Best Export Markets
for
U.S. Aircraft & Aircraft Parts, 2007

Best Export Markets for U.S Aircraft & Aircraft Parts was compiled by Marion David, under the supervision of Maurice Kogon, Director of the El Camino College Center for International Trade Development (CITD) in Hawthorne, California. The report is based largely on 2006-2007 Country Commercial Guides (CCGs) prepared by United States Commercial Service (USCS) posts abroad. All CCGs include a standard chapter "Leading Sectors for U.S. Exports." This report drew from those CCGs which specifically recommended Aircraft & Aircraft Parts as a best prospect for U.S. exports.

The entire report is also available as a Word document, in print or electronically, for $25.00. To order, contact the El Camino College CITD at: 310-973-3173 or mkogon@elcamino.edu

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BEST EXPORT MARKETS
for
U.S. AIRCRAFT & AIRCRAFT PARTS, 2007

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I. EXPORT MARKET BRIEF

A. AIRCRAFT -- HS 8802

This Market Brief provides an overview of the world market for U.S. Aircraft (HS 8802), based on an analysis of the latest trade statistics and market research.

Export growth: U.S. exports of Aircraft rose from $24.4 billion in 2003 to $43.5 billion 2006, an increase of 86 % over the four-year-period.

Leading Export Markets: China and United Arab Emirates are by far the leading markets for U.S. exports of Aircraft ($5.3 billion in 2006, or 11.6 % of total for China and $5 billion in 2006, or 11.1% of total for UAE). Other top markets (all valued above $1.5 billion) were: Japan $3.7 billion (8.1 % of total), Korea $2.4 billion (5.3%), Singapore $2.4 billion (5.2%), France $2 billion (4.3%), Ireland $1.9 billion (4.1%), and Canada $1.5 billion (3.2%). Other significant markets (above $1 billion) were: Mexico $1.49 billion (3.2%), India $1.4 billion (3.5%), Turkey $1.3 billion (2.8%), and Brazil $1.1 billion (2.4%).

Fastest Growing Export Markets: The leading markets with both high and sustained growth rates for U.S. exports of Aircraft over the latest four years (2003-06 and 2005-06) were: Turkey (+1175%), Brazil (+452%), UAE (+669%) and India (+607%). Other significant growth markets over the 2003-06 period were France (+285%), Mexico (+194%), China (+144%), and Korea (+114%).

Leading Importing Countries: The top foreign importers of Aircraft in 2005 were Germany, representing $12.5 billion or 19.3% of total, China (8.8%), India (6.6%), and Japan (5.3%). Other significant importers (all above $2 billion) were Canada (4.3%), Spain (4.0%), France (3.4%), Ireland (3.3%) and Australia (3.3%).

World Market Size & U.S. Share: Total world exports of Aircraft by all countries reached $82.58 billion in 2005, up from $73.98 billion in 2002 (+11.6%). The U.S. had a top 38.4% share of the total world market in 2005. Other world suppliers with significant market shares were France (24.6%), Germany (16.2%), Canada (7.3%) and Brazil (3.9%).

Best Market Prospects: The markets listed below appear to be particularly promising for U.S. exports of Aircraft over the next two years:

- **Australia**
- **Austria**
- **Belgium**
- **Brazil**
- **Bulgaria**
- **Canada**
- **Chile**
- **China**
- **Ethiopia**
- **France**
- **Japan**
- **Korea**
- **Nepal**
- **Netherlands**
- **New Zealand**
- **Nigeria**
- **Philippines**
- **Russia**
- **Singapore**
- **Slovakia**
- **Spain**
- **Switzerland**
- **Taiwan**
- **Thailand**
- **Tunisia**
- **United Arab Emirates**
- **United Kingdom**

I. EXPORT MARKET BRIEF

B. AIRCRAFT PARTS -- HS 8803

This Market Brief provides an overview of the world market for U.S. Aircraft Parts (HS 8803), based on an analysis of the latest trade statistics and market research.

Export growth: U.S. exports of Aircraft Parts rose from $14.9 billion in 2003 to $20.7 billion in 2006, an increase of 39% over the four-year-period.

Leading Export Markets: Japan is the leading market for U.S. exports of Aircraft Parts ($2.2 billion in 2006, or 10.4% of total). Other top markets (all valued above $1.3 billion) were: UK $1.9 billion (9.3% of total), Germany $1.6 billion (7.6%), and Canada $1.4 billion (6.7%). Other significant markets (above $1 billion) were: Brazil $1.27 billion (6.1%), France $1.2 billion (5.8%), Singapore $1.16 (5.6%) and Korea $1.01 billion (4.9%).

Fastest Growing Export Markets: The leading markets with both high and sustained growth rates for U.S. exports of Aircraft Parts over the latest four years (2003-06 and 2005-06) were: China (+180%), Brazil (+125%) Germany (+95%) and Singapore (+83%). Other significant growth markets over the 2003-06 period were Australia (+56%), Korea (+48%), and Canada (+47%).

Leading Importing Countries: The top foreign importers of Aircraft Parts in 2005 were France ($8.88 billion, or 22.3% of total), Germany (17.6%), Singapore (6.8%), and Canada (6.2%). Other significant importers (all above $1 billion) were Saudi Arabia (3.4%), Japan (3.2%) and Italy (2.6%).

World Market Size & U.S. Share: Total world exports of Aircraft Parts by all countries reached $43.4 billion in 2005, up from $39.2 billion in 2002 (+10.7%). The U.S. had a 40.6% top share of the total world market in 2005. Other world suppliers with significant market shares were Germany (13.6%), France (9.5%), Spain (3.9%), Canada (3.6%), Italy (3.3%) and Japan (3.2%).

Best Market Prospects: The markets listed below appear to be particularly promising for U.S. exports of Aircraft parts over the next two years:

- **Australia**
- **Austria**
- **Belgium**
- **Brazil**
- **Bulgaria**
- **Canada**
- **Chile**
- **China**
- **Ethiopia**
- **France**
- **Japan**
- **Korea**
- **Nepal**
- **Netherlands**
- **New Zealand**
- **Nigeria**
- **Philippines**
- **Russia**
- **Singapore**
- **Slovakia**
- **Spain**
- **Switzerland**
- **Taiwan**
- **Thailand**
- **Tunisia**
- **United Arab Emirates**
- **United Kingdom**

I. Export Market Brief

C. LAUNCHING GEAR - HS 8805

This Market Brief provides an overview of the world market for Launching Gear (HS 8805), based on an analysis of the latest trade statistics and market research.

Export growth: U.S. exports of Launching Gear rose from $299.1 million in 2002 to $481.9 million in 2005, an increase of 61.1% over the four-year period.

Leading Export Markets: India is by far the leading market for U.S. exports of Launching Gear ($113.9 million in 2005, or 23.64% of total). Other top markets (all valued above $20 million) were: UK (12.2% of total), Korea (10.1%), Canada (8%), France (6.4%) and Australia (4.8%). Other significant markets (above $ 10 million) were: Singapore (20%), Japan (18.3%), Italy (15.9%) and Brazil (10.5%).

Fastest Growing Export Markets: The leading markets with both high and sustained growth rates for U.S. exports of Launching Gear over the latest four years (2002-05 and 2004-05) were: Italy (+612%), Brazil (+534%), Korea (+312%), Singapore (+263%) and India (+164%).

Leading Importing Countries: The top foreign importers of Launching gear in 2005 were Japan ($81.9 million, or 11.6% of total), Canada (9.6%), China (8.4%), France (4.2%) and Australia (4.0%). Other significant importers (all above $15 million) were Switzerland (3.5%), Netherlands (3.3%), and Singapore (2.2%).

World Market Size & U.S. Share: Total world exports of Launching Gear by all countries reached $987.3 million in 2005, up from $936.9 million in 2002 (+5.4%). The U.S. had a top 44.5% share of the total world market in 2005. Other world suppliers with significant market shares were Canada (38.6%), France (4.2%), Singapore (2.1%) and Germany (2.1%).

Best Market Prospects: The markets listed below appear to be particularly promising for U.S. exports of Launching gear over the next two years:

- **Australia**
- **Austria**
- **Belgium**
- **Brazil**
- **Bulgaria**
- **Canada**
- **Chile**
- **China**
- **Ethiopia**
- **France**
- **Japan**
- **Korea**
- **Nepal**
- **Netherlands**
- **New Zealand**
- **Nigeria**
- **Philippines**
- **Russia**
- **Singapore**
- **Slovakia**
- **Spain**
- **Switzerland**
- **Taiwan**
- **Thailand**
- **Tunisia**
- **United Arab Emirates**
- **United Kingdom**

I. Export Market Brief

D. INSTRUMENTS FOR AERONAUTICAL NAVIGATION -- HS 901420

This Market Brief provides an overview of the world market for Aeronautical Navigation Instruments (HS 901420), based on an analysis of the latest trade statistics and market research.

Export growth: U.S. exports of Aeronautical Navigation Instruments rose from $864.5 million in 2002 to $1 billion in 2005, an increase of 16.3% over the four-year period.

Leading Export Markets: Canada and France are by far the leading markets for U.S. exports of Aeronautical Navigation Instruments ($241.5 million in 2005, or 24% of total for Canada and $233.7 million in 2005, or 23.2% of total for France). Other top markets (all valued above $20 million) were: UK (10.1% of total), Italy (4.9%), Japan (4.8%), Singapore (3.7%), Germany (3.6%) and Switzerland (2.5%). Other significant markets (above $12 million) were: Israel (1.9%), UAE (1.9%), Australia (17.6%), China (1.4%), Czech Republic (1.4%) and Korea (1.3%).

Fastest Growing Export Markets: The leading markets with both high and sustained growth rates for U.S. exports of Aeronautical Navigation Instruments over the latest four years (2002-05 and 2004-05) were: UAE (+265%), Australia (+110%), Israel (+102%), and Italy (+99%). Other significant growth markets over the 2002-05 period were Czech Republic (+65%), Switzerland (+54%), Germany (+51%) and China (+50%).

Leading Importing Countries: The top foreign importers of Instruments for aeronautical navigation in 2005 were UK ($407.2 million, or 17.21% of total), Germany (11.43%), Canada (11.36%), and France (10.74%). Other significant importers (all above $75 million) were Japan (7.03%), Italy (4.86%), Switzerland (3.63%), and Australia (3.25%).

