (I.E. ALTA Genetics)
Expected Results: \$1 Million

Activity: Re solution of veterinary obstacles; semen, live animals (Sheep, Boar, Cattle)
Expected Results: \$1 Million

Activity: Vegetable storage, handling and transport equipment and technology transfers.
Expected Results: 1.5 Million

Activity: Breadmaking technology from frozen dough.
Expected Results: \$10 Million

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

Activity: Selkhoz mash 90 Exhibition (Agriculture Machinery, Equipment and Implements - September 1990)
Expected Results: \$5 Million

Activity: Food Technology 90 Exhibition (Kiev - September 1990)
Expected Results: 5 Million

Activity: OMAF - Sponsored food processing mission.
Expected Results: \$1 Million

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

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

Activity: Horse meat processing joint venture.
Expected Results: 2 Million

Activity: Restaurant chain joint venture
Expected Results: \$5 Million

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

Soviet Holsteinization Program Approximate Value: 50 M\$
Financing Source : DOM - Domestically funded
Contact : Andre Benoit, Cdn Emb Moscow
Tlx: 413401 DMCAN SU

Food Processing/Military Conversion Program Approximate Value: 25 M\$
Financing Source : DOM - Domestically funded
EDC - Export Dev Corporation
Contact : Andre Benoit, Cdn Emb Moscow
Tlx: 413401 DMCAN SU

Dryland Farming & Machinery Licensing Approximate Value: 3 M\$
Financing Source : DOM - Domestically funded
EDC - Export Dev Corporation
Contact : Andre Benoit, Cdn Emb Moscow
Tlx: 413401 DMCAN SU

Meat Processing Equipment Approximate Value: 4 M\$
Financing Source : DOM - Domestically funded
EDC - Export Dev Corporation
Contact : Andre Benoit, Cdn Emb Moscow
Tlx: 413401 DMCAN SU

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

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	10000.00 \$M	9000.00 \$M	8000.00 \$M	8000.00 \$M
Canadian Exports	700.00 \$M	975.00 \$M	800.00 \$M	1000.00 \$M
Canadian Share of Market	7.00 %	11.00 %	10.00 %	12.50 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	40.00 %
EUROPEAN COMMON MARKET C	15.00 %
SPAIN	5.00 %
ARGENTINA	10.00 %
AUSTRALIA	10.00 %

Current Status of Canadian

exports in this sector/subsector: Mature with little growth

Products/services for which there are good market prospects:

1. Wheat and wheat flour
2. Durum wheat
3. Corn
4. Barley
5. Flaxseed
6. Canola seed
7. High yield forage seed
8. High yield grain seed
9. Canola oil

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
- Consistency of quality

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

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: Implementing 1986-1990 long-term grains agreement
Expected Results: \$10 Billion over 5 years

Activity: Alberta wheat pool/RSTSR seed exchange tests
Expected Results: \$1 Million

Activity: Oseco/King Agro seed protocol agreements
Expected Results: \$1 Million

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

Activity: Saskatchewan/Kazakhstan protocol visit (cooperation in grains)
Expected Results: \$2 Million

Activity: Canadian canola industry mission
Expected Results: \$1 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: Negotiation of new long-term agreement
Expected Results: \$5 Billion +

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

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	2000.00 \$M	2000.00 \$M	2000.00 \$M	2000.00 \$M
Canadian Exports	1.50 \$M	1.00 \$M	1.50 \$M	2.00 \$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: 15-30 \$M

Major Competing Countries

Market Share

COMECON	60.00 %
JAPAN	5.00 %
ITALY	3.00 %
EUROPEAN COMMON MARKET C	3.00 %

Current Status of Canadian

exports in this sector/subsector: Small but expanding

Products/services for which there are good market prospects:

1. Telephone equipment
2. Switches
3. Data communication
4. Cable

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:

- _____
- _____

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

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

Activity: Continued efforts to encourage cdn telecommunications company interest in this market
Expected Results: Long-term business

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

Activity: Support to 1990 USSR telecom mission to Canada (waiting approval) and appropriate follow-up.
Expected Results: Contracts worth \$5 million and new joint ventures

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

Activity: Review of promotional opportunities in USSR (fairs) and advice to canadian companies.
Expected Results: Additional participation of cdn coys in USSR telecom fairs.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

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	900.00 \$M	700.00 \$M	800.00 \$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
FINLAND	30.00 %
SCANDINAVIA	20.00 %
GERMANY WEST	15.00 %
AUSTRIA	10.00 %
ITALY	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. Sawmill equipment
2. Felling/delimiting equipment
3. Pulp and paper machinery
4. Pulp tying machinery
5. Water Bombers -215T)
6. Wood drying equipment
7. Skidders/loaders
8. Environmental/effluent control equipment
9. Furniture/finished products

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

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

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
 - Limited appreciation/understanding of distribution system
 - Limited Canadian capabilities
 - Distance, unfamil., size of cdn coys
 -
-

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

Activity: Follow-up TOBC forestry mission
Expected Results: \$5 Million

Activity: Follow-up to Lesdrevmash 89 exhibition
Expected Results: \$2 Million +

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

Activity: Woodworking 90 exhibition (Moscow, Oct 90)
Expected Results: \$2 Million +

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

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

Activity: Establishment of joint venture with Soviet partners
Expected Results: \$1 Million

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

Refurbishing - Soviet sawmills Approximate Value: 200 M\$
Financing Source : DOM - Domestically funded
EDC - Export Dev Corporation
Contact : Andre Benoit, Cdn Emb Moscow
Tlx: 413401 DMCAN SU

Environ. protection is Soviet timber and P & P industry Approximate Value: 50 M\$
Financing Source : DOM - Domestically funded
EDC - Export Dev Corporation
Contact : Andre Benoit, Cdn Emb Moscow
Tlx:413401 DMCAN SU

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

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	1227.00 \$M	1330.00 \$M	1000.00 \$M	1000.00 \$M
Canadian Exports	19.00 \$M	120.00 \$M	100.00 \$M	120.00 \$M
Canadian Share of Market	1.60 %	9.00 %	10.00 %	12.00 %

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

Major Competing Countries

Market Share

ROMANIA	20.00 %
FRANCE	15.00 %
GERMANY WEST	15.00 %
ITALY	5.00 %
CZECHOSLOVAKIA	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. Oilfield equipment
2. Drill pipe and casings
3. Tracked vehicles
4. Gas compressors
5. Drill rigs
6. Oilfield safety equipment
7. Pipeline equipment

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

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: Follow up to USSR pipeline technology mission (Oct-Nov 89)
Expected Results: New contracts minimum \$1 million

Activity: Continued support for establishment of USSR-CDA joint ventures re increasing USSR oil/gas production
Expected Results: Several new joint ventures and contracts

Activity: Continued support to canadian companies in sulphur prilling
Expected Results: Contracts for \$10 million

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

Activity: Assistance to province of Alberta oil and gas mission in 1990.
Expected Results: Long-term business, new contracts and joint ventures.

