

## Team Canada concludes new business deals in the Philippines

January 15, 1997  
Manila, Philippines

Prime Minister Jean Chrétien and Team Canada today witnessed the signing of 52 new business deals worth \$505.58 million.

The business deals signed in the Philippines include \$36.134 million in commercial contracts and \$469.45 million in agreements in principle, including memoranda of understanding and letters of intent.

"The Philippines is taking off as one of the most dynamic economies in Asia. With today's business deals, Canada is making its stake and establishing a major presence," said the Prime Minister. "Each of these new partnerships will pave the way for many more opportunities and jobs for Canadians and their Filipino partners."

Companies entering new business relationships in the Philippines today represent a wide range of industries and expertise from across Canada. These deals mean new jobs not only for the companies signing deals, but also for their suppliers and other business partners.

"Canadian companies and their Filipino partners are setting the example," said the Prime Minister. "We hope other Canadian companies will follow their lead. We are pleased that through Team Canada we have been able to work together to help position Canadian companies in this rapidly emerging market."

Details of the deals signed today in the Philippines are in the attached backgrounder.

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### NEW CANADIAN BUSINESS INITIATIVES IN THE PHILIPPINES Background to Signing Ceremony in Manila January 15, 1997

#### **ABL Canada Inc., St. Laurent, Quebec**

ABL Canada Inc., which provides advanced digital equipment for the delivery of voice, data and video and employs 120 people, has signed a marketing agreement with IECI Philippines of Manila for the distribution of ABL's products in the Philippines. This agreement is worth an estimated \$1.35 million (US\$1 million) in sales annually.

ABL Canada Inc. has also signed a memorandum of understanding with Philippine Long Distance Telephone Company (PLDT) to supply digital video broadcast systems. The agreement is valued at \$900,000 and is expected to lead to other digital broadband video business opportunities at PLDT for ABL Canada Inc.

#### **Academy of Learning, Montréal, Quebec**

Academy of Learning, a network of 134 franchises across Canada specializing in office and computer skills training which employs over 500 people, has established a joint venture franchise with Levco International Inc. of Subic. The new joint venture will implement the Academy of Learning's Integrated Learning System throughout the Philippines by establishing 50 or more franchises providing computer and business skills training based on proprietary Canadian technology. This project is valued at \$1.8 million over the next few years and is expected to provide substantial revenue to Canadian suppliers.

**AGRA Inc., Mississauga, Ontario**

AGRA Inc. has opened a new office in Manila to capitalize on growing opportunities in power, mining, infrastructure, environmental and systems engineering. AGRA and its subsidiaries have worked in the Philippines for more than 20 years. AGRA's engineering subsidiary is currently providing design services for the National Power Corporation on the 3 times 130 megawatt Agbulu hydroelectric project in Northern Luzon and recently completed an engineering contract for the 300 megawatt Calaca II power plant in Calaca, Batangas.

**AltaSpec Communications Inc., Edmonton, Alberta**

AltaSpec Communications Inc., which specializes in advanced wireless telecommunications services and technology and, with its Canadian associates employs 350 people, has signed a technical services contract with News and Entertainment Network Corp. for a Local Multipoint Communications System (LMCS) being constructed in Metro Manila. Under this contract, AltaSpec will have the technical responsibility, such as systems integration and consulting, for the LMCS system in Manila. LMCS technology utilizes ultra-high frequencies to bring together the flexibility of a broadband network with the capacity, but not the cost, of a fibre optics network. Concurrent with this signing, the Commissioner of the Philippine National Telecommunications Commission, the Honourable Simear Kintanar, has signed the provisional authority for frequency allocation which allows News and Entertainment Network Corporation to deploy the LMCS technology. Canada was the first western country to allocate bandwidth for LMCS. This contract is valued at \$15-20 million.