World Market Size & U.S. Share: Total world exports of Aeronautical Navigation Instruments by all countries reached $2.4 billion in 2005, up from $2.29 billion in 2002 (+5.1%). The U.S. had a top 43.7% share of the total world market in 2005. Other world suppliers with significant market shares were UK (18.5%), France (11.8%), and Germany (9.8%).

Best Market Prospects: The markets listed below appear to be particularly promising for U.S. exports of Instruments for aeronautical navigation over the next two years:

- **Australia**
- **Austria**
- **Belgium**
- **Brazil**
- **Bulgaria**
- **Canada**
- **Chile**
- **China**
- **Ethiopia**
- **France**
- **Japan**
- **Korea**
- **Nepal**
- **Netherlands**
- **New Zealand**
- **Nigeria**
- **Philippines**
- **Russia**
- **Singapore**
- **Slovakia**
- **Spain**
- **Switzerland**
- **Taiwan**
- **Thailand**
- **Tunisia**
- **UAE**
- **United Kingdom**

II. Target Market Matrix
A. Aircraft (HS 8802)

This matrix assesses the U.S. industry's market potential in each listed country, based on how well the country performed against the 11 "predictor" criteria represented in Columns 1-11 below. A **double X** in the Column cell indicates the country met the criterion very well; a **single X** indicates reasonably good performance; a **blank** indicates the country was lacking in that criterion. The countries with the greatest number of XX's and X's across the most number of criteria are presumed to offer greater export potential for the industry, based on this methodology.

Country	1	2	3	4	5	6	7	8	9	10	11
Australia				X			X		XX	XX	XX
Brazil			X						XX	XX	XX
Canada	X			XX		XX	XX		XX	XX	
Chile		XX						X	XX	XX	
China	XX			XX	X	X	XX	XX	XX		
France	X			X			X				XX
Germany				XX	X	X	XX				
India	X	X		XX		XX	XX				
Ireland	X			X	X	XX	X				
Japan	XX			XX	X		XX		XX		XX
Korea	XX				XX	X		X	XX	XX	
Malaysia			XX						X	X	
Netherlands			X		X				XX		
New Zealand		XX			XX	X			XX	X	XX
Pakistan		XX	XX								
Poland		XX	XX								
Russia		XX				XX		XX			XX
Singapore	XX						X				XX
Spain				X	XX	X	X	X			XX
Taiwan									XX	X	
Thailand			X		XX	XX		X	XX		
Turkey		X	X								
UAE	XX	X							XX		XX

Key: Columns/Criteria

1. Largest export markets, latest year
2. Fastest growing export markets, past 3 yrs
3. Fastest growing export markets, latest year
4. Largest importing countries, latest year
5. Fastest growing importing countries, past 3 yrs
6. Fastest growing importing countries, latest year
7. Strong share of import market, latest year
8. Limited competition from local producers
9. High receptivity to products from your country
10. No significant market barriers
11. Recommended as a "best" export market

II. Target Market Matrix
B. Aircraft Parts (HS 8803)

This matrix assesses the U.S. industry's market potential in each listed country, based on how well the country performed against the 11 "predictor" criteria represented in Columns 1-11 below. A **double X** in the Column cell indicates the country met the criterion very well; a **single X** indicates reasonably good performance; a **blank** indicates the country was lacking in that criterion. The countries with the greatest number of XX's and X's across the most number of criteria are presumed to offer greater export potential for the industry, based on this methodology.

Country	1	2	3	4	5	6	7	8	9	10	11
Australia		X	XX	X			X		XX	XX	XX
Brazil	XX	XX	X	X	X		X		XX	XX	XX
Canada	XX			XX	X	X	XX		XX	XX	
China	X	XX	X	X		X	X	XX	XX		
France	X			XX	XX	X	XX				XX
Germany	XX	XX		XX	X	XX	XX				
Hong Kong					X	XX		XX		X	
Japan	XX			X			X		XX		XX
Korea	X		XX			X		X	XX	XX	
Malaysia					XX	XX			X	X	
Netherlands	X								XX		XX
New Zealand									XX	X	XX
Norway		X	X		XX						
Saudi Arabia				XX			XX				
Singapore	X	X	X	XX	XX	XX	XX				XX
South Africa					XX				XX	X	
Spain						X					XX
Switzerland		X						X			XX
Taiwan									XX	X	
Thailand								X	XX		XX
UAE		XX	XX						XX		XX
UK	XX										

Key: Columns/Criteria

1. Largest export markets, latest year
2. Fastest growing export markets, past 3 yrs
3. Fastest growing export markets, latest year
4. Largest importing countries, latest year
5. Fastest growing importing countries, past 3 yrs
6. Fastest growing importing countries, latest year
7. Strong share of import market, latest year
8. Limited competition from local producers
9. High receptivity to products from your country
10. No significant market barriers
11. Recommended as a "best" export market

II. Target Market Matrix
C. Launching Gear (HS 8805)

This matrix assesses the U.S. industry's market potential in each listed country, based on how well the country performed against the 11 "predictor" criteria represented in Columns 1-11 below. A **double X** in the Column cell indicates the country met the criterion very well; a **single X** indicates reasonably good performance; a **blank** indicates the country was lacking in that criterion. The countries with the greatest number of XX's and X's across the most number of criteria are presumed to offer greater export potential for the industry, based on this methodology.

Country	1	2	3	4	5	6	7	8	9	10	11
Australia	X		XX	XX			XX		XX	XX	XX
Austria		XX	XX						XX		XX
Belgium											XX
Brazil	X	X	XX			X			XX	XX	XX
Bulgaria											XX
Canada	XX			XX	XX	XX	XX		XX	XX	
France	XX		X	XX	XX	X	XX				XX
India	XX					X					
Indonesia		XX						X	XX	X	
Ireland		XX			XX	XX					
Italy	X	X		X		X					
Japan	X			XX	XX	XX	XX		XX		XX
Korea	XX							X	XX	XX	
Mexico					XX	XX	X				
Netherlands		X	X	XX		XX	XX		XX		XX
Pakistan		XX	XX								
Singapore	X		X	X	X	X	X				XX
South Africa				X			X		XX	X	
Spain				X			X	X			XX
UK	XX										

Key: Columns/Criteria

1. Largest export markets, latest year
2. Fastest growing export markets, past 3 yrs
3. Fastest growing export markets, latest year
4. Largest importing countries, latest year
5. Fastest growing importing countries, past 3 yrs
6. Fastest growing importing countries, latest year
7. Strong share of import market, latest year
8. Limited competition from local producers
9. High receptivity to products from your country
10. No significant market barriers
11. Recommended as a "best" export market

II. Target Market Matrix
D. Instruments for aeronautical navigation (HS 901420)

This matrix assesses the U.S. industry's market potential in each listed country, based on how well the country performed against the 11 "predictor" criteria represented in Columns 1-11 below. A **double X** in the Column cell indicates the country met the criterion very well; a **single X** indicates reasonably good performance; a **blank** indicates the country was lacking in that criterion. The countries with the greatest number of XX's and X's across the most number of criteria are presumed to offer greater export potential for the industry, based on this methodology.

Country	1	2	3	4	5	6	7	8	9	10	11
Australia		X		X	XX	X	X		XX	XX	XX
Austria									XX		XX
Belgium		XX	XX								XX
Brazil			X						XX	XX	XX
Canada	XX			XX	X		XX		XX	XX	
China			X			XX		XX	XX		
Denmark		X	XX			XX		XX		X	
France	XX			XX		XX	XX				XX
Germany				XX	X	X	XX				
Israel	X	X									
Italy	XX		X	X	XX	X	X				
Japan	XX			XX			XX		XX		XX
Korea								X	XX	XX	
Malaysia		X	XX						X	X	
Netherlands				X			X		XX		XX
Russia		XX	XX					XX			XX
Saudi Arabia		XX	XX								
Singapore	X			X	XX	XX	X				XX
South Africa					XX	X			XX	X	
Spain					X			X			XX
Switzerland	X			X	X	X	X				XX
UAE	X	XX							XX		XX
UK	XX			XX			XX				

Key: Columns/Criteria

1. Largest export markets, latest year
2. Fastest growing export markets, past 3 yrs
3. Fastest growing export markets, latest year
4. Largest importing countries, latest year
5. Fastest growing importing countries, past 3 yrs
6. Fastest growing importing countries, latest year
7. Strong share of import market, latest year
8. Limited competition from local producers
9. High receptivity to products from your country
10. No significant market barriers
11. Recommended as a "best" export market

III. MARKET POTENTIAL INDICATORS

A. Top 30 U.S. Export Markets for Aircraft & Aircraft Parts, 2003-06, by Country. These tables show the leading and fastest growing markets for U.S. Aircraft and Aircraft Parts. Source: U.S Census Bureau.

1. **Aircraft (HS 8802)**
2. **Aircraft Parts (HS 8803)**
3. **Launching Gear (HS 8805)**
4. **Instruments for aeronautical navigation (HS 901420)**

B. Top 30 World Importers of Aircraft and Aircraft Parts, 2002-2005, by Country. These tables show the leading and fastest growing world importers of Aircraft & Aircraft parts. Source: United Nations COMTRADE.

1. **Aircraft (HS 8803)**
2. **Aircraft Parts (HS 8803)**
3. **Launching Gear (HS 8805)**
4. **Instruments for aeronautical navigation (HS 901420)**

C. Top 30 World Exporters of Aircraft & Aircraft Parts & U.S. Share, 2002-2005, by Country. These tables show the U.S. and competitor-country shares of total world exports of Aircraft & Aircraft Parts. Source: United Nations COMTRADE.

1. **Aircraft (HS 8802)**
2. **Aircraft parts (HS 8803)**
3. **Launching Gear (HS 8805)**
4. **Instruments for aeronautical navigation (HS 901420)**

D. Market Sizes & U.S. Share: Aircraft & Aircraft Parts, 2003-2005, by Country. This table shows each "best prospect" country's total market, total imports, imports from the U.S., and the U.S. market share for products in this sector. Source: U.S. Commercial Staff in each country.