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

Activity: Assisting Aostra and other canadian companies to cooperate with USSR organizations on oil and sands technology.
Expected Results: Long-term business.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: MOSCOW

Market: UNION OF SOVIET SOC REP

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

Gas pipeline reconstruction	Approximate Value: 40 M\$
	Financing Source : EDC - Export Dev Corporation DOM - Domestically funded
	Contact : R. Henry, Moscow Tlx 413401
Karachaganak gas projects	Approximate Value: 100 M\$
	Financing Source : EDC - Export Dev Corporation DOM - Domestically funded
	Contact : R. Henry, Moscow Tlx 413401
Tenguz oil project	Approximate Value: 50 M\$
	Financing Source : EDC - Export Dev Corporation DOM - Domestically funded
	Contact : R. Henry, Moscow Tlx 413401
Komi oil projects	Approximate Value: 1000 M\$
	Financing Source : EDC - Export Dev Corporation DOM - Domestically funded
	Contact : R. Henry, Moscow Tlx 413401

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Moscow

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/00/00	Food Production and Packaging Mission to USSR Mission Out, Industry	Agri & Food Products & Services
90/00/00	Telecom Mission From USSR Mission In, Industry	Advanced Tech., Products & Services

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: PRAGUE

Country: CZECHOSLOVAKIA

Canadian exports to Czechoslovakia declined to \$11.2 million in 1988 from \$14.1 million in 1987. Nearly \$2 million of this decline was due to the winding down of a cooperative agreement between Mitel and Tesla in which Mitel had supplied kits for the manufacture of PABX power supply units to Tesla which had assembled these psu's and sold them back to Mitel. During 88-89 Kockums CanCar was successful in winning a contract worth \$4.5 million for the supply of sawmill machinery for the Zdirec sawmill. We are optimistic that successful execution of this contract will put Kockums in a strong position to win several more as the Czechoslovaks continue to upgrade and rationalize their obsolete and rundown sawmilling facilities. H.A.Simons (Overseas) Ltd. failed to win the contract for the number 8 paper machine at Ruzomberok, a great disappointment after 4 years of long and costly negotiations. The third major project in active status during 88-89, the Koramo Kolin used oil refinery, appears to be approaching finalizations mainly due to prioritization as an ecological project. It is hoped that final contract negotiations will take place in October or November of 1989. The 88-89 period also saw satisfying sales of tobacco harvesters, bovine embryos, live cattle and wave soldering equipment. During 88-89 we expanded our trade promotion activities to include environmental protection technology, an area of critical importance to Czechoslovakia. New major opportunities in the areas of sawmilling, pulp and paper, metallurgy, livestock breeding and oil and gas were identified.

The Czechoslovak economy has not experienced the radical reforms taking place in Hungary, Poland the USSR but there is nevertheless a transformation taking place. Czechoslovak leaders are proceeding very cautiously, conscious of the potentially destabilizing by-products of perestroika. They are very concerned that economic restructuring not lead to inflation and unemployment and they are extremely reluctant to give up central control of the economy, the alternative to which they perceive as chaos. In this context, the commercial and economic environment is changing slowly but reasonably surely to a more decentralized pattern featuring state enterprises whose managers will be responsible for running their operations profitably and finding their own financing. The banking system is being reorganized, with the idea of decentralizing commercial lending by taking this function away from the State Bank and giving it to two new regional banks with a proviso for inter-bank and inter-branch competition. Full conversion to the new economic format will take place as of January 1, 1990 when central planning will give way to a system of production guidelines and economic incentives. Opportunities for Canadian exporters should improve as state enterprise managers gain greater autonomy and become more motivated to purchase equipment and services that will contribute to the enterprise's productivity.

For 90-91 we see opportunities in our traditional areas of concentration: sawmilling machinery; pulp and paper equipment/engineering services; livestock genetics, natural gas transmission/pipeline systems; and metallurgy. In addition, opportunities are foreseen in a wide range of environmental protection areas, in the food processing, packaging and distribution sector and in aerospace for aircraft engines. Our greatest challenge in realizing these opportunities will be in identifying

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RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: PRAGUE

Country: CZECHOSLOVAKIA

Canadian suppliers willing and able to make the long term commitment that the Czechoslovak market demands.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: PRAGUE

Country: CZECHOSLOVAKIA

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

1. FOREST PRODUCTS, EQUIP, SERVICES

CSSR has substantial forest resources and a strong commitment to re-forestation. The Czechoslovaks are accelerating their efforts to replace or update many of their existing sawmills, pulp mills and paper mills which tend to be obsolete and rundown. Canada has an excellent reputation in the forestry equipment sector.

2. POWER & ENERGY EQUIP. & SERV.

Strong interest in AECL "Slowpoke" district heating systems and nuclear engineering services. Recognition by CSSR govt of need to reduce pollution caused by burning of soft coal. CSSR recognition of AECL Engineering capabilities in computer simulation for nuclear plant safety and operator training.

3. OIL & GAS EQUIPMENT, SERVICES

CSSR plays key role in construction, maintenance and management of transit gas pipeline system from USSR to W. Europe. CSSR lacks sophisticated control and supervisory systems for pipeline operation. Increased emphasis on use of natural gas in place of soft coal due to environmental concerns.

4. AGRI & FOOD PRODUCTS & SERVICE

Strong Canadian reputation for superior livestock genetic materials and breeding stock. CSSR moving toward specialized cattle operations emphasizing specific dairy and beef breeds. Strong interest in joint ventures in bovine embryo transfer and swine breeding.

5. MINE, METAL, MINERAL PROD & SRV

Czechoslovakia is a major producer of iron and steel but has fallen behind the West in equipping its mills with high-productivity systems for process control and technologies to improve quality. Canada has leading technologies in these areas, a fact that is recognized by the Czechoslovaks

6. INDUSTRIAL MACHIN, PLANTS, SERV.

Czechoslovak industry faces the challenge of updating an industrial plant that is generally obsolete and rundown. In addition, serious ecological problems require the importation of environmental protection technologies, equipment and services. Although CSSR policy strongly favours "make" rather than "buy", capacities are limited.

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

1. AGRI & FOOD PRODUCTS & SERVICE
2. MINE, METAL, MINERAL PROD & SRV
3. FOREST PRODUCTS, EQUIP, SERVICES

4. INDUSTRIAL MACHIN, PLANTS, SERV.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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	425.00 \$M	410.00 \$M	0.00 \$M	0.00 \$M
Canadian Exports	0.00 \$M	0.70 \$M	0.00 \$M	0.00 \$M
Canadian Share of Market	0.00 %	0.20 %	0.00 %	0.00 %

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

Major Competing Countries

Market Share

EAST GERMANY	46.00 %
HUNGARY	17.00 %
POLAND	14.00 %
UNION OF SOVIET SOC REP	6.10 %
GERMANY WEST	5.10 %
AUSTRIA	2.60 %

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

Products/services for which there are good market prospects:

1. Airseeders
2. Spraying equipment
3. Tobacco harvesters
4. Any high level technology

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Unsuitable product

- _____
- _____

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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

Activity: Conclusion of joint venture in swine breeding involving
Alta Swine Breeders Association
Expected Results: Sales of breeding stock to CSSR and progeny to Eur.mkts.