**AXOR International Inc., Montréal, Quebec**

AXOR International Inc., a subsidiary of Le Groupe AXOR Inc., a major Canadian energy, building and infrastructure development company that employs 250 people, has signed a memorandum of understanding with MERALCO Industrial Engineering Services Corporation (MIESCOR) of Manila to develop eight small hydroelectric power plants on the Agno River in Benguet province for a total of 111 megawatts. The project will involve a \$135 million investment and \$40 million of Canadian content. Studies have been in progress since early 1996 and will be completed by May 1997. The Canadian International Development Agency is providing financial assistance for the studies.

AXOR also signed a memorandum of agreement with the Metropolitan Cebu Water District (MCWD) in Cebu City to study the water resource potential of the Upper Kolkot River. The study will encompass the technical, environmental and financial requirements of the project and could result in a build-operate-transfer (BOT) water supply contract for AXOR. Cebu City is a major metropolitan centre with a population of 1.2 million in the Cebu province of the Visayas. The study is valued at \$800,000.

**Bayly Communications Inc., Ajax, Ontario**

Bayly Communications Inc., a worldwide supplier of network transmission and access products that employs 25 people, has signed a memorandum of understanding to supply its E1 voice / data multiplex equipment for Liberty Telecom of Manila's nationwide digital trunking and communications network. Liberty Telecom will use Bayly's Omnplexer system as the access element in their state-of-the-art SDH microwave radio system which will link the islands of the Philippines in a seamless network.

**Bennett Environmental Inc. (BEI), Vancouver, British Columbia**

Bennett Environmental Inc., which designs, manufactures and operates high temperature waste destruction incinerators and employs 30 people, has signed a memorandum of understanding to supply its products through a joint venture with C.N.P. Products of Manila, which specializes in air pollution control equipment in the Philippines. This joint venture could result in sales of \$10 million per year.

Bennett Environmental Inc. has also signed a memorandum of understanding to supply its products through a joint venture with Gateway Property Holdings. This joint venture could result in sales of \$3 million per year.

**Bell Helicopter Textron, Mirabel, Quebec**

Bell Helicopter Textron, which designs and produces rotary wing aircraft and employs 2000 people, has signed a memorandum of understanding with Asian Aerospace Corporation, an affiliate company of Proton Pilipinas Group, to establish a helicopter component manufacturing, assembly and completion centre and flight academy in the province of Pangasinan.

**Berg Chilling Systems Inc., Scarborough, Ontario**

Berg Chilling Systems Inc., which designs and manufactures process cooling and freezing equipment and employs 80 people, has signed a contract with its agent EEI Corporation of Quezon City and its customer Davao Fresh Foods Corp. of Davao City to supply a Berg Ice Maker. The contract is valued at \$91,000 and it is expected that this machine will be the first of several sales.

**Carmacks Construction (Canada) Inc., Edmonton, Alberta**

Carmacks Construction (Canada) Inc, which is involved in various types of construction, consulting and management and employs 40 people, has signed a memorandum of understanding with Pryce Properties Corp. of Manila to manufacture, supply and install power savings lighting fixtures. The new joint venture company will be named Carmacks Pryce Company. This agreement is valued at \$20 million, of which \$5 million is Canadian content.

Carmacks Construction has also signed a memorandum of understanding to provide marketing and distribution support in Edmonton to Shemberg Corporation of Cebu for the sale in Canada of its Philippine carrageenan seaweed products. The agreement will result in sales of \$7 million, of which \$2 million would be Canadian content.

Carmacks Construction has also signed a memorandum of understanding with its partner Socor Construction Corporation of Cebu to form a joint venture company, to be known as Carmacks Socor Inc. The new company will pursue waterworks projects in Kalibo, Aklan province, and Tuguegarao, Cagayan province. Together, the projects are valued at \$10 million, of which \$1 million is Canadian content.

**CIMA NAT, Laval, Quebec**

CIMA NAT has signed a memorandum of understanding to form a partnership with the Province of Leyte for the turn-key modernization and expansion of the Tacloban Airport. The project is required to be operational in mid 1998 and is expected to be financed partially by external funding agencies. The project is valued at \$10 million.