III. Market Potential Indicators

A. Top 30 U.S. Export Markets 2003-2006
1. Aircraft HS 8802
(Values in $ Thousands)

Country	2003	2004	2005	2006	% Change 2003-2006	% Change 2005-2006	% Share 2006
	In 1,000 Dollars						
China	$2,168,856	$1,617,528	$3,837,220	$5,301,621	144.4%	38.2%	11.7%
UAE	$657,305	$72,903	$3,105,798	$5,051,459	668.5%	62.6%	11.1%
Japan	$2,702,416	$3,151,548	$3,274,965	$3,687,192	36.4%	12.6%	8.1%
Korea	$1,126,026	$1,146,190	$1,233,958	$2,409,249	114.0%	95.2%	5.3%
Singapore	$1,974,460	$1,611,724	$1,730,560	$2,384,517	20.8%	37.8%	5.2%
France	$508,890	$2,080,808	$1,438,332	$1,958,549	284.9%	36.2%	4.3%
Ireland	$804,989	$1,446,819	$2,161,481	$1,859,307	131.0%	-14.0%	4.1%
Canada	$832,073	$859,743	$1,587,328	$1,512,806	81.8%	-4.7%	3.3%
Mexico	$500,449	$704,773	$767,059	$1,469,142	193.6%	91.5%	3.2%
India	$201,248	$253,769	$527,914	$1,423,480	607.3%	169.6%	3.1%
Turkey	$99,185	$63,354	$262,663	$1,264,560	1175.0%	381.4%	2.8%
Brazil	$169,560	$419,725	$136,110	$1,088,740	542.1%	699.9%	2.4%
Taiwan	$683,219	$912,944	$1,769,327	$982,666	43.8%	-44.5%	2.2%
Australia	$1,730,219	$861,518	$687,374	$912,392	-47.3%	32.7%	2.0%
Thailand	$614,495	$14,411	$182,584	$899,303	46.4%	392.5%	2.0%
Netherlands	$1,653,065	$1,320,306	$258,433	$887,929	-46.3%	243.6%	2.0%
Chile	$7,800	$28,915	$301,569	$871,966	11079.1%	189.1%	1.9%
New Zealand	$38,878	$61,904	$371,480	$865,037	2125.0%	132.9%	1.9%
UK	$1,372,341	$941,478	$1,086,700	$828,896	-39.6%	-23.7%	1.8%
Germany	$573,271	$273,443	$317,119	$801,748	39.9%	152.8%	1.8%
Pakistan	$6,075	$739,924	$68,396	$754,506	12319.9%	1003.1%	1.7%
Israel	$170,410	$641,492	$635,125	$751,476	341.0%	18.3%	1.7%
Angola	$40,940	$3,711	$34,070	$687,323	1578.9%	1917.4%	1.5%
Malaysia	$114,615	$425,956	$31,706	$632,365	451.7%	1894.4%	1.4%
Portugal	$87,679	$264,132	$299,101	$385,719	339.9%	29.0%	0.9%
Russia	$13,048	$60,098	$119,105	$384,298	2845.3%	222.7%	0.8%
Poland	$3,076	$5,415	$8,652	$367,944	11861.8%	4152.7%	0.8%
Egypt	$64,247	$136,862	$38,739	$310,846	383.8%	702.4%	0.7%
Spain	$176,035	$411,334	$571,579	$301,974	71.5%	-47.2%	0.7%
Slovak Republic	$19,000	$21,042	$12,733	$297,399	1465.3%	2235.6%	0.7%
Subtotal:	**$19,113,870**	**$20,553,771**	**$26,857,180**	**$41,334,406**	**116.3%**	**53.9%**	**90.8%**
All Other:	**$5,324,476**	**$5,571,693**	**$4,861,538**	**$4,182,675**	**-21.4%**	**-14.0%**	**9.2%**
Total:	**$24,438,346**	**$26,125,463**	**$31,718,718**	**$45,517,081**	**86.3%**	**43.5%**	**100.0%**

Source: US Census Bureau

III. Market Potential Indicators

A. Top 30 U.S. Export Markets 2003-2006
2. Aircraft Parts HS 8803
(Values in $ Thousands)

Country	2003	2004	2005	2006	% Change 2003-2006	% Change 2005-2006	% Share 2006
	In 1,000 Dollars						
Japan	$2,128,278	$1,848,594	$1,921,471	$2,153,509	1.2%	12.1%	10.4%
UK	$1,678,922	$1,671,485	$1,733,054	$1,924,184	14.6%	11.0%	9.3%
Germany	$810,056	$969,921	$1,406,686	$1,579,010	94.9%	12.3%	7.6%
Canada	$939,236	$1,076,234	$1,240,979	$1,380,678	47.0%	11.3%	6.7%
Brazil	$564,596	$854,884	$899,045	$1,269,170	124.8%	41.2%	6.1%
France	$1,014,650	$1,018,051	$1,068,917	$1,198,544	18.1%	12.1%	5.8%
Singapore	$635,170	$735,163	$920,322	$1,164,855	83.4%	26.6%	5.6%
Korea	$684,210	$594,586	$628,374	$1,009,745	47.6%	60.7%	4.9%
Netherlands	$751,092	$651,612	$701,691	$827,026	10.1%	17.9%	4.0%
China	$281,498	$331,941	$542,940	$786,958	179.6%	44.9%	3.8%
Australia	$454,255	$497,522	$484,145	$706,897	55.6%	46.0%	3.4%
Israel	$532,628	$544,261	$649,292	$650,719	22.2%	0.2%	3.1%
Taiwan	$381,880	$456,519	$565,066	$565,994	48.2%	0.2%	2.7%
Italy	$401,490	$495,654	$429,999	$525,445	30.9%	22.2%	2.5%
Switzerland	$169,558	$202,085	$250,803	$302,373	78.3%	20.6%	1.5%
Spain	$211,681	$222,965	$274,426	$282,391	33.4%	2.9%	1.4%
UAE	$71,017	$115,772	$155,161	$265,853	274.4%	71.3%	1.3%
Turkey	$209,299	$169,452	$206,698	$255,956	22.3%	23.8%	1.2%
Mexico	$167,595	$170,498	$164,666	$230,622	37.6%	40.1%	1.1%
Greece	$124,506	$122,891	$79,797	$206,260	65.7%	158.5%	1.0%
Hong Kong	$131,399	$171,534	$197,310	$203,094	54.6%	2.9%	1.0%
Malaysia	$117,265	$148,772	$220,850	$174,220	48.6%	-21.1%	0.8%
Egypt	$188,439	$204,384	$190,824	$169,750	-9.9%	-11.0%	0.8%
Thailand	$163,875	$161,573	$150,515	$166,878	1.8%	10.9%	0.8%
Iraq	$5,266	$25,459	$92,454	$156,855	2878.6%	69.7%	0.8%
Norway	$87,088	$86,443	$100,682	$136,047	56.2%	35.1%	0.7%
South Africa	$85,062	$113,831	$119,461	$121,498	42.8%	1.7%	0.6%
Denmark	$106,444	$149,262	$143,163	$119,368	12.1%	-16.6%	0.6%
New Zealand	$113,744	$161,206	$132,202	$112,321	-1.3%	-15.0%	0.5%
Saudi Arabia	$194,780	$162,707	$123,056	$108,664	-44.2%	-11.7%	0.5%
Subtotal:	**$13,404,980**	**$14,135,261**	**$15,794,047**	**$18,754,886**	**39.9%**	**18.7%**	**90.6%**
All Other:	**$1,484,626**	**$1,538,195**	**$1,832,262**	**$1,958,156**	**31.9%**	**6.9%**	**9.5%**
Total:	**$14,889,606**	**$15,673,456**	**$17,626,309**	**$20,713,042**	**39.1%**	**17.5%**	**100.0%**

Source: US Census Bureau

III. Market Potential Indicators

A. Top 30 U.S. Export Markets 2003-2006
3. Launching Gear HS 8805
(Values in $ Thousands)

Country	2003	2004	2005	2006	% Change 2003-2006	% Change 2005-2006	% Share 2006
	In 1,000 Dollars						
India	$43,070	$62,165	$60,126	$113,906	164.5%	89.4%	23.6%
UK	$44,604	$41,612	$51,272	$58,906	32.1%	14.9%	12.2%
Korea	$11,854	$11,916	$39,916	$48,896	312.5%	22.5%	10.2%
Canada	$21,803	$7,202	$25,678	$38,082	74.7%	48.3%	7.9%
France	$16,308	$3,762	$8,478	$30,849	89.2%	263.8%	6.4%
Australia	$43,518	$16,064	$4,932	$23,314	-46.4%	372.7%	4.8%
Singapore	$5,492	$3,347	$4,542	$19,990	264.0%	340.1%	4.2%
Japan	$12,049	$24,055	$47,386	$18,341	52.2%	-61.3%	3.8%
Italy	$2,227	$1,544	$16,980	$15,866	612.4%	-6.6%	3.3%
Brazil	$1,654	$209	$1,748	$10,498	534.7%	500.5%	2.2%
Germany	$13,920	$8,309	$6,961	$9,200	-33.9%	32.2%	1.9%
Turkey	$4,184	$547	$1,753	$7,424	77.4%	323.4%	1.5%
Ireland	$328	$181	$2,938	$6,463	1870.4%	120.0%	1.3%
Netherlands	$539	$1,675	$2,222	$6,226	1055.1%	180.2%	1.3%
Oman	$23	$12	$2,110	$5,796	25100.0%	174.7%	1.2%
Taiwan	$3,305	$1,965	$2,707	$5,149	55.8%	90.2%	1.1%
Latvia	$0	$0	$12	$5,110	N/A	42483.3%	1.1%
Pakistan	$351	$111	$206	$4,896	1294.9%	2281.8%	1.0%
Belgium	$9,356	$269	$3,275	$4,609	-50.7%	40.8%	1.0%
Spain	$936	$2,110	$10,018	$4,394	369.4%	-56.1%	0.9%
Iraq	$0	$0	$1,821	$4,258	N/A	133.9%	0.9%
Norway	$454	$1,940	$3,885	$3,252	616.3%	-16.3%	0.7%
Bulgaria	$0	$0	$1,288	$3,010	N/A	133.7%	0.6%
Israel	$19,188	$33,415	$2,092	$2,891	-84.9%	38.2%	0.6%
Denmark	$205	$944	$1,691	$2,712	1222.9%	60.4%	0.6%
Austria	$31	$641	$533	$2,605	8303.2%	389.1%	0.5%
South Africa	$1,779	$2,301	$2,474	$2,531	42.3%	2.3%	0.5%
Mexico	$1,668	$1,229	$20,434	$2,025	21.4%	-90.1%	0.4%
Ukraine	$0	$509	$504	$1,916	N/A	280.2%	0.4%
Indonesia	$26	$972	$1,631	$1,630	6169.2%	0.0%	0.3%
Subtotal:	**$258,873**	**$229,006**	**$329,611**	**$464,745**	**79.5%**	**41.0%**	**96.4%**
All Other:	**$40,238**	**$51,160**	**$109,910**	**$17,167**	**-57.3%**	**-84.4%**	**3.6%**
Total:	**$299,111**	**$280,166**	**$439,521**	**$481,912**	**61.1%**	**9.6%**	**100.0%**