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

Activity: Recruit Canadian agric. machinery manufacturers to exhibit
in CSSR's two major agricultural exhibitions
Expected Results: Introduce Canadian Co. capabilities to market

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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	131.00 \$M	120.00 \$M	130.00 \$M	130.00 \$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

POLAND	30.00 %
EAST GERMANY	26.00 %
AUSTRIA	14.00 %
GERMANY WEST	8.00 %
UNITED KINGDOM	8.00 %
NETHERLANDS	2.00 %

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

Products/services for which there are good market prospects:

1. Food packaging and labelling machinery
2. Machinery for mfr. of meat, bakery and dairy prod.
3. Robotics, automation and process control technol.
4. Meat de-boning equipment
5. Eqpt. & syst. for stor. handl. & distr. of food prod.

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 Canadian capabilities
- Market prospects have not been adequately explored

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DEPARTMENT OF EXTERNAL AFFAIRS

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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

Activity: Complete survey of major state enterprises in food processing sector to determine requirements
Expected Results: Report on market opportunities to Canadian manufacturers

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

Activity: Incoming Mission of CSSR dairy experts March 1990
Expected Results: To obtain firsthand knowledge of Cdn.cap.in dairy ind.sect.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PRAGUE

Market: CZECHOSLOVAKIA

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: NUCLEAR

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	400.00 \$M	454.00 \$M	515.00 \$M	584.00 \$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

UNION OF SOVIET SOC REP	65.00 %
POLAND	13.00 %
BULGARIA	6.00 %
GERMANY WEST	5.00 %
HUNGARY	5.00 %
ROMANIA	2.00 %

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

Products/services for which there are good market prospects:

1. Nuclear District Heating Systems
2. Components for Nuclear Power Plants
3. Control Systems for Nuclear Power Plants

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:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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

Activity: Completion of Canada-CSSR negotiations on Nuclear Cooperation Agreement (NCA)
Expected Results: Signing of NCA in 1990

Activity: Support of Local Energy Systems Ltd. (AECL) in promotion of "Slowpoke" District Heating Systems
Expected Results: Signing of first contract in 1991

Activity: Promotion of cooperation in safety equipment and systems of AECL
Expected Results: Cooperation agreement to be concluded in 1991

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

Activity: International Engineering Fair, Brno in 1990
Expected Results: Participation of AECL

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PRAGUE

Market: CZECHOSLOVAKIA

Sector : POWER & ENERGY EQUIP. & SERV.

Sub-Sector: CONTROL SYSTEMS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	669.00 \$M	685.00 \$M	701.00 \$M	717.00 \$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

EAST GERMANY	20.00 %
BULGARIA	18.00 %
UNION OF SOVIET SOC REP	18.00 %
POLAND	13.00 %
HUNGARY	12.00 %
AUSTRIA	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. Scada Systems for Power Distribution
2. Scada Systems for Gas Distribution
3. Industrial Automation
4. Process Control Systems

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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

Activity: Support Willowglen in selling Scada System for Power Distribution System

Expected Results: Start of Negotiations in 1990

Activity: Support Willowglen in selling Scada System for Transit Gas Pipeline

Expected Results: Canadian company to submit competitive offer

Activity: Support of Willowglen in selling Scada System for Underground Gas Storing Facilities

Expected Results: Canadian Company expected to submit competitive offer

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

Activity: International Engineering Fair, Brno

Expected Results: Participation of Willowglen Systems

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

Activity: Incoming Mission of Czechoslovak Experts to Willowglen

Expected Results: Convince CSSR buyers of high quality of Cdn. equipment

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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	182.00 \$M	222.00 \$M	271.00 \$M	330.00 \$M
Canadian Exports	0.08 \$M	0.10 \$M	2.00 \$M	4.00 \$M
Canadian Share of Market	0.04 %	0.05 %	0.70 %	1.20 %

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

Major Competing Countries	Market Share
AUSTRIA	23.00 %
GERMANY WEST	18.00 %
POLAND	17.00 %
EAST GERMANY	13.00 %
SWITZERLAND	6.00 %
SWEDEN	5.00 %

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

Products/services for which there are good market prospects:

1. Sawmill equipment
2. Pre-fabricated house manufacturing equipment
3. Pulp and paper machinery
4. Furniture manufacturing machinery
5. Forestry equipment

Factors contributing to current successful Canadian exports:

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Non-competitive financing
- Limited appreciation/understanding of distribution system
- Performance of local agent or representative
- _____
- _____

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

Activity: Support Kockums CanCar on Polomka project
Expected Results: Conclusion of Contract in 1989

Activity: Support Kockums CanCar on Olomouc project
Expected Results: Conclusion of Contract in 1990

Activity: Support Ecodyne on Steti (evaporators) project
Expected Results: Conclusion of Contract in 1990

Activity: Support Combustion Engineering in Steti (chemical recovery boiler) project
Expected Results: Submission of competitive offer in 1990

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

Activity: Brno Engineering Fair 1990
Expected Results: Participation of Canadian companies

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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

Activity: Incoming pre-fabricated houses mission in 1990
Expected Results: Presentation of Canadian companies to Czechoslovak experts

Activity: Support Lumus-Lavalin on Bukovec project
Expected Results: Presentation of competitive offer in 1990

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

Paskov Pulp Mill Extension (Ti Approximate Value: 100 M\$
ssue Paper Mill,Oxygen Bleach) Financing Source : EDC - Export Dev Corporation
DOM - Domestically funded
Contact : Commercial Section,Canadian Em
bassy

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PRAGUE

Market: CZECHOSLOVAKIA

Sector : FOREST PRODUCTS, EQUIP, SERVICES

Sub-Sector: CONSULTING & OTHER SERVICES

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	18.00 \$M	22.00 \$M	27.00 \$M	33.00 \$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

CZECHOSLOVAKIA	33.00 %
AUSTRIA	20.00 %
GERMANY WEST	20.00 %
POLAND	10.00 %
SWEDEN	10.00 %
FINLAND	7.00 %

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

Products/services for which there are good market prospects:

1. Pre-fab. houses: design, mfg, techn, know-how
2. Recovery boiler technology
3. Pulp mill evaporator and know-how technology
4. Technol. and know-how for oxygen bleaching of pulp

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
 - Non-competitive financing
 - Limited appreciation/understanding of distribution system
 - Performance of local agent or representative
-
-