CIMA NAT has also signed a memorandum of understanding to form a partnership with the Province of Aklan for the turn-key modernization and expansion of its Kalibo Airport. The project is required to be operational by mid 1998 and is expected to be financed partially by external funding agencies. The project is valued at \$5 million.

CIMA NAT has also signed a memorandum of understanding to form a partnership with Philippine Airlines for the design, development and implementation of a turnkey training centre, which shall include a comprehensive ground school and flight operations infrastructure. The project is required to be operational by mid 1998 and is expected to be financed partially by external funding agencies. The project is valued at \$50 million.

**Commercial Transport International (Canada) Ltd., Mississauga, Ontario**

Commercial Transport International, a freight forwarding, logistics management and distribution company that employs 200 people in Canada, has signed an agency agreement with ASPAC

Freight International of Manila to develop co-operation in the movement of air and ocean freight between Canada and the Philippines. This agreement is valued at \$1 million within the first year.

**ECO Process & Equipment inc., Terrebonne, Quebec**

ECO Process & Equipment inc., which specializes in industrial and domestic wastewater treatment and employs 40 people, has signed a memorandum of understanding with ECO Systems Technologies Inc. of Manila which should lead to the formation of a permanent joint venture company to be called ECO Process & Equipment, Phils. Inc. The two companies have been working together for one year and are working on several projects.

ECO Process/ECO System Group has also signed a memorandum of understanding with Eco-system Technologies Inc. of Mandaluyong City and D.M. Consunji Inc., the Philippine's largest construction company, to establish a joint venture to bid on a "design and build" project for the Rockwell Land Corporation sewage treatment plant in Manila. The project is valued at \$5 million, of which the Canadian content would be \$1.5 million. This is expected to be the start of a long-term global partnership.

ECO Process/ECO System Group has also signed a contract with Asia Pacific Properties, Inc. of Manila to develop an innovative, new sewage treatment facility for a Royal Plaza Twin Towers hotel/condominium project. Under this agreement, ECO Process will provide its Canadian BioSequencer technology, which includes a unique capability of installation underneath the confined space of the building's sidewalk. This contract is expected to generate revenues of \$472,500 (US\$350,000).

ECO Process/ECO System Group has also signed a \$500,000 contract to develop a sewage treatment plant for Summa Kumagai, Inc., of Manila, the general contractor for the Splash Island Ecco Centrum Water Park recreational facility. This contract was awarded because of the unique Canadian capability to deal with variable seasonal requirements.

ECO Process & Equipment inc. has also signed a contract with Jollibee, the Philippines' premiere fast food chain, to develop a sewage treatment plant for Jollibee's new commissary in Cebu. ECO Process/ECO-System group recently constructed a similar plant for Jollibee's operations in Pasig City, which represented the first Canadian installation of this type in the Philippines. This contract, valued at \$100,000, is the second in what is expected to be a long-term series of such contracts.

**EPV Canada Consultancies Ltd., Toronto, Ontario**

EPV Canada Consultancies Ltd., the consulting and marketing affiliate of Energy Photovoltaics (EPV) Inc. which develops and manufactures PV modules and employs 50 people, has signed a memorandum of understanding with the Philippines National Oil Corporation (PNOC) and Schema Konsult International Inc. of Manila for a joint venture to build a 25 megawatt solar power generating plant, including a captive manufacturing facility for the local production of solar panels. The plant will be built in increments of five megawatts per year for five years. The agreement is valued at \$60 million.

**Le Groupe CGI Inc., Montréal, Quebec**

Le Groupe CGI, the largest Canadian-owned information technology company with over 1700 employees in Canada and abroad, has signed a contract with ADI Alternative Development Initiative to provide transfer technology to professionals working in the design and management of telecommunications networks. The contract is valued at \$500,000.