Source: US Census Bureau

III. Market Potential Indicators

A. Top 30 U.S. Export Markets 2003-2006
4. Instruments for aeronautical navigation HS 901420
(Values in $ Thousands)

Country	2003	2004	2005	2006	% Change 2003-2006	% Change 2005-2006	% Share 2006
	In 1,000 Dollars						
Canada	$204,505	$238,965	$223,283	$241,468	18.1%	8.1%	24.0%
France	$225,430	$286,672	$294,815	$233,702	3.7%	-20.7%	23.2%
UK	$102,164	$108,258	$116,356	$101,118	-1.0%	-13.1%	10.1%
Italy	$24,509	$38,272	$36,726	$48,995	99.9%	33.4%	4.9%
Japan	$62,442	$49,471	$50,251	$48,617	-22.1%	-3.3%	4.8%
Singapore	$32,900	$38,458	$42,143	$36,973	12.4%	-12.3%	3.7%
Germany	$24,001	$25,125	$40,198	$36,304	51.3%	-9.7%	3.6%
Switzerland	$16,112	$22,642	$23,062	$24,888	54.5%	7.9%	2.5%
Israel	$9,487	$10,999	$17,227	$19,198	102.4%	11.4%	1.9%
UAE	$5,181	$5,881	$16,998	$18,948	265.7%	11.5%	1.9%
Australia	$8,379	$11,211	$23,130	$17,602	110.1%	-23.9%	1.8%
China	$9,194	$8,113	$11,286	$13,743	49.5%	21.8%	1.4%
Czech Republic	$8,299	$11,680	$9,427	$13,688	64.9%	45.2%	1.4%
Korea	$20,878	$11,343	$10,901	$12,829	-38.6%	17.7%	1.3%
Spain	$7,328	$7,595	$10,745	$11,871	62.0%	10.5%	1.2%
Brazil	$18,657	$7,742	$8,520	$11,179	-40.1%	31.2%	1.1%
Mexico	$7,390	$8,276	$11,801	$9,509	28.7%	-19.4%	1.0%
India	$4,626	$6,696	$6,168	$8,962	93.7%	45.3%	0.9%
Saudi Arabia	$759	$1,629	$2,249	$7,006	823.1%	211.5%	0.7%
Egypt	$1,654	$4,281	$7,349	$6,995	322.9%	-4.8%	0.7%
Belgium	$1,871	$2,949	$4,319	$6,737	260.1%	56.0%	0.7%
Netherlands	$4,203	$5,257	$5,943	$5,843	39.0%	-1.7%	0.6%
Russia	$1,390	$3,470	$2,212	$5,754	314.0%	160.1%	0.6%
Denmark	$1,364	$2,992	$2,808	$4,441	225.6%	58.1%	0.4%
Austria	$2,733	$4,520	$4,277	$4,433	62.2%	3.6%	0.4%
Iraq	$0	$6,256	$4,881	$3,834	N/A	-21.5%	0.4%
Turkey	$1,714	$3,732	$6,250	$3,692	115.4%	-40.9%	0.4%
Sweden	$5,891	$8,389	$4,126	$3,572	-39.4%	-13.4%	0.4%
South Africa	$6,087	$4,118	$3,349	$3,538	-41.9%	5.6%	0.4%
Malaysia	$1,294	$1,099	$1,926	$3,112	140.5%	61.5%	0.3%
Subtotal:	**$820,444**	**$946,092**	**$1,002,726**	**$968,554**	**18.1%**	**-3.4%**	**96.3%**
All Other:	**$44,045**	**$44,898**	**$51,037**	**$37,058**	**-15.9%**	**-27.4%**	**3.7%**
Total:	**$864,489**	**$990,990**	**$1,053,764**	**$1,005,612**	**16.3%**	**-4.6%**	**100.0%**

Source: US Census Bureau

III. Market Potential Indicators

B. Top 30 World Importers, 2002-05
1. Aircraft HS 8802

Importing Country	2002	2003	2004	2005	% Change 2002- 05	% Change 2004-05	% Share 2005
	In US Dollars						
Germany	$7,117,090,304	$8,472,899,000	$11,244,132,000	$12,545,780,000	76.3%	11.6%	19.3%
USA	$12,999,736,608	$12,528,398,282	$11,700,331,770	$10,894,234,424	-16.2%	-6.9%	16.8%
China	$2,842,872,450	$3,500,666,372	$4,231,262,718	$5,716,195,552	101.1%	35.1%	8.8%
India	N/A	$749,387,084	$1,143,636,370	$4,324,063,452	N/A	278.1%	6.7%
Japan	$2,540,904,312	$3,160,213,777	$2,968,848,174	$3,456,934,156	36.1%	16.4%	5.3%
Canada	$2,591,065,776	$1,588,363,099	$1,407,876,783	$2,810,850,077	8.5%	99.7%	4.3%
Spain	$1,213,835,392	$1,134,013,704	$2,025,158,457	$2,599,066,032	114.1%	28.3%	4.0%
France	$2,349,228,800	$1,422,354,048	$2,184,480,140	$2,199,612,277	-6.4%	0.7%	3.4%
Ireland	$1,147,675,648	$584,964,288	$1,467,452,529	$2,174,027,892	89.4%	48.2%	3.3%
Australia	$2,109,639,552	$2,296,489,728	$1,963,325,677	$2,125,799,682	0.8%	8.3%	3.3%
Italy	$3,239,018,752	$2,091,794,723	$1,868,391,289	$1,808,507,226	-44.2%	-3.2%	2.8%
South Africa	$589,702,464	$1,134,245,376	$1,511,647,671	$1,201,550,476	103.8%	-20.5%	1.9%
Singapore	$2,241,017,433	$2,336,363,833	$2,246,881,687	$1,042,885,413	-53.5%	-53.6%	1.6%
Rep. of Korea	$207,975,744	$303,345,056	$565,726,634	$928,149,262	346.3%	64.1%	1.4%
Greece	$81,857,248	$670,912,512	$1,309,241,897	$889,433,395	986.6%	-32.1%	1.4%
Thailand	$124,915,782	$529,614,122	$217,725,073	$795,538,349	536.9%	265.4%	1.2%
China, Hong Kong	$557,985	$633,769,449	$546,104,754	$752,390,934	134740.7%	37.8%	1.2%
New Zealand	$293,488,512	$402,848,340	$552,124,294	$748,322,379	155.0%	35.5%	1.2%
Switzerland	$635,536,128	$1,309,562,624	$975,067,889	$716,937,882	12.8%	-26.5%	1.1%
Czech Rep.	$140,651,589	$315,889,544	$162,067,093	$597,577,794	324.9%	268.7%	0.9%
Malaysia	$729,214,048	$26,957,444	$558,557,027	$580,954,348	-20.3%	4.0%	0.9%
Austria	$542,081,649	$391,952,233	$555,749,805	$547,915,623	1.1%	-1.4%	0.8%
Colombia	$672,610,048	$611,051,456	$490,238,994	$529,055,254	-21.3%	7.9%	0.8%
Portugal	$74,226,338	$364,317,532	$598,319,450	$466,562,415	528.6%	-22.0%	0.7%
Argentina	$184,538,676	$72,725,644	$508,253,984	$456,117,322	147.2%	-10.3%	0.7%
Netherlands	$365,588,456	$1,337,066,329	$1,329,864,668	$420,524,619	15.0%	-68.4%	0.7%
Russian Federation	$206,412,267	$264,374,787	$222,256,492	$416,789,900	101.9%	87.5%	0.6%
Luxembourg	$592,004,736	$145,114,987	$365,726,474	$402,766,540	-32.0%	10.1%	0.6%
Poland	$280,580,992	$143,467,008	$520,344,285	$309,202,598	10.2%	-40.6%	0.5%
Denmark	$1,099,828,480	$137,407,360	$619,493,165	$297,890,678	-72.9%	-51.9%	0.5%
Subtotal:	**$47,213,856,169**	**$48,660,529,741**	**$56,060,287,243**	**$62,755,635,951**	**32.9%**	**11.9%**	**96.5%**
All other:	**$11,646,173,873**	**$3,482,614,918**	**$4,218,249,524**	**$2,262,365,074**	**-80.6%**	**-46.4%**	**3.5%**
Total:	**$58,860,030,042**	**$52,143,144,659**	**$60,278,536,767**	**$65,018,001,025**	**10.5%**	**7.9%**	**100.0%**