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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

Activity: Support Combustion Engineering in development of cooper. agreement for recovery boilers production

Expected Results: Conclusion of coop.agr. with 1st. Brno Engineering Works

Activity: Support Ecodyne in development of cooperation agreement for evaporators production

Expected Results: Conclusion of coop.agr. with 1st Brno Engineering Works

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

Activity: Brno International Engineering Fair in 1990

Expected Results: To bring some Canadian companies as co-exhibitors

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

Activity: Incoming Technical Mission on Prefabricated House Technologies and Know-How, 1990

Expected Results: Acquaint Czechoslovak experts with Canadian capability

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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

Oxygen Bleach.of Pulp and PGW	Approximate Value:	10 M\$
	Financing Source :	EDC - Export Dev Corporation DOM - Domestically funded
	Contact	: Canadian Embassy, Prague

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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	1236.00 \$M	1463.00 \$M	1557.00 \$M	1637.00 \$M
Canadian Exports	0.02 \$M	0.38 \$M	0.34 \$M	0.40 \$M
Canadian Share of Market	0.00 %	0.02 %	0.02 %	0.02 %

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

Major Competing Countries	Market Share
GERMANY WEST	18.00 %
EAST GERMANY	16.00 %
POLAND	13.00 %
UNION OF SOVIET SOC REP	7.00 %
BULGARIA	7.00 %
AUSTRIA	7.00 %

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

Products/services for which there are good market prospects:

1. Continual casting of steel
2. Electric Arc Furnaces
3. Spirally Welded Pipe Equipment
4. Measuring and Control Instrumentation
5. Laser-Machine Tools

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

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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: Electric Arc Furnaces for Skoda Works, Plzen
Expected Results: Bring Cdn Co. Whiting Equipment Ltd. to Czechoslovakia

Activity: Electric Furnaces for Svermovy zelezarny, Podbrezova, Slovakia
Expected Results: Bring. Cdn. Co. EMPCO to Czechoslovakia

Activity: Assist IPSCO in exploring spirally welded pipe manufacturing equipment project - Strojexport inquiry
Expected Results: Cdn. company to submit their offer

Activity: Support local agent working for George Kelk - Rolling Mill Control Instrumentation
Expected Results: Another order for G. Kelk

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

Activity: International Conference on use of Industrial lasers in Metal Working Industries
Expected Results: To get some Cdn. company for participation in Conference

Activity: Brno International Engineering Fair, 1990
Expected Results: Participation of Cdn. Cos. for greater visibility in CSSR

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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

Continuous Steel Casting	Approximate Value:	100 M\$
	Financing Source :	EDC - Export Dev Corporation DOM - Domestically funded
	Contact	: Canadian Embassy in Prague

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PRAGUE

Market: CZECHOSLOVAKIA

Sector : MINE,METAL,MINERAL PROD & SRV

Sub-Sector: CONSULTING & OTHER SERVICES

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	120.00 \$M	150.00 \$M	160.00 \$M	160.00 \$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

CZECHOSLOVAKIA	30.00 %
GERMANY WEST	20.00 %
EAST GERMANY	20.00 %
POLAND	10.00 %
UNION OF SOVIET SOC REP	10.00 %
BULGARIA	10.00 %

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

Products/services for which there are good market prospects:

1. Coil Box Technology
2. Water Cooled Electrodes Technology
3. Continual Casting Technology
4. Laser Technologies
5. Welding Technologies

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

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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

Activity: Support Stelco in their effort to sell Coil Box Technology to NHKG, Ostrava
Expected Results: Start of commercial negotiations in 1990

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

Activity: International Engineering Fair, Brno
Expected Results: Participation of Cdn.Cos. to increase their profile in CSSR

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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	1420.00 \$M	1123.00 \$M	890.00 \$M	900.00 \$M
Canadian Exports	0.30 \$M	0.30 \$M	0.10 \$M	0.20 \$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: 1-3 \$M

Major Competing Countries

Market Share

POLAND	20.00 %
UNION OF SOVIET SOC REP	18.00 %
EAST GERMANY	15.00 %
GERMANY WEST	13.00 %
BULGARIA	10.00 %
HUNGARY	8.00 %

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

Products/services for which there are good market prospects:

1. Used oil re-refining capital equipment
2. Gas pipeline control and data processing eqpt.
3. Gas pipeline inspection equipment
4. Desulphurization equipment
5. Gas turbines
6. Drilling Equipment
7. Gas-fired boilers
8. Pipeline welding equipment
9. Gas-oil well extraction equipment
10. Gas detection and measuring instrumentation
11. Plastic pipe systems
12. Gas compressors

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: PRAGUE

Market: CZECHOSLOVAKIA

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
- _____
- _____

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

- Activity: Assist IRGI/PBS/Mohawk Consortium in final negotiations on Oil Re-refining Project Koramo, Kolin
Expected Results: Contract should be signed in 1989
- Activity: Support Pipetronix in bids for sale of Pipeline Inspection equipment to Transit Gas, Prague
Expected Results: 2 contr. lost to W. Germany. New projects expected in 1990
- Activity: Support for Willowglen Systems on Transit Gas Pipeline Automation projects
Expected Results: Expect submission of new offers in 1989, contr.negs.in 1990
- Activity: Assist Nova Corp in responding to CSSR RFR on Mobile Turbo Compressor for Transit Gas Pipeline
Expected Results: Nova offer expected Oct 1989 and contr.negs. in 1990

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

- Activity: Incoming Mission to Intercan, Calgary in 1990
Expected Results: Finalization of discussions started at previous shows
- Activity: Alberta Government Mission to CSSR in 1990
Expected Results: Introduction of new companies and products

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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

- Activity: Seminar on Canadian Technologies applicable in Czechoslovakia in 1990
Expected Results: Introduction of Cdn. capabilities to CSSR experts
- Activity: Promotion of Canada-CSSR joint venture activities in third countries
Expected Results: Increased access to world mkts for Cdn. partner
- Activity: Promotion of React Energy Ltd. Turbo Generators
Expected Results: Expect submission of React's offer for Transit Gas Pipeline

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

Modernization of Logal Gas Distribution System	Approximate Value: 20 M\$
	Financing Source : EDC - Export Dev Corporation DOM - Domestically funded
	Contact : Canadian Embassy in Prague

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PRAGUE

Market: CZECHOSLOVAKIA

Sector : OIL & GAS EQUIPMENT, SERVICES

Sub-Sector: SERVICES INCLUDING CONSULTING

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	150.00 \$M	120.00 \$M	90.00 \$M	90.00 \$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

CZECHOSLOVAKIA	54.00 %
UNION OF SOVIET SOC REP	20.00 %
GERMANY WEST	10.00 %
EAST GERMANY	8.00 %
POLAND	5.00 %
DENMARK	3.00 %

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

Products/services for which there are good market prospects:

1. Techn. and Eng. for Used Oil Re-refinery Plant
2. Gas Pipeline Inspection Services
3. Technology and Sour Gas Processing
4. Know-how, Techn. and Serv. for Plastic Pipe Prod.
5. Technologies for Underground Gas Facilities

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: PRAGUE

Market: CZECHOSLOVAKIA

Factors for Canadian exports not reaching market potential:

- Non-competitive pricing
- Lack of promotion and advertising
- Unsuitable product
- 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: Assist IRGI/PBS/Mohawk Consortium in final negotiations on Oil Re-refining project in Koramo, Kolin
Expected Results: Final negs. to be completed and contract signed in 1989

Activity: Identify prospects for Oil Re-refining projects in third countries (Joint ventures)
Expected Results: Start negs. with Technoexport Prgue and Chepos Brno in 1990

Activity: Assist Pipetronix in Pipeline Inspection Work for Transit Gas, Prague
Expected Results: Canadian companies should submit new offers in 1990

Activity: Technology for Sour Gas processing
Expected Results: Start of negotiations in 1990

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

Activity: Incoming Mission to Interan, Calgary - 1990
Expected Results: Continuation of discussions with Canadian companies

Activity: Alberta Government Mission to Czechoslovakia in 1990
Expected Results: Introduction of new technologies

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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 joint ventures in third countries
 Expected Results: Increased cooperation with Czechoslovak organizations

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

Pipeline Inspection work in Czechoslovakia	Approximate Value: 10 M\$ Financing Source : EDC - Export Dev Corporation DOM - Domestically funded Contact : Canadian Embassy, Prague
Know-how, technology and serv. for Plastic Pipe Gas Distr.	Approximate Value: 10 M\$ Financing Source : EDC - Export Dev Corporation DOM - Domestically funded Contact :

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PRAGUE

Market: CZECHOSLOVAKIA

Sector : INDUSTRIAL MACHIN, PLANTS, SERV.

Sub-Sector: SERVICES INCLUDING CONSULTING

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	625.00 \$M	625.00 \$M	625.00 \$M	625.00 \$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: 3-5 \$M

Major Competing Countries

Market Share

GERMANY WEST	40.00 %
UNION OF SOVIET SOC REP	30.00 %
AUSTRIA	10.00 %
UNITED KINGDOM	10.00 %
SWEDEN	10.00 %

Current Status of Canadian

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

Products/services for which there are good market prospects:

1. Mfrg lic.for prod.of wide range env.prot.eqpt.
2. Adv.techn.for waste disp/recycl (biotech/fluid bed
3. Partic.in 3-country mkts with CSSR eqpt mfrs.
4. Adv.techn.for air (de-SOx de-NOx) & wat.pol.contr.
5. Adv.techn.for rehab. of agr. soil (nitrate remov.)

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

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

- _____
- _____

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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

Activity: Outgoing Environmental Mission & Technical Seminar
April-May 1990
Expected Results: Introduction 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: ENVIBRNO - Oct.1990 - specialized ecological exhibiton -
participation of Canadian companies
Expected Results: Introduction of Canadian capabilities

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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	625.00 \$M	625.00 \$M	700.00 \$M	800.00 \$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: 60-100 \$M

Major Competing Countries

Market Share

GERMANY WEST	40.00 %
SWEDEN	10.00 %
AUSTRIA	10.00 %
UNITED KINGDOM	10.00 %
UNION OF SOVIET SOC REP	30.00 %

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

Products/services for which there are good market prospects:

1. NOx abatement equipment and technologies
2. Pollution monitoring instrumentation
3. Process control systems for pollution abatement
4. de-SOx facilities eqpt. and technologies
5. Water treatment plant components
6. Biotech systems for water treatment
7. Fluidized-bed combustion systems
8. Waste water recirculation systems
9. Waste disp/recycl.syst.for toxic & and non-tox.mat

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: PRAGUE

Market: CZECHOSLOVAKIA

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: Outgoing Environmental Mission & Technical Seminar
Expected Results: Introduction 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: ENVIBRNO Oct. 1990 - specialized ecological exhibition - participation of Canadian companies
Expected Results: Introduction of Canadian capabilities

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: PRAGUE

Market: CZECHOSLOVAKIA

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

Incinerators of toxic wastes	Approximate Value:	8 M\$
(3-4 units, 100,000 t/y)	Financing Source :	EDC - Export Dev Corporation DOM - Domestically funded
	Contact	: Canadian Embassy, Prague

DEPARTMENT OF EXTERNAL AFFAIRS

PEMD - Proposed Government Promotional Activities 1990/91

Proposals As Of December 23/89

Post: Prague

<u>Start Date</u>	<u>Event Name, Location & Type</u>	<u>Sector/Contact</u>
90/04/00	Environment Protection Mission to Czechoslovakia Mission Out, Industry	Industrial Machinery Plants & Services
90/09/12	International Engineering Show Brno, Czechoslovakia Fair, National Stand	Industrial Machinery & Services

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: WARSAW

Country: POLAND

The significant events taking place in Poland during the last year have resulted in a general appreciation that the speed of economic reform must increase, but the detailed mechanics of doing so are not yet firm. In many ways the economy has worsened recently, although the steps undertaken so far are partially in line with Western "prescriptions" for economic reform. The most evident indicator of the state of the economy is the current hyper-inflation, largely fueled by moves to de-regulate certain areas of the economy, particularly the food industry. De-rationing of gasoline has also led to large increases in prices.

The former government of Prime Minister Rakowski took steps to encourage joint venture activity and improve prospects for private entrepreneurs to close some unproductive enterprises, and to move towards de-regulation. The anticipated intensification of the Mazowiecki administration's emphasis on economic reform will doubtless lead to further upheavals in the economy. This will be a natural result of attempts to move away from an entrenched command economy towards one guided by free market mechanisms and enhanced private enterprise.

On the trade front, Canadian exports grew by 52.8% to \$ 19.1 million but in monetary terms Poland's exports to Canada far exceed this figure with 1988 exports reaching \$ 83.6 million. Figures for 1989 show a stabilizing trend. Imports by Poland from the West continued at a high level up to July whereas strikes and the difficulties experienced with supplies from the USSR caused Poland's trade surplus in hard currency to fall to \$ 367.7 million compared with \$ 669.8 million for the same period in 1988.

European, particularly W. German, companies remain very active in Poland. The aid initiatives taken by the U.S.A. will also cause more U.S. firms to explore the market (Hyatt, Hilton and Ramada have signed JV agreements). The Polish authorities are promoting foreign investments in existing enterprises and ultimately through share purchases in order to gain access to hard currency. Although cash purchases remain the norm, new trade financing is likely to boost the economic recovery.

