

## Trade Review by Mark Sonnenblick

Cost	Principals	Project/Nature of Deal	Comment
<b>UPDATE</b>			
\$400 mn.	Brazil/Mexico Brazil/ Venezuela Brazil/ Argentina Brazil/Ecuador	Brazilian Electric and Electronic Industry Association (Abinee) is negotiating oil for technology barter deals with the oil exporting countries of Ibero-America. With the closing of Mexican and Argentine markets, exports of Abinee's 770 member firms fell by 25% from \$1 bn. level of 1981.	Negotiations backed by Brazilian government would lead to \$200 mn. in exports of communications equipment, electric motors and heavy electrical equipment in exchange for equal value of oil.
\$6 mn.	China from U.S.A.	A small contract for equipment for China's huge new steel complex has gained new life, thanks to Export-Import Bank funding. Contract, awarded in 1980, was held up by lack of funds.	China still wants U.S. technology, despite recent trade friction.
<b>NEW DEALS</b>			
\$10 bn.	Algeria from France/Brazil/ West Germany/ Austria/India/ U.S.S.R.	Algeria plans to spend \$10 bn. modernizing its 3,700 km. railway system which has deteriorated since independence in 1962. Passenger traffic has increased more rapidly than they can be handled. Plans are to modernize and rebuild the old lines running along the coast, while building new lines inland to open up the vast interior of the country to industry and modern agriculture.	Also hopes to provide efficient alternative to road and air transport.
<b>DEALS INCLUDE:</b>			
	Algeria from France	Paris Metro affiliate will design and build Algiers subway.	
	Algeria from West Germany;	Deutsche Eisenbahn Consulting is aiding Algerian railroads to set up in-house engineering division.	Also giving advice on modernization.
\$220 mn.	Algeria from Austria	Universale Hoch and Tifbau are rebuilding Algiers commuter rail network.	
	Algeria from Brazil	Transconsult Consultoria is designing an inland desert route linking cities of Touggourt and Ghardaia via Hassi Messaud oilfields.	
	Algeria from India	New lines and modernization of old ones in south-west Algeria awarded to state-owned Indian Railway Construction Co. and Rail India Technical and Economic Services.	
	Algeria from U.S.S.R.	Soviets are building new rail system in the western highlands between Ain Moussera and Saida.	
	Brazil from France	Pugliese, a Brazilian maker of plastics extruding machinery, has signed agreement with French firm ADS for technology transfer under conditions in which ADS receives a percentage of Pugliese sales. The technology is for "bio-oriented" PVC plastic containers which can be much thinner than old-style ones.	ADS says, "We prefer to lose markets, but gain royalties" by selling its technology to highly-indebted countries in Ibero-America and Africa which are forced to restrict imports.
	Brazil from East Germany	The Brazilian metalworking firm Jaragua has contracted with an East German state company for transfer of mining technology to Brazil. Jaragua makes capital goods for mining and oil industries. Contract is result of tour by Brazilian Basic Industry Association to East Germany and Czechoslovakia. Plans include sub-contracts to Brazilian firms from East German projects and joint ventures in Africa.	Brazilians say East Europeans often more willing to transfer technology to private firms in the LDCs than are multinationals, which want totally controlled subsidiaries in such areas.