Source: United Nations Comtrade

III. Market Potential Indicators

B. Top 30 World Importers, 2002-05
2. Aircraft Parts HS 8803

Importing Country	2002	2003	2004	2005	% Change	% Change	% Share
	In US Dollars				2002- 05	2004-05	2005
France	$4,340,075,520	$6,689,175,552	$7,742,901,255	$8,880,354,252	104.6%	14.7%	22.3%
Germany	$4,709,103,104	$4,584,367,000	$5,404,734,000	$6,991,888,000	48.5%	29.4%	17.6%
USA	$4,814,074,288	$4,385,047,559	$4,710,078,485	$5,445,635,721	13.1%	15.6%	13.7%
Singapore	$884,908,528	$1,526,321,071	$1,734,345,201	$2,692,907,682	204.3%	55.3%	6.8%
Canada	$1,886,277,762	$1,797,562,609	$2,193,795,291	$2,457,657,553	30.3%	12.0%	6.2%
Saudi Arabia	$1,379,336,666	$1,336,616,765	$1,309,456,206	$1,358,990,240	-1.5%	3.8%	3.4%
Japan	$1,144,081,173	$1,213,970,885	$1,153,565,277	$1,273,963,721	11.4%	10.4%	3.2%
Italy	$684,222,208	$777,246,596	$954,897,451	$1,025,810,139	49.9%	7.4%	2.6%
Brazil	$509,112,928	$518,219,263	$809,559,663	$846,182,818	66.2%	4.5%	2.1%
China	$1,140,624,803	$932,856,175	$682,538,398	$785,029,442	-31.2%	15.0%	2.0%
India	N/A	$404,212,661	$424,733,329	$671,856,200	N/A	58.2%	1.7%
Australia	$689,290,752	$589,043,392	$599,967,038	$631,403,866	-8.4%	5.2%	1.6%
Spain	$532,590,176	$469,959,442	$536,449,289	$600,632,724	12.8%	12.0%	1.5%
Netherlands	$405,509,554	$567,830,702	$572,636,538	$520,431,974	28.3%	-9.1%	1.3%
Malaysia	$267,252,872	$254,024,223	$396,079,633	$491,920,712	84.1%	24.2%	1.2%
Rep. of Korea	$509,723,488	$295,745,632	$361,377,812	$425,547,499	-16.5%	17.8%	1.1%
Thailand	$520,986,756	$308,162,410	$471,137,094	$394,384,562	-24.3%	-16.3%	1.0%
Norway	$201,461,424	$276,490,515	$376,070,203	$378,023,493	87.6%	0.5%	1.0%
Switzerland	$360,065,344	$316,616,992	$333,522,772	$366,774,991	1.9%	10.0%	0.9%
Israel	$334,668,992	$264,439,008	$227,607,000	$358,870,000	7.2%	57.7%	0.9%
Belgium	$286,442,770	$316,567,949	$321,660,195	$293,247,405	2.4%	-8.8%	0.7%
South Africa	$99,985,712	$172,181,984	$326,377,043	$292,940,797	193.0%	-10.2%	0.7%
China, Hong Kong	$147,995,584	$141,035,752	$200,411,396	$246,940,416	66.9%	23.2%	0.6%
Ireland	$202,992,864	$181,694,704	$292,332,128	$200,344,718	-1.3%	-31.5%	0.5%
Sweden	$190,092,368	$249,372,544	$216,979,443	$189,594,306	-0.3%	-12.6%	0.5%
Denmark	$229,260,176	$208,349,024	$298,032,627	$181,300,352	-20.9%	-39.2%	0.5%
Colombia	$113,630,224	$93,072,424	$127,753,488	$168,523,401	48.3%	31.9%	0.4%
Finland	$77,092,592	$78,757,272	$74,583,175	$134,310,822	74.2%	80.1%	0.3%
Jordan	$119,732,488	$122,233,640	$141,453,966	$124,507,066	4.0%	-12.0%	0.3%
Qatar	N/A	N/A	N/A	$122,134,270	N/A	N/A	0.3%
Subtotal:	**$26,780,591,116**	**$29,071,173,745**	**$32,995,035,396**	**$38,552,109,142**	**44.0%**	**16.8%**	**97.0%**
All other:	**$4,810,450,576**	**$2,067,277,453**	**$2,227,066,814**	**$1,200,511,125**	**-75.0%**	**-46.1%**	**3.0%**
Total:	**$31,591,041,692**	**$31,138,451,198**	**$35,222,102,210**	**$39,752,620,267**	**25.8%**	**12.9%**	**100.0%**

Source: United Nations Comtrade

III. Market Potential Indicators

B. Top 30 World Importers, 2002-05
3. Launching Gear HS 8805

Importing Country	2002	2003	2004	2005	% Change	% Change	% Share
	In US Dollars				2002- 05	2004-05	2005
USA	240,815,994	137,499,450	139,844,702	221,079,086	-8.2%	58.1%	31.3%
Japan	36,826,740	34,105,698	19,077,010	81,938,066	122.5%	329.5%	11.6%
Canada	44,058,882	49,969,110	16,258,018	67,536,568	53.3%	315.4%	9.6%
China	67,583,258	27,051,578	75,211,256	59,465,109	-12.0%	-20.9%	8.4%
France	18,012,118	38,106,568	11,103,352	29,906,343	66.0%	169.4%	4.2%
Australia	48,658,956	48,832,260	54,699,484	28,347,623	-41.7%	-48.2%	4.0%
Switzerland	2,914,513	1,119,804	2,096,021	24,445,712	738.8%	1066.3%	3.5%
Netherlands	31,710,615	14,956,271	3,537,811	23,025,994	-27.4%	550.9%	3.3%
Singapore	10,292,430	16,928,774	8,832,318	15,285,058	48.5%	73.1%	2.2%
Germany	30,087,332	17,052,000	35,930,000	13,933,000	-53.7%	-61.2%	2.0%
Saudi Arabia	4,271,990	36,645,582	33,702	13,898,104	225.3%	41138.2%	2.0%
Qatar	N/A	N/A	N/A	13,365,078	N/A	N/A	1.9%
New Zealand	57,021	11,966,724	N/A	12,943,153	22598.9%	N/A	1.8%
Spain	35,484,524	4,517,933	21,191,851	11,075,929	-68.8%	-47.7%	1.6%
South Africa	18,002,716	4,546,876	19,769,858	10,662,659	-40.8%	-46.1%	1.5%
Italy	62,580,536	4,824,948	5,735,734	10,004,972	-84.0%	74.4%	1.4%
Mexico	85,768	245,739	57,369	9,835,098	11367.1%	17043.6%	1.4%
Colombia	828,139	253,987	198,851	7,741,748	834.8%	3793.2%	1.1%
Rep. of Korea	8,463,656	12,352,778	10,797,042	6,261,311	-26.0%	-42.0%	0.9%
Brazil	52,509,472	112,030	1,778,265	6,150,285	-88.3%	245.9%	0.9%
Ireland	2,660,261	2,558,242	309,225	5,802,688	118.1%	1776.5%	0.8%
Argentina	N/A	1,832	5,096	4,228,461	N/A	82876.1%	0.6%
Malaysia	909,025	2,032,906	15,095,719	4,105,060	351.6%	-72.8%	0.6%
Sweden	8,655,482	1,547,504	2,395,573	3,329,069	-61.5%	39.0%	0.5%
Thailand	122,767	4,460,695	395,942	3,188,252	2497.0%	705.2%	0.5%
Chile	11,897	15,395	8,060,995	2,682,077	22444.2%	-66.7%	0.4%
India	N/A	1,026,143	1,490,161	1,745,136	N/A	17.1%	0.3%
Poland	447,000	391,000	7,279,876	1,540,295	244.6%	-78.8%	0.2%
Norway	2,573,431	1,735,854	6,178,439	1,338,165	-48.0%	-78.3%	0.2%
Romania	5,000	1,460,947	83,704	1,313,417	26168.3%	1469.1%	0.2%
Subtotal:	**728,629,523**	**476,318,628**	**467,447,374**	**696,173,516**	**-4.5%**	**48.9%**	**98.6%**
All other:	**193,155,389**	**65,006,809**	**35,831,197**	**9,570,026**	**-95.1%**	**-73.3%**	**1.4%**
Total:	**921,784,912**	**541,325,437**	**503,278,571**	**705,743,542**	**-23.4%**	**40.2%**	**100.0%**

Source: United Nations Comtrade

III. Market Potential Indicators

B. Top 30 World Importers, 2002-05
4. Instruments for Aeronautical Navigation HS 901420

Importing Country	2002	2003	2004	2005	% Change	% Change	% Share
	In US Dollars				2002- 05	2004-05	2005
UK	$736,072,192	$730,280,322	$848,307,447	$407,234,419	-44.7%	-52.0%	17.2%
Germany	$149,671,520	$219,627,000	$251,663,000	$270,520,000	80.7%	7.5%	11.4%
Canada	$221,465,119	$251,739,628	$292,923,298	$268,875,232	21.4%	-8.2%	11.4%
USA	$209,169,752	$242,370,637	$239,254,751	$260,944,962	24.8%	9.1%	11.0%
France	$263,333,984	$264,293,024	$175,163,409	$254,114,301	-3.5%	45.1%	10.7%
Japan	$158,662,014	$146,116,570	$158,159,079	$166,440,509	4.9%	5.2%	7.0%
Italy	$48,168,712	$40,215,982	$97,939,054	$115,131,557	139.0%	17.6%	4.9%
Switzerland	$51,503,584	$65,756,976	$76,292,554	$85,931,633	66.9%	12.6%	3.6%
Australia	$35,502,764	$35,617,216	$57,196,004	$76,938,256	116.7%	34.5%	3.3%
Singapore	$35,566,177	$32,791,552	$45,543,573	$67,902,589	90.9%	49.1%	2.9%
Netherlands	$53,693,615	$45,953,697	$63,377,115	$61,723,389	15.0%	-2.6%	2.6%
South Africa	$23,980,668	$29,426,872	$46,197,545	$53,553,717	123.3%	15.9%	2.3%
Spain	$28,384,054	$29,566,825	$38,270,334	$39,765,334	40.1%	3.9%	1.7%
Brazil	$38,925,872	$25,290,184	$35,713,401	$30,241,132	-22.3%	-15.3%	1.3%
Mexico	$16,214,512	$24,194,570	$23,295,296	$24,012,721	48.1%	3.1%	1.0%
Denmark	$25,150,092	$15,883,075	$13,036,984	$18,027,035	-28.3%	38.3%	0.8%
Sweden	$35,491,940	$26,561,650	$31,974,000	$17,161,053	-51.7%	-46.3%	0.7%
China	$21,461,987	$13,538,186	$9,332,817	$16,410,073	-23.5%	75.8%	0.7%
Rep. of Korea	$63,284,140	$9,462,453	$17,495,104	$12,845,109	-79.7%	-26.6%	0.5%
Portugal	$22,886,269	$18,745,608	$17,749,987	$9,195,786	-59.8%	-48.2%	0.4%
Tunisia	$6,061,972	$5,513,861	$9,602,793	$8,726,602	44.0%	-9.1%	0.4%
French Polynesia	N/A	N/A	$5,638,741	$8,666,771	N/A	53.7%	0.4%
Austria	$7,951,372	$7,391,304	$9,022,816	$8,599,964	8.2%	-4.7%	0.4%
Colombia	$4,826,141	$5,435,543	$7,982,533	$8,518,230	76.5%	6.7%	0.4%
Israel	$22,778,000	$12,326,000	$12,634,000	$8,205,000	-64.0%	-35.1%	0.4%
Turkey	$706,852	$1,036,291	$2,621,770	$7,756,410	997.3%	195.9%	0.3%
Malaysia	$7,164,428	$7,198,406	$5,934,307	$6,236,764	-13.0%	5.1%	0.3%
Norway	$4,353,303	$3,608,653	$4,669,188	$5,554,160	27.6%	19.0%	0.2%
Czech Rep.	$4,430,688	$11,568,188	$11,478,439	$4,986,778	12.6%	-56.6%	0.2%
Russian Federation	$4,123,426	$3,152,262	$7,821,777	$4,832,035	17.2%	-38.2%	0.2%
Subtotal:	**$2,300,985,149**	**$2,324,662,535**	**$2,616,291,116**	**$2,329,051,521**	**1.2%**	**-11.0%**	**98.4%**
All other:	**$56,110,520**	**$51,190,948**	**$59,260,168**	**$37,722,179**	**-32.8%**	**-36.3%**	**1.6%**
Total:	**$2,357,095,669**	**$2,375,853,483**	**$2,675,551,284**	**$2,366,773,700**	**0.4%**	**-11.5%**	**100.0%**