**Le Groupe Novatech Inc., Montréal, Quebec**

Le Groupe Novatech Inc., which designs, builds, operates and offers turnkey delivery of power stations, water purification plants, sewage treatment plants and industrial projects, and employs 15 people, has signed a memorandum of understanding with the Government of Bulacan, Alto Project Asia Inc. and Ascent Ventures Enterprise to assist in the development and implementation of the basic infrastructure, including energy production and water purification, for

the North Food Terminal Complex. The agreement is valued at \$75 million, of which \$20 million is Canadian content. The North Food Terminal Complex will be located in the city of Bocaue, about 45 kilometres north of Manila, and will include commercial and agricultural sections as well as an export zone for light industry. Le Groupe Novatech completed the feasibility study for this project in December 1996.

**Groupe Paul Masson Inc., Longueuil, Quebec**

Groupe Paul Masson has signed a contract with La Maison Europa Delicatessen & Butcher Shop to supply 50 containers of wine valued at \$2 million.

**Harris Farinon Canada, Dollard-des-Ormeaux, Quebec**

Harris Farinon, which specializes in microwave radio communications systems and employs 500 people, has signed a memorandum of agreement with Extelcom of Manila to expand and upgrade its nationwide microwave network. This agreement could generate exports of which some 80 per cent would be Canadian content.

Harris Farinon Canada has also signed a contract with Textron Corporation of Manila to establish a full-scale customer service centre in Manila which will provide local technical support and full after-sales service to Philippine customers.

**JKS Boyles International Inc., North Bay, Ontario**

JKS Boyles, a leading manufacturer of surface and underground core drills and equipment, and its regional representative, MCE, have signed a contract with Philex Mining Corp., the largest copper/gold mining company in the Philippines, to supply drilling equipment for mining exploration. This is a new initiative by Philex to open one new mine every year over the next five years. This contract is valued at \$1 million.

**Kolberg Kaufman Ltd., Vancouver, British Columbia**

**SNC-Lavalin International Inc., Montréal, Quebec**

**Bombardier Inc. Montréal, Quebec**

Kolberg Kaufman Ltd., Bombardier Inc., SNC-Lavalin Inc., representing the provinces of British Columbia, Quebec and Ontario, together with their Philippine partners, Principal Management Group Inc. and Manuela Corporation, have signed a memorandum of understanding with the government of Batangas for the development of the Metro Batangas Light Rapid Transit (LRT) Project under a joint venture structure. The initial studies are planned to be financed by the partners and other parties.

**LVM Tech Inc., Laval, Quebec**

LVM Tech Inc., a subsidiary of the DESSAU group which employs 700 people and specializes in geotechnical studies, materials engineering, environment and quality management, has signed a joint-venture agreement with Philnor Consultants of Manila to formally establish an authorized capital stock of \$4 million for their joint-venture consulting company, Qualitech Consultants (Phils) Inc., which was recently set up to specialize in quality management. The National Engineering College of the University of the Philippines will collaborate with the joint venture by providing technical co-operation.

**MPB Technologies Inc., Pointe Claire, Quebec**

MPB Technologies Inc., which develops and supplies key products for submarine and terrestrial optical fibre cable networks and employs 250 people, has signed an agreement entering into joint operations with Electronic Telephone Systems Industries Inc. (ETSI) of Makati, Metro Manila, to train and support ETSI in the installation and maintenance of MPBT Optical Line Enhancing equipment in the Philippines. This agreement is valued at \$3 million, including \$2 million on order.

**Martec Recycling Corporation, Vancouver, British Columbia**

Martec Recycling Corporation, a Canadian company jointly owned by Artec International Recycling Corporation of Canada and Japan's Marubeni Corporation, has signed a memorandum

of understanding with D. M. Wenceslao & Associates, Inc. of Quezon City, Metro Manila, to undertake a market and feasibility study to determine the method by which Martec and D. M. Wenceslao will establish their presence in the growing market for road rehabilitation in the Philippines. Martec's patented system for the Hot In-Place Recycling of asphalt-paved roadways was developed in British Columbia, Canada and is now being marketed worldwide.