Best prospects for Canada remain in the forestry sector, pulp and paper machinery, transportation, agriculture, food processing and packaging. Tourism and the development of hotels is also potentially a growth area. A realistic IMF programme and a new rescheduling of the country's official debt combined with the confidence created by the new government are likely to provide a basis for a sounder economic structure, leading to greater trade prospects.

The announcement of an aid and insurance package for Poland by Canada will lead to more enquiries from both Canada and Poland. This will cause numerous business enquiries, but the possible requirement for assisting with the administration of the aid portion of the package will lead to a reduction in the amount of time which can be spent on trade promotion unless personnel resources are increased.

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: WARSAW

Country: EAST GERMANY

In 1988 the GDR's nominal rate of economic growth continued to fall to 3% (planned 4.1%) making it the lowest rate since 1982 and if an inflation factor were applied, the rate may well have been half the nominal rate. Agricultural production failed to meet expectations in 1989 and the 1989 grain harvest has suffered from the prolonged dry spell in the summer. In the industrial sector seven of the ten major industrial enterprises failed to reach their output targets.

1989 has not seen any major improvement and foreign trade is stagnating although the GDR has been able to achieve its long term aim of balancing its bilateral trade with Canada. This has been achieved mainly by reducing grain imports. Overall a foreign trade surplus was maintained in 1988, primarily by controlling imports, but the GDR cannot continue to compete effectively on the world market without making major capital investments involving the purchase of Western equipment and technology. The GDR continues to reject the idea of any economic reforms similar to those of the USSR but the loss of approximately 75,000 citizens through emigration will necessitate a greater rationalization of resources, employment of Third World temporary labour and ultimately a greater concern for consumer demands. Some barriers to private enterprise in the service sector have been removed and some enterprises have been granted the right to import and export on their own instead of through foreign trade companies. However, the GDR remains a rigidly controlled planned economy and in the absence of major changes in leadership policy, there is little prospect for any improvement.

At the Fall Leipzig Fair over 25 Canadian companies were represented and a joint stand of Ontario, Quebec and Alberta attracted a great deal of official attention. The attitude towards Canada is very positive and there are opportunities in the railroad, gas storage, pulp and paper sectors. The foreign trade of the GDR will continue to be geared towards the Federal Republic of Germany and the USSR but there is a political willingness to source from Canada if price and quality are competitive.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: WARSAW

Country: POLAND

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

1. TRANSPORT SYS, EQUIP, COMP, SERV.
 1. IBRD Project to increase recovery of natural gas is moving towards implementation in 1989/90.
 2. Poland expressed interest in Canadian capabilities for natural gas equipment.

2. AGRI & FOOD PRODUCTS & SERVICE
 1. Export oriented food sector projects present opportunities for Canadian slaughtering, processing, labelling and packaging equipment.
 2. Over the medium term some projects may be accepted by IBRD for financing.
 3. Quebec mission discovered breeding opportunities.

3. ADVANCED TECH. PROD. & SERV.

Quebec mission discovered interest in telecommunications and advanced railway management.

4. FOREST PRODUCTS, EQUIP, SERVICES
 1. Poland has major requirements to modernize and expand existing pulp and paper mills.
 2. These could be of interest to companies familiar with this market in late 70's/early 80's.
 3. In the medium term some projects may be accepted by IBRD for financing.

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

1. CHEM PROD & PETROCHEM, EQP, SERV
2. MINE, METAL, MINERAL PROD & SRV
3. FISHERIES, SEA PRODUCTS & SERV.

RPTB2

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 EXPORT PROMOTION PRIORITIES

Mission: WARSAW

Country: EAST GERMANY

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

1. FOREST PRODUCTS, EQUIP, SERVICES
 1. Needed modernization of pulp and paper sector presents opportunities for Canadian suppliers.
 2. Canadian consulting firms are pursuing two major projects.
 3. EDC has approved financing.
2. MINE, METAL, MINERAL PROD & SRV
 1. Goodyear Canada is continuing to supply conveyor belting to GDR.
3. AGRI & FOOD PRODUCTS & SERVICE
 1. Current five year plan emphasizes food processing sector presenting opportunities for Canadian slaughtering, processing, labelling and packaging equipment.
 2. EDC has available \$ 25 million line of credit through GDR Foreign Trade Bank.
4. EDUCATION, MEDICAL, HEALTH PROD
 1. Current five year plan includes provision for improving medical care and hospital modernization.
 2. This presents opportunities for Canadian firms with proven international experience and with service facilities in Europe.
5. FISHERIES, SEA PRODUCTS & SERV.
 1. Bilateral agreement.
6. GRAINS AND OILSEEDS
 - Regular purchases of grains

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. FOREST PRODUCTS, EQUIP, SERVICES | |
| 3. MINE, METAL, MINERAL PROD & SRV | |

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: POLAND

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ANIMAL, POULTRY BREEDING STOCK

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.01 \$M	0.04 \$M	0.20 \$M	0.20 \$M
Canadian Exports	0.01 \$M	0.04 \$M	0.20 \$M	0.20 \$M
Canadian Share of Market	100.00 %	100.00 %	100.00 %	100.00 %

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

Major Competing Countries Market Share

POLAND	0.00 %
UNITED KINGDOM	0.00 %
UNITED STATES OF AMERICA	0.00 %

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

Products/services for which there are good market prospects:

1. Turkey Breeding Stock

Factors contributing to current successful Canadian exports:

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

Factors for Canadian exports not reaching market potential:

- Poland developing a national breed
-

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: POLAND

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

Activity: Hybrid Turkey's participation in Canadian Government stand
at Poznan Fair
Expected Results: Demonstrate support for Hybrid & increase local awareness

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 company to develop quotation for turkey
slaughtering plant
Expected Results: Sale of Canadian slaughtering equipment & breeding stock

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: POLAND

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	1.50 \$M	2.00 \$M	12.00 \$M	15.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	1.50 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	10.00 %

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

Major Competing Countries

Market Share

SWEDEN	0.00 %
NETHERLANDS	0.00 %
FINLAND	0.00 %
GERMANY WEST	0.00 %

Current Status of Canadian

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

Products/services for which there are good market prospects:

1. Cattle and hog slaughtering lines
2. Canned ham production lines
3. Beef deboning units
4. Miscellaneous slaughterhouse equipment
5. Food processing lines
6. Fruit and vegetable cold stores and equipment
7. Dairy products processing and producing lines

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
- Poland is off-cover for EDC
- financing and export insurance

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: POLAND

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

Activity: Identify end users and decision makers in sectors of interest to Canadian firms

Expected Results: To encourage Canadian companies to bid on projects

Activity: Obtain specifications of equipment sought by Polish producers

Expected Results: To obtain one contract for Canadian industry

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

Modernization of 9 slaughterho + canned meat process. plants
 Approximate Value: 12 M\$
 Financing Source : IBRD - World Bank
 DOM - Domestically funded
 Contact : Frank Parzych, Cdn Embassy
 Warsaw, Tlx 813424 CAA PL