Source: United Nations Comtrade

III. Market Potential Indicators

C. Top 30 World Exporters & U.S. Market Share, 2002-05
1. Aircraft HS 8802

Exporting Country	2002	2003	2004	2005	% Change 2002- 05	% Change 2004-05	% Share 2005
	In US Dollars						
USA	$28,884,337,076	$24,399,096,682	$26,125,463,119	$31,718,717,848	9.8%	21.4%	38.4%
France	$14,168,047,616	$15,693,438,976	$17,855,296,324	$20,274,014,371	43.1%	13.6%	24.6%
Germany	$12,841,126,912	$11,590,125,000	$12,944,367,000	$13,396,502,000	4.3%	3.5%	16.2%
Canada	$5,801,737,289	$6,490,344,309	$5,489,459,195	$6,023,221,971	3.8%	9.7%	7.3%
Brazil	$2,714,584,832	$1,974,788,203	$3,285,755,117	$3,185,533,539	17.4%	-3.1%	3.9%
Italy	$2,987,368,704	$1,601,768,388	$2,040,298,055	$1,847,039,328	-38.2%	-9.5%	2.2%
Spain	$753,014,976	$319,997,274	$1,136,032,995	$1,121,493,822	48.9%	-1.3%	1.4%
Russian Federation	$321,593,868	$2,651,599,737	$666,927,971	$637,700,134	98.3%	-4.4%	0.8%
South Africa	$53,473,764	$52,253,832	$167,302,342	$582,481,015	989.3%	248.2%	0.7%
Switzerland	$817,954,048	$1,312,611,328	$1,583,498,606	$578,904,345	-29.2%	-63.4%	0.7%
Singapore	$385,190,749	$398,861,153	$193,127,755	$363,676,642	-5.6%	88.3%	0.4%
Austria	$111,968,760	$78,361,526	$147,945,110	$266,257,275	137.8%	80.0%	0.3%
Sweden	$417,130,720	$111,691,488	$289,668,718	$223,897,952	-46.3%	-22.7%	0.3%
Portugal	$105,409,924	$224,705,265	$409,352,912	$214,447,829	103.4%	-47.6%	0.3%
Mexico	$239,528,784	$117,539,314	$52,078,609	$211,922,182	-11.5%	306.9%	0.3%
New Zealand	$87,243,816	$48,581,345	$144,521,520	$180,854,236	107.3%	25.1%	0.2%
Czech Rep.	$55,006,656	$100,327,661	$105,309,191	$177,485,674	222.7%	68.5%	0.2%
Netherlands	N/A	$19,696,208	$28,480,232	$140,554,335	N/A	393.5%	0.2%
Australia	$659,703,616	$192,317,168	$113,437,776	$127,677,322	-80.7%	12.6%	0.2%
Iceland	$436,003	N/A	N/A	$121,064,089	27666.8%	N/A	0.2%
Finland	$17,548,922	$86,038,200	N/A	$114,841,918	554.4%	N/A	0.1%
Denmark	$140,437,248	$19,420,680	N/A	$110,668,536	-21.2%	N/A	0.1%
Lithuania	$33,588,949	$83,077,684	$62,121,877	$107,247,638	219.3%	72.6%	0.1%
Côte d'Ivoire	N/A	N/A	$67,025,747	$88,498,056	N/A	32.0%	0.1%
Belgium	$4,370,854	$5,858,358	$2,617,988	$84,132,773	1824.9%	3113.6%	0.1%
Romania	$5,223,000	$46,128,660	$90,699,962	$81,661,088	1463.5%	-10.0%	0.1%
Argentina	$79,887,324	$175,782,166	$24,604,556	$64,469,914	-19.3%	162.0%	0.1%
Poland	$66,088,000	$52,096,000	$95,221,009	$61,435,186	-7.0%	-35.5%	0.1%
Norway	$586,176,960	$252,748,671	$186,586,715	$46,193,849	-92.1%	-75.2%	0.1%
UK	$1,199,740,160	N/A	N/A	$40,371,379	-96.6%	N/A	0.1%
Subtotal:	**$73,537,919,530**	**$68,099,255,276**	**$73,307,200,401**	**$82,192,966,246**	**11.8%**	**12.1%**	**99.5%**
All other:	**$440,722,377**	**$911,573,976**	**$641,990,082**	**$387,618,202**	**-12.1%**	**-39.6%**	**0.5%**
Total:	**$73,978,641,907**	**$69,010,829,252**	**$73,949,190,483**	**$82,580,584,448**	**11.6%**	**11.7%**	**100.0%**

Source: United Nations Comtrade

III. Market Potential Indicators

C. Top 30 World Exporters & U.S. Market Share, 2002-05
2. Aircraft Parts HS 8803

Exporting Country	2002	2003	2004	2005	% Change 2002- 05	% Change 2004-05	% Share 2005
	In US Dollars						
USA	$14,677,610,352	$14,889,606,052	$15,678,938,512	$17,626,309,496	20.1%	12.4%	40.6%
Germany	$3,441,546,240	$4,813,656,000	$5,001,420,000	$5,911,248,000	71.8%	18.2%	13.6%
France	$2,961,807,360	$3,464,256,256	$4,065,561,572	$4,142,543,440	39.9%	1.9%	9.6%
Spain	$1,086,857,216	$1,411,583,873	$1,532,189,397	$1,679,446,847	54.5%	9.6%	3.9%
Canada	$1,228,780,063	$1,164,539,201	$1,457,651,716	$1,575,210,586	28.2%	8.1%	3.6%
Italy	$879,153,536	$1,098,458,014	$1,338,116,359	$1,416,313,774	61.1%	5.8%	3.3%
Japan	$1,271,536,114	$1,482,922,480	$1,159,972,391	$1,395,693,308	9.8%	20.3%	3.2%
Singapore	$546,635,587	$789,722,468	$1,039,426,225	$1,120,513,846	105.0%	7.8%	2.6%
Thailand	$43,527,081	$886,846,223	$1,046,504,187	$1,018,495,456	2239.9%	-2.7%	2.4%
Netherlands	$581,133,107	$752,461,605	$922,950,042	$925,087,205	59.2%	0.2%	2.1%
Israel	$1,068,595,968	$967,878,016	$989,868,000	$911,508,000	-14.7%	-7.9%	2.1%
China	$421,096,604	$389,644,875	$504,666,151	$708,182,311	68.2%	40.3%	1.6%
Belgium	$549,229,259	$583,961,569	$574,127,128	$516,607,533	-5.9%	-10.0%	1.2%
Saudi Arabia	$271,732,649	$130,664,561	$383,934,576	$444,056,132	63.4%	15.7%	1.0%
Malaysia	$227,691,092	$245,125,244	$247,652,384	$369,562,060	62.3%	49.2%	0.9%
Switzerland	$244,820,352	$280,221,408	$275,638,017	$338,838,627	38.4%	22.9%	0.8%
Australia	$281,357,920	$317,999,840	$317,600,531	$333,372,766	18.5%	5.0%	0.8%
Rep. of Korea	$159,301,504	$214,941,824	$245,509,155	$300,686,463	88.8%	22.5%	0.7%
Austria	$160,127,460	$155,205,219	$230,686,020	$290,160,017	81.2%	25.8%	0.7%
Sweden	$319,471,552	$373,959,040	$358,624,012	$283,820,118	-11.2%	-20.9%	0.7%
Norway	$181,974,960	$210,372,033	$241,986,241	$274,738,854	51.0%	13.5%	0.6%
China, Hong Kong	$123,644,073	$180,192,920	$241,748,343	$226,547,059	83.2%	-6.3%	0.5%
Denmark	$116,270,120	$132,197,640	N/A	$163,383,064	40.5%	N/A	0.4%
Turkey	$35,315,419	$187,067,034	$211,869,669	$155,364,243	339.9%	-26.7%	0.4%
Brazil	$83,727,600	$69,029,911	$83,278,158	$117,240,163	40.0%	40.8%	0.3%
Ireland	$100,956,664	$101,064,520	$118,738,615	$89,905,148	-11.0%	-24.3%	0.2%
Russian Federation	$58,402,366	$168,068,916	$101,622,026	$88,929,715	52.3%	-12.5%	0.2%
Mexico	$160,553,568	$107,569,162	$93,836,321	$79,578,793	-50.4%	-15.2%	0.2%
Poland	$58,892,000	$59,234,000	$72,966,458	$77,280,248	31.2%	5.9%	0.2%
South Africa	$45,434,856	$49,478,064	$46,243,271	$65,198,912	43.5%	41.0%	0.2%
Subtotal:	**$31,387,182,642**	**$35,677,927,968**	**$38,583,325,477**	**$42,645,822,184**	**35.9%**	**10.5%**	**98.3%**
All other:	**$7,809,014,395**	**$668,142,718**	**$749,996,253**	**$740,576,824**	**-90.5%**	**-1.3%**	**1.7%**
Total:	**$39,196,197,037**	**$36,346,070,686**	**$39,333,321,730**	**$43,386,399,008**	**10.7%**	**10.3%**	**100.0%**