**MedcomSoft Inc., Willowdale, Ontario**

MedcomSoft Inc., a software developer specializing in the needs of the health care industry, has signed two protocol of intentions with the Philippine Health Insurance Corporation (PHIC) and the private healthcare sector represented by the Medical City (hospital) to establish the Philippine Community Health Information Network (PCHIN), a private corporation. PCHIN would be jointly owned by private investors and major users, link health care providers, payers and suppliers and provide a national repository for electronic medical records as well as data on major patterns in the industry and detailed associated costs. MedcomSoft would supply the technology, operational and managerial know-how to PCHIN in which it will maintain a minority equity. The first phase of the project, which will connect 1863 hospitals, is planned for the spring of 1997.

**Manatco Trading Co., St. Jacinthe, Quebec**

**Olymel, Montreal, Quebec**

Manatco Trading Co. and Olymel have signed a contract with La Maison Europa Delicatessen & Butcher Shop of Cebu for hors d'oeuvre et processed pork valued at \$1.5 million.

**Orion 2000 Technologies, Ltd., Richmond, British Columbia**

Orion 2000 Technologies Ltd. has signed tri-partite agreements with nine Philippine development banks, which are members of the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP). Orion is developing A-Net, a secured global interchange network for electronic data interchange, debit, credit and electronic banking for ADFIAP members. Today's signatories are: the Development Bank of the Philippines, PDCP Bank, Asia Trust Bank, Asian Finance Corporation, Planters Development Bank, Capitol Development Bank, Luzon Development Bank, Queen City Development Bank, Mindanao Development Bank as well as the AFDIAP. AFDIAP has 79 member banks in 33 Asia-Pacific countries. This project in the Philippines is valued at \$65 million for Orion 2000 and its partner SLM Software of Toronto.

**Permaquik Corporation, Mississauga, Ontario**

Permaquik Corporation, a manufacturer of roofing, concrete waterproofing and protective coatings for concrete which employs 25 people, has signed an agreement to formally designate Paralima Corporation of Manila as the exclusive distributor of Permaquik products in the Philippines. The agreement is valued at \$150,000 for the first year.

**Polar Bear Water Distillers Mfg. Co. Ltd., Pickardville, Alberta**

Polar Bear Water Distillers, which manufactures water distillation equipment for residential, commercial and industrial use and employs 80 people, has signed a contract with Kaizen Trade International Corp. of Quezon City for the purchase and distribution of Polar Bear products for 1997. The contract is valued at an estimated \$800,000. Kaizen has been selling Polar Bear products under the private label name of "Crystal Rain" for approximately two years.

**Quality Log Homes Ltd., Abbotsford, British Columbia**

Quality Log Homes Ltd., which manufactures log homes for resorts, club houses and cabins and employs 12 people, has signed a contract with Belle Corporation of Manila to supply log homes to a golf course at Tagaytay Highlands in Cavite province. This agreement is valued at \$6.37 million.

**The S.M. Group International Inc., Montréal, Quebec**

The S.M. Group International Inc, which provides comprehensive management and information technology expertise in the fields of environment, transportation, infrastructure and energy and employs 400 people, has signed a memorandum of understanding with the city of Muntinlupa to develop infrastructure projects in waste treatment and water distribution valued at \$50 million.

**SaskTel International, Regina, Saskatchewan**

SaskTel International, which provides expertise in the planning, engineering, installations and operations of telecommunications network development and employs 3800 people, has signed a project management contract with Telic-Phil (Telecom Infrastructure Corp.) of Manila to manage the construction of a fibre-optic digital backbone network. In the first phase of this project, SaskTel International was awarded a consultancy contract to provide expertise and assistance in the design, construction, operation and maintenance of a fibre optic and microwave transmission telecommunications backbone network.