Cold stores and equipment for 15 fruit and veg. proc. plants
 Approximate Value: 15 M\$
 Financing Source : IBRD - World Bank
 DOM - Domestically funded
 Contact : Frank Parzych, Cdn Embassy
 Warsaw, Tlx 813424 CAA PL

Polyvinyl acetate food coating line
 Approximate Value: 2 M\$
 Financing Source : IBRD - World Bank
 DOM - Domestically funded
 Contact : Frank Parzych, Cdn Embassy
 Warsaw, Tlx 813424 CAA PL

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: POLAND

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	2.00 \$M	2.00 \$M	2.00 \$M	2.00 \$M
Canadian Exports	0.00 \$M	0.05 \$M	0.10 \$M	0.10 \$M
Canadian Share of Market	0.00 %	2.50 %	5.00 %	5.00 %

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

Major Competing Countries

Market Share

GERMANY WEST	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. Data control systems and equipment for meteorology
2. Data control systems + equip. for environmental
3. pollution fighting systems

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
- Poland is off-cover for EDC fin.
- and export insurance

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: POLAND

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

Activity: Contacting Polish Institute of Meteorology and institutions involved in pollution fighting re their needs for eqpt.
Expected Results: Delivery of equipment by Barringer Research Inc.

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 new types of equipment made by Barringer Research Inc.
Expected Results: Increase Canadian interest in the Polish market

Activity: Identify specific type of equipment intended for use in new pollution fighting programs
Expected Results: Obtain one contract for Canadian company

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: POLAND

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

Environmental pollution
programs

Approximate Value: 0 M\$
Financing Source : DOM - Domestically funded
UNDP - UN Development Program
Contact : Frank Parzych, Cdn Embassy
Warsaw, Tlx 813424 CAA PL

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: POLAND

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	150.00 \$M	150.00 \$M	150.00 \$M	150.00 \$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
JAPAN	60.00 %
GERMANY WEST	30.00 %
UNITED STATES OF AMERICA	10.00 %

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

Products/services for which there are good market prospects:

1. LSI circuits
2. VHF semiconductors
3. Other nes electronic subcomponents
4. Other electronic measuring equipment

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- No EDC financing
- No export insurance

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: POLAND

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

Activity: Presentation of Canadian companies capabilities to local producers of electronic eqpt and R & D institutions
Expected Results: To initiate Canadian interest in Polish market 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: Contacting producers of electronic equipment to obtain specifications of their import needs
Expected Results: Elicit offers by Cdn producers, establish one Cdn firm

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: POLAND

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

Import of VHF and LSI + other electronic subcomponents	Approximate Value:	0 M\$
	Financing Source :	DOM - Domestically funded
	Contact	: Frank Parzych, Cdn Embassy Warsaw, Tlx 813424 CAA PL

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: POLAND

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	10.00 \$M	10.00 \$M	15.00 \$M	20.00 \$M
Canadian Exports	0.10 \$M	0.10 \$M	0.10 \$M	0.30 \$M
Canadian Share of Market	1.00 %	1.00 %	0.66 %	1.50 %

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

Major Competing Countries

Market Share

FINLAND	40.00 %
AUSTRIA	10.00 %
SWEDEN	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. Pulp/paper plant woodyard machines
2. Furniture plant machinery
3. Forestry management machines
4. Pulp/paper producing lines

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
- IBRD financing not yet implemented.
- No EDC financing and export insur.

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: POLAND

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

Activity: Market survey of pulp and paper producers, furniture producers and forest management officials
 Expected Results: To obtain profile of Polish requirements

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

Activity: Obtain specifications of projects and equipment
 Expected Results: To introduce one new Canadian supplier on market

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

Modernization of 3 pulp and paper plants	Approximate Value: 9 M\$ Financing Source : IBRD - World Bank DOM - Domestically funded Contact : Frank Parzych, Cdn Embassy Warsaw, Tlx 813424 CAA PL
Modernization of furniture plants	Approximate Value: 8 M\$ Financing Source : DOM - Domestically funded Contact : Frank Parzych, Cdn Embassy Warsaw, Tlx 813424 CAA PL
Improvement of forest managem. and equipment sales	Approximate Value: 2 M\$ Financing Source : DOM - Domestically funded Contact : Frank Parzych, Cdn Embassy Warsaw, Tlx 813424 CAA PL

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: POLAND

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	0.00 \$M	0.00 \$M	10.00 \$M	20.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	2.50 \$M	5.00 \$M
Canadian Share of Market	0.00 %	0.00 %	2.50 %	25.00 %

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

Major Competing Countries Market Share

UNITED STATES OF AMERICA	30.00 %
UNION OF SOVIET SOC REP	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. Gas well stimulation equipment
2. Natural gas sweetening equipment
3. Gas well workover rigs
4. Gas compressors

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- PEMD support
- 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

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- _____
- _____

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TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: POLAND

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

Activity: Assist Canadian Fracmaster to sign cooperation agreement with Polish Oil and Gas Company
Expected Results: Position coy for export sales; IBRD First Energy Project

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

Activity: Obtain specifications on various gas equipment sought by Polish Oil and Gas Company
Expected Results: Bring 2 additional Cdn suppliers into Polish market

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: POLAND

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

Natural gas stimulation eqpt requirements	Approximate Value:	10 M\$
	Financing Source :	IBRD - World Bank DOM - Domestically funded
	Contact	: Frank Parzych, Cdn Embassy Warsaw, Tlx 813424 CAA PL

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: EAST GERMANY

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: ANIMAL, POULTRY BREEDING STOCK

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.10 \$M	0.00 \$M	0.30 \$M	0.50 \$M
Canadian Exports	0.10 \$M	0.00 \$M	0.00 \$M	0.50 \$M
Canadian Share of Market	100.00 %	0.00 %	0.00 %	100.00 %

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

Major Competing Countries	Market Share
GERMANY WEST	60.00 %
UNITED STATES OF AMERICA	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. Turkey Breeding Stock

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Trade Fair activity

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: WARSAW

Market: EAST GERMANY

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

Activity: Embassy should continue to liaise with Ministry of
Agriculture and end user
Expected Results: To emphasize Canadian Government support for this export

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

Activity: Hybrid Turkey to participate in Cdn sponsored pavilion in
Spring Leipzig Fair
Expected Results: Show Cdn interest & capabilities to public & decision makers

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: EAST GERMANY

Sector : AGRI & FOOD PRODUCTS & SERVICE

Sub-Sector: FOOD HANDLING, PROCESSING EQUIP

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	0.50 \$M	0.80 \$M	1.00 \$M	1.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	0.20 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	2.00 %

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

Major Competing Countries

Market Share

GERMANY WEST	50.00 %
DENMARK	40.00 %
AUSTRIA	10.00 %

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

Products/services for which there are good market prospects:

1. Slaughtering equipment
2. Packaging equipment

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector

Factors for Canadian exports not reaching market potential:

- Lack of promotion and advertising
- _____
- _____

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: EAST GERMANY

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

Activity: Calls on Foreign Trade Enterprises
Expected Results: Obtain profile of GDR requirements

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

Activity: Obtain Canadian offers
Expected Results: Obtain one contract in this sector

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

Modernization of slaughter houses	Approximate Value: 1 M\$
	Financing Source : DOM - Domestically funded EDC - Export Dev Corporation
	Contact : Hanna Mroz, Cdn Embassy Warsaw, Tlx 813424 CAA PL

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: EAST GERMANY

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	3.00 \$M	2.50 \$M	2.50 \$M	2.50 \$M
Canadian Exports	0.90 \$M	0.60 \$M	0.60 \$M	0.50 \$M
Canadian Share of Market	30.00 %	24.00 %	24.00 %	25.00 %

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

Major Competing Countries

Market Share

UNION OF SOVIET SOC REP	50.00 %
POLAND	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. Fish, salted and dried

Factors contributing to current successful Canadian exports:

- Import restrictions are not a significant impediment in this sector
- Fish are purchased under

Factors for Canadian exports not reaching market potential:

- _____
- _____

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: EAST GERMANY

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

Activity: Liaise with GDR fisheries officials on allocations, fishing plans, purchase commitments, policy changes & visits
Expected Results: Obtain GDR support for NAFO; retain benefit for Cdn economy

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 required assist in diplomatic initiatives re NAFO and provide more frequent reports on GDR approach to NAFO
Expected Results: Obtain GDR support for NAFO, retain benefit for Cdn economy

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: EAST GERMANY

Sector : GRAINS AND OILSEEDS

Sub-Sector: CEREAL GRAINS

Market Data	2 Years Ago	1 Year Ago	Current Year (Estimated)	Next Year (Projected)
Market Size	130.00 \$M	51.10 \$M	40.00 \$M	35.00 \$M
Canadian Exports	104.40 \$M	21.90 \$M	20.00 \$M	22.00 \$M
Canadian Share of Market	80.00 %	42.90 %	50.00 %	62.00 %

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

Major Competing Countries

Market Share

UNITED STATES OF AMERICA	15.00 %
AUSTRALIA	10.00 %
FRANCE	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

Factors contributing to current successful Canadian exports:

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

- Country striving for self sufficiency
-

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: EAST GERMANY

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

Activity: Regular reporting of weather & crop conditions
Expected Results: Alert CWB to possible GDR requirements

Activity: Maintain contact with GDR decision makers
Expected Results: Alert CWB to GDR concerns and needs

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

Activity: Support CWB activities during Leipzig Fair
Expected Results: To maintain CWB as preferred supplier

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: EAST GERMANY

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	2.50 \$M	6.00 \$M	6.00 \$M	8.00 \$M
Canadian Exports	0.00 \$M	5.40 \$M	5.00 \$M	5.00 \$M
Canadian Share of Market	0.00 %	90.00 %	83.00 %	62.50 %

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

Major Competing Countries	Market Share
FINLAND	0.00 %
UNION OF SOVIET SOC REP	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. Kraft Paper
2. Bleached Pulp

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:

- _____
- _____

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: EAST GERMANY

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

Activity: Market Survey of GDR requirements
Expected Results: Alert Cdn industry to GDR requirements

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

Activity: Identify companies interested in GDR market
Expected Results: Establish one Canadian firm as long term supplier

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: EAST GERMANY

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	0.00 \$M	0.00 \$M	0.00 \$M	100.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	40.00 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	40.00 %

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

Major Competing Countries	Market Share
SWEDEN	35.00 %
FINLAND	30.00 %
FRANCE	10.00 %

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

Products/services for which there are good market prospects:

1. Pulp and paper equipment, machinery & technology

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:

- _____
- _____

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: EAST GERMANY

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

Activity: Continue calls on key decision makers
Expected Results: Alert Cdn companies on investment decision status

Activity: Seminar on Klockner Stadler Hurter capabilities
Expected Results: Deepen KSH contacts with key officials at all levels

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

Activity: Regular attendance by KSH and H.A.Simons at Leipzig Fair
Expected Results: Signing pf Crossen project

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: EAST GERMANY

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

Crossen Pulp & Paper Project	Approximate Value:	40 M\$
	Financing Source :	EDC - Export Dev Corporation
	Contact :	Hanna Mroz, Cdn Embassy Warsaw, Tlx 813424 CAA PL
Schwedt Pulp & Paper Project	Approximate Value:	20 M\$
	Financing Source :	EDC - Export Dev Corporation
	Contact :	Hanna Mroz, Cdn Embassy Warsaw, Tlx 813424 CAA PL
Wittenberge Pulp & Paper Proj.	Approximate Value:	100 M\$
	Financing Source :	EDC - Export Dev Corporation
	Contact :	Hanna Mroz, Cdn Embassy Warsaw, Tlx 813424 CAA PL

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: EAST GERMANY

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	3.00 \$M	3.00 \$M	5.00 \$M	5.00 \$M
Canadian Exports	0.00 \$M	0.30 \$M	4.00 \$M	4.00 \$M
Canadian Share of Market	0.00 %	10.00 %	80.00 %	80.00 %

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

Major Competing Countries	Market Share
GERMANY WEST	10.00 %
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. Conveyor belting

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:

- _____
- _____

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RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: EAST GERMANY

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

Activity: Goodyear participation in Canadian stand at Leipzig Spring Fair
Expected Results: Continue to demonstrate interest; contacts with end users

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 Goodyear on cooperation with SKET concerning requirement for wire making machinery
Expected Results: Contact between SKET and Goodyear

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 SECTOR/SUB-SECTOR HIGHLIGHTS

Mission: WARSAW

Market: EAST GERMANY

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	4.00 \$M	5.00 \$M	5.00 \$M	6.00 \$M
Canadian Exports	0.00 \$M	0.00 \$M	0.00 \$M	0.50 \$M
Canadian Share of Market	0.00 %	0.00 %	0.00 %	8.00 %

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

Major Competing Countries	Market Share
GERMANY WEST	0.00 %
AUSTRIA	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. Advanced diagnostic equipment
2. Advanced laboratory 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:

- GDR requires upfront market expense
- European service base required

RPTC1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

Mission: WARSAW

Market: EAST GERMANY

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

Activity: Calls on GDR agency firms and Foreign Trade Enterprises
Expected Results: Develop profile of GDR requirements

Activity: Alert Canadian firms to GDR requirements
Expected Results: Familiarize GDR contacts with Canadian capabilities

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

Activity: Assist companies during Leipzig Fair
Expected Results: Introduce Canadian firms to GDR decision makers

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 Alberta and Quebec Governments to identify interested firms
Expected Results: Introduce two Canadian companies on GDR market