Source: United Nations Comtrade

III. Market Potential Indicators

C. Top 30 World Exporters & U.S. Market Share, 2002-05
3. Launching Gear HS 8805

Exporting Country	2002	2003	2004	2005	% Change	% Change	% Share
	In US Dollars				2002- 05	2004-05	2005
USA	306,779,563	280,346,641	299,104,652	439,521,200	43.3%	47.0%	44.5%
Canada	385,548,273	307,094,568	252,826,305	380,733,450	-1.3%	50.6%	38.6%
France	37,250,920	23,621,936	59,853,112	41,492,274	11.4%	-30.7%	4.2%
Singapore	4,513,388	13,285,803	2,789,880	21,002,172	365.3%	652.8%	2.1%
Germany	18,604,992	13,341,000	5,149,000	20,550,000	10.5%	299.1%	2.1%
Netherlands	4,732,926	31,482,535	16,726,085	18,155,059	283.6%	8.5%	1.8%
Australia	1,230,506	6,415,776	930,779	15,224,564	1137.3%	1535.7%	1.5%
Italy	1,598,672	790,843	116,387	9,915,596	520.2%	8419.5%	1.0%
Austria	540,299	3,885,449	2,988,011	6,631,193	1127.3%	121.9%	0.7%
Switzerland	2,575,563	2,360,817	1,214,921	6,366,383	147.2%	424.0%	0.6%
Spain	4,681,704	34,030,454	5,165,014	6,025,853	28.7%	16.7%	0.6%
Poland	567,000	11,156	608,000	4,956,947	774.2%	715.3%	0.5%
Czech Rep.	307,806	1,200,000	484,374	2,244,137	629.1%	363.3%	0.2%
Malaysia	946,273	3,177,193	462,218	2,098,360	121.8%	354.0%	0.2%
South Africa	152,352	77,962	566,849	1,769,768	1061.6%	212.2%	0.2%
Ireland	1,866,236	965,443	1,848,605	1,463,530	-21.6%	-20.8%	0.2%
China	5,956,169	1,961,609	4,404,944	1,440,149	-75.8%	-67.3%	0.2%
Belgium	3,186,103	2,119,203	6,300,284	1,277,457	-59.9%	-79.7%	0.1%
China, Hong Kong	109,729	11,691,625	42,940	1,179,894	975.3%	2647.8%	0.1%
Sweden	1,716,421	10,731,426	2,067,662	852,209	-50.4%	-58.8%	0.1%
Denmark	27,124	N/A	6,465	787,252	2802.4%	12077.1%	0.1%
Slovakia	219,507	2,169,081	353,135	475,905	116.8%	34.8%	0.1%
Thailand	94,229	386,075	12,590	428,106	354.3%	3300.4%	0.0%
Finland	721	63,440	95,018	398,425	55160.1%	319.3%	0.0%
Fiji	3,174	N/A	N/A	391,391	12231.2%	N/A	0.0%
New Zealand	7,768	1,679,832	1,393,205	291,059	3646.9%	-79.1%	0.0%
Japan	49,740	63,965	307,095	260,434	423.6%	-15.2%	0.0%
Norway	442,321	779,711	407,074	241,547	-45.4%	-40.7%	0.0%
Niger	N/A	N/A	N/A	223,984	N/A	N/A	0.0%
India	N/A	336,898	61,635	158,778	N/A	157.6%	0.0%
Subtotal:	**783,709,479**	**754,070,441**	**666,286,239**	**986,557,076**	**25.9%**	**48.1%**	**99.9%**
All other:	**153,235,145**	**4,215,439**	**15,425,027**	**696,690**	**-99.6%**	**-95.5%**	**0.1%**
Total:	**936,944,624**	**758,285,880**	**681,711,266**	**987,253,766**	**5.4%**	**44.8%**	**100.0%**

Source: United Nations Comtrade

III. Market Potential Indicators

C. Top 30 World Exporters & U.S. Market Share, 2002-05
4. Instruments for Aeronautical Navigation HS 901420

Exporting Country	2002	2003	2004	2005	% Change	% Change	% Share
	In US Dollars				2002- 05	2004-05	2005
USA	$794,278,516	$864,311,038	$991,804,602	$1,053,763,503	32.7%	6.3%	43.7%
UK	$849,545,600	$764,953,091	$834,232,099	$445,389,787	-47.6%	-46.6%	18.5%
France	$200,163,968	$228,357,440	$271,582,686	$285,035,069	42.4%	5.0%	11.8%
Germany	$64,777,132	$100,254,000	$172,615,000	$237,247,000	266.3%	37.4%	9.8%
Mexico	$58,960,600	$65,579,635	$87,577,322	$69,473,847	17.8%	-20.7%	2.9%
Canada	$50,770,211	$40,950,716	$41,019,489	$53,002,629	4.4%	29.2%	2.2%
Denmark	$1,979,139	$2,497,709	N/A	$41,464,669	1995.1%	N/A	1.7%
Netherlands	$37,996,683	$50,346,937	$59,335,680	$37,476,679	-1.4%	-36.8%	1.6%
Italy	$25,341,868	$21,023,770	$35,779,410	$26,820,280	5.8%	-25.0%	1.1%
South Africa	$4,496,503	$11,636,869	$18,318,646	$20,350,896	352.6%	11.1%	0.8%
Russian Federation	$39,821,853	$24,183,105	$17,206,364	$19,139,867	-51.9%	11.2%	0.8%
Singapore	$6,151,347	$12,648,202	$8,039,609	$13,480,814	119.2%	67.7%	0.6%
Switzerland	$19,166,618	$8,234,050	$10,099,701	$13,409,449	-30.0%	32.8%	0.6%
Australia	$8,808,804	$28,062,568	$8,149,445	$13,172,305	49.5%	61.6%	0.6%
Japan	$5,223,481	$3,104,324	$3,966,750	$8,285,110	58.6%	108.9%	0.3%
Spain	$14,819,772	$22,871,466	$9,060,696	$7,218,368	-51.3%	-20.3%	0.3%
Malaysia	$13,508,246	$8,276,507	$5,618,008	$5,943,497	-56.0%	5.8%	0.3%
Norway	$2,349,795	$6,691,202	$6,140,250	$5,820,107	147.7%	-5.2%	0.2%
Finland	$3,111,777	$1,911,040	$3,447,456	$5,737,864	84.4%	66.4%	0.2%
Brazil	$8,579,303	$5,003,874	$3,566,941	$5,159,945	-39.9%	44.7%	0.2%
Trinidad and Tobago	N/A	N/A	$1,729,993	$5,093,604	N/A	194.4%	0.2%
Rep. of Korea	$8,618,392	$6,426,071	$8,776,280	$4,629,382	-46.3%	-47.3%	0.2%
Austria	$3,822,314	$3,252,279	$4,181,376	$4,314,615	12.9%	3.2%	0.2%
China	$6,240,016	$8,042,725	$3,982,788	$4,092,961	-34.4%	2.8%	0.2%
China, Hong Kong	$2,473,343	$2,617,809	$2,643,035	$3,964,654	60.3%	50.0%	0.2%
Sweden	$5,092,156	$6,819,087	$10,119,640	$3,459,210	-32.1%	-65.8%	0.1%
Portugal	$23,800,601	$21,859,421	$41,492,386	$3,071,715	-87.1%	-92.6%	0.1%
Romania	$764,000	$359,969	$859,634	$2,666,099	249.0%	210.1%	0.1%
Colombia	$435,071	$2,125	$1,353,784	$1,986,635	356.6%	46.8%	0.1%
Belgium	$14,918,925	$17,957,015	$14,209,570	$1,612,634	-89.2%	-88.7%	0.1%
Subtotal:	**$2,276,016,034**	**$2,338,234,044**	**$2,676,908,640**	**$2,402,283,194**	**5.6%**	**-10.3%**	**99.7%**
All others:	**$18,513,937**	**$19,756,186**	**$20,763,763**	**$8,541,517**	**-53.9%**	**-58.9%**	**0.4%**
Total:	**$2,294,529,971**	**$2,357,990,230**	**$2,697,672,403**	**$2,410,824,711**	**5.1%**	**-10.6%**	**100.0%**

Source: United Nations Comtrade

III. Market Potential Indicators

D. Market Sizes & U.S. Share, by Country

The Table below provides comparative data on total market, import market, and imports from the U.S. for 28 countries considered "best prospects" for U.S. exports of Aircraft & Aircraft parts. The countries are listed in alphabetic order, not in rank order. The data are based on local sources and reflect best estimates of USCS commercial officers each country. Statistical accuracy and comparability to other sources (e.g., "USDOC Bureau of Census") are affected by a number of factors, including lack of published figures in certain markets, variances in data collection techniques, sources of data, and industry definitions.