**Teccart Institute Inc., Montréal, Quebec****The Government of New Brunswick****(Dept. of Advanced Education and Labour New Brunswick)**

The New Brunswick Department of Advanced Education and Labour and Teccart Institute have signed a memorandum of understanding with the Meralco Foundation to train in the Philippines a minimum of 3,000 young trainees in skills such as mechanics, electricity and telecommunications during the first year. The number of trainees could increase substantially once the trainers involved are fully trained. This agreement is valued at \$5 million over three years. Meralco Foundation is a learning institution located in Manila with partners in various parts of the country.

**Treeline Wood Products, Spruce Grove, Alberta**

Treeline Wood Products, a supplier of Canadian lumber and wood poles, has signed a memorandum of agreement to make Philreca Trading and Marketing Corporation, Inc. of Quezon City its exclusive distributor of wood poles, crossarms and anchor logs in the Philippine market. Under this agreement, Philreca agrees to place a minimum order of 12,500 pieces of wood poles annually. This agreement is valued at \$3.75 million per year over five years.

**UFL Foods Inc., Mississauga, Ontario**

UFL Foods Inc., a supplier of custom foods and ingredients which employs 200 people in Canada, has signed a joint venture agreement with Cornell Foods Inc. of Manila for the full exchange of technology and the establishment of a manufacturing and research and development facility in Manila. The new company, to be named "Cornell Foods", will manufacture blends of seasoning and ingredients for Filipino food processors and food service companies. The project is valued at \$500,000.

**University of British Columbia, Vancouver, British Columbia**

University of British Columbia has signed a memorandum of understanding with the Department of Science and Technology of the Philippines (DOST) (including DOST agencies and their network institutions). This agreement will promote co-operation in science education, including basic sciences and engineering. Joint projects will be pursued in priority areas, including faculty/staff exchanges, joint seminars, workshops and training programs.

University of British Columbia has signed an agreement of co-operation and collaboration with the University of the Philippines to establish exchange programs and promote joint studies, research, educational and other training programs. The focus will be on the University of British Columbia's Faculty of Education and the University of the Philippines' College of Education.

**The University of Manitoba, Winnipeg, Manitoba**

The University of Manitoba and the University of the City of Manila have signed a memorandum of agreement, on behalf of their faculties of education, to exchange undergraduate and graduate students and faculty, to develop workshops and to undertake joint activities to further common goals in teaching, research and program development.

**Universal Systems Limited, Fredericton, New Brunswick**

Universal Systems Limited, a software and systems integration company that develops, supports and markets geographic information systems (GIS) and employs 75 people, has signed a memorandum of understanding with the National Mapping and Resource Information Agency

(NAMRIA) for the supply of its CARIS software for a digital hydrographic data processing and charting system capable of producing paper and electronic nautical charts. The agreement is valued at an estimated \$1 million, of which \$200,000 is Canadian content.

**Vipond Fire Protection Inc., Mississauga, Ontario**

Vipond Fire Protection Inc., which supplies and installs fire sprinkler and special hazards equipment and employs 600 people, signed a memorandum of understanding with MCA Builders International Inc. of Queszon City. Through this agreement, Vipond will supply, procure, manage and install the fire protections systems in MCA's new 37-floor office building in Metro Manila. The project is valued at \$1 million.

**LanSer, Westmount, Quebec**

LanSer, which researches and develops wireless communications products and employs 75 people, has announced the commencement of service of its revenue sharing partnership and supply agreement with the Philippine Long Distance Telephone Company for on-line sales transaction processing "Cellpac" technology. This agreement was signed last November, during the first visit of Canada's Minister for International Trade to the Philippines. The export of "Cellpac" technology is expected to exceed \$32 million over the next five years.

**Note: The information, including estimated jobs, contract values and investment projections, contained in this document has been compiled based on press releases and other submissions provided by the companies listed. The Government of Canada takes no responsibility for the accuracy of this information.**