Aircraft And Parts
(Values in $Millions)

Country	Total Market			Total Import			Imports From the U.S.			U.S. Share
	2003	2005	%	2003	2005	%	2003	2005	%	%
Australia*	2,640	3,165	19.9%	3,050	2,905	-4.8%	1,730	1,495	-13.6%	51.5%
Austria*	351	313	-10.8%	1,502	700	-53.4%	271	350	29.2%	50.0%
Belgium***	N/A	N/A	N/A	379	323	-14.7%	201	163	-18.9%	50.6%
Brazil	4,800	6,600	37.5%	3,737	5,340	42.9%	1,213	1,735	43.0%	32.5%
Bulgaria***	N/A	N/A	N/A	36	87	140.2%	1	52	3408.2%	59.6%
Canada***	N/A	N/A	N/A	3,445	5,341	55.0%	1,699	2,640	55.3%	49.4%
Chile***	N/A	40.9	N/A	9	26	182.8%	4	8	95.2%	30.6%
China***	N/A	N/A	N/A	4,461	6,561	47.1%	2,312	3,353	45.0%	51.1%
Ethiopia	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
France*	18,122	22,500	24.2%	13,163	18,000	36.8%	5,337	8,000	49.9%	44.4%
Japan*	13,056	15,338	17.5%	7,039	9,652	37.1%	6,054	8,226	35.9%	85.2%
Korea	1,951	2,571	31.8%	1,000	1,680	68.0%	760	853	12.2%	50.8%
Nepal	20	25	25.0%	15	16	3.5%	0.91	0.88	-3.3%	5.5%
Netherlands	1,426	395	-72.3%	2,128	863	-59.4%	1,718	585	-65.9%	67.8%
New Zealand*	115	144	24.3%	101	133	32.0%	67.7	80.8	19.4%	60.5%
Nigeria	200	500	150.0%	250	500	100.0%	200	300	50.0%	60.0%
Philippines	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Russia**	N/A	N/A	N/A	65,770	89,740	36.5%	25,471	89,014	249.5%	99.2%
Singapore*	5,468	7,115	30.1%	4,602	6,281	36.5%	3,736	4,576	22.5%	72.9%
Slovakia**	162	203	25.6%	79	98	24.0%	50	76	52.3%	77.1%
Spain	3,210	3,626	13.0%	2,253	2,647	17.5%	1,555	1,924	23.7%	72.7%
Switzerland*	1,665	1,944	16.8%	1,727	1,878	8.7%	244	299	22.5%	15.9%
Taiwan	N/A	N/A	N/A	N/A	2,500	N/A	1,283	1,824	42.2%	73.0%
Thailand	850	802	-5.7%	850	802	-5.7%	416	233	-44.0%	29.1%
Tunisia***	N/A	N/A	N/A	19	78	307.9%	7.31	5.12	-30.0%	6.5%
UAE	300	2,300	666.7%	300	2,300	666.7%	151.61	N/A	N/A	N/A
UK	26,870	27,950	4.0%	14,690	15,280	4.0%	4,530	4,580	1.1%	30.0%

Code: * 2006 Data instead of 2005
** 2004 Data instead of 2005
*** Comtrade data

IV. BEST-PROSPECT MARKET ASSESSMENTS

Following are overviews of "best prospect" markets for U.S. Aircraft and Aircraft Parts, based on observations of U.S. Commercial Service (USCS) posts in each country. The countries appear in alphabetical order. For more detailed market research on Aircraft & Parts in these and other specific markets, see relevant Market Research Reports listed in Chapter VI. For general commercial and economic information on individual countries, see the relevant Country Commercial Guides (CCGs).

AUSTRALIA

Australia has traditionally been a significant market for U.S. exporters of aviation and aerospace products and equipment. The Australian Civil Aviation Authority's acceptance of FAA certification standards has underscored a longstanding and close relationship between American exporters and their Australian agents and distributors. A large proportion of Australia's commercial aircraft fleet, general aviation registrations, and defense air assets are U.S. manufactured, ensuring a steady market for spares and accessories. As a primary market in the Asia Pacific region, it is experiencing the above average growth in aviation taking place in this area of the world, and is looking forward to two coming decades of burgeoning air travel. Australia is a major distribution point for the region, including the Pacific Islands, New Zealand and Papua New Guinea, offering broad opportunities for suppliers of quality aerospace products. Its commitment to the Joint Strike Fighter project may result in Australia's largest ever defense procurement of up to 100 of these aircraft.

The Australian aerospace industry is robust, growing, lucrative, and intrinsically connected with U.S. standards, supply lines, parts and finished aircraft. There are over 12,000 aircraft registered in Australia, utilizing over 150 licensed airports. U.S.-manufactured aircraft represent 66% of the total registrations. After this comes Australia with 13.6%, followed by Germany with 5.4%, the U.K. with 4.3% and France with 2.2%. The industry is comprised of three broad sectors - commercial, defense and general aviation. With little aircraft manufacturing taking place in Australia, local firms specialize in repair and maintenance; airframe component manufacturing; airport systems and infrastructure; and avionics, aero engine and engine component manufacture.

Best Products/Services

Best prospects are in the areas of parts and component supply for aircraft maintenance, repair and overhaul. Australia already has numerous, qualified, maintenance, repair and overhaul facilities. The industry is characterized by a mix of subsidiaries of the major global aerospace companies and around 300 small to medium local enterprises supplying parts, engineering services, and expertise. Commercial aircraft maintenance is carried out by a select group of specialists, including Qantas, the largest commercial fleet owner.

Defense – the U.S. DOD is a major supplier to the Australian military through the FMS program. For its part, Australian industry is keen to participate in global supply chains, such as the Joint Strike Fighter program, in which Australia has become a partner. This in itself may offer longer-term opportunities for American manufacturers, when Australia's scheduled procurement of up to

100 of this aircraft is finalized in 2012. Most major U.S. defense aerospace companies are either represented or have subsidiary operations in Australia. Prominent American-made aircraft in the Australian fleet include F/A-18s, Blackhawks, Seahawks, Chinooks, P-3Cs, C-130s, UH-1s, and recently C-17 transporters and soon, Boeing 737 AEW&C aircraft.

General Aviation - opportunities in the general aviation market include a range of products from avionics to ground support equipment. With some exceptions, the Australian avionics industry, although diverse, is limited to the supply and installation of components rather than the design and development of high technology products. A large sub sector is aerial agriculture, which uses over 300 special purpose aircraft, vehicles and equipment, and aircraft maintenance facilities. The majority of the 12,000 aircraft on the Australian Aircraft Register are small aircraft, with Cessna and Piper in strong positions, jointly accounting for around 45% of total registrations.

Commercial Aviation - the commercial airline market sources major equipment direct from manufacturers, and prefers to obtain OEM spares from approved suppliers. Qantas leads the field in commercial aviation in Australia, followed by Virgin Blue. In October 2006 Qantas contracted UK company Aero Inventory Plc as its supplier of expendable and recoverable spares for a ten-year period. Regional commuter carriers operate throughout Australia, providing regular public air transport services, and serving around 9-10% of the market.

Opportunities

Best sales prospects, are in the supply of parts and components for aircraft maintenance, repair and overhaul. Opportunities can be found in advanced avionics, display, communication, and control and navigational instruments. There is growth in the composites industry in Australia, with raw materials and components sourced from U.S. companies.

Resources

- Aircraft Owners and Pilots Association: http://www.aopa.com.au/
- Airservices Australia: http://http://www.airservices.gov.au/
- Australian aerospace industry contacts page: http://www.aerospacetechnology.com/industry/australia.html
- Australian International Air Show: http://www.airshow.net.au
- Civil Aviation Safety Authority: http://www.casa.gov.au
- Department of Defense, Defense Materiel Organization: http://www.defence.gov.au/dmo
- Directory of defense suppliers: http://www.yaffa.com.au/defencesuppliers

U.S. companies seeking information on the Australian Aircraft and Parts industry are encouraged to contact Phil Keeling at the U.S. Commercial Service in Sydney (Email: phil.keeling@mail.doc.gov).

AUSTRIA

The Austrian market for civil aviation aircraft, parts and equipment totaled approximately $298 million (EUR 237 million) in 2005 and is expected to grow by 5% in 2006. With domestic-based manufacturing limited to one company, Diamond Aircraft Industries, the vast majority of the market is served by imports. In terms of market position in 2005, the United States represents 49.9%, Canada 20.4% Germany 10.8% and France 8.3%.

The principal end-users of civil aviation aircraft, parts, and equipment are local charter airlines and the Austrian Airlines Group, which includes: Austrian Airlines, Lauda Air, and Austrian Arrows. Emergency medical services and the police use civilian helicopters. The market for corporate fleets and business charter operators is expected to increase by about 5% by the end of 2006. Diamond Aircraft Industries, located in Wiener Neustadt, manufactured a total of 136 single engine two-seat and four-seat propeller driven avgas aircraft (including the DA 42- TDI Twin Star, a four-seat twin engine diesel aircraft) in 2005, most of which were exported. In 2006, 174 units will be rolled out in Wiener Neustadt. About 95% of Diamond's production is exported.

Best Products/Services

The best sales potential during the period 2006-2008 for U.S. aircraft and equipment is expected to be for satellite navigation systems and GPS, aircraft over 20 tons, aircraft between 5.7 and 14 tons, and aircraft engines.

Resources

Web resources:

- Air Traffic Control Authority
- Austrocontrol www.austrocontrol.at
- Federal Economic Chamber – Aviation Department www.luftfahrt.or.at
- Vienna International Airport www.viennaairport.com
- Airport Council International www.aci-europe.org
- Civil Aviation Airport Authority, Federal Ministry of Transportation, Innovation and Technology www.bmvit.gv.at
- Austrian Airlines Group www.aua.com
- Diamond Aircraft Industries www.diamond-air.at

Contact:

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BELGIUM

The Belgian aerospace industry reflected the European downturn in the aviation industry due to economic stagnation and the SARS epidemic. The declining market in the US exports can be partly linked to slow economic growth, increased competition from other suppliers and a low dollar rate. The bankruptcy of Belgium's national airline company Sabena and Citybird in 2001, Delsey Airlines in 2002, Sobelair in 2004 and Belgium Excel in 2005, caused a decrease in investments of civilian aircrafts. Despite declining US exports, the Belgian aerospace industry is stabilizing and worth $1.8 billion in 2005. Around 120 specialized companies employ directly around 7,700 people with the total direct and indirect employment at approximately 10,000. Exporting 95% of the production, the industry is involved in the manufacturing of new airplanes like the Airbus A-400, A-380 and Boeing 787 Dreamliner. The percentage of the annual turnover spent on R&D amounts to 4%.

Belgium has four growing commercial national airlines, of which the holding SN Brussels Airlines - Virgin Express is the flag carrier. SN Brussels has a fleet of 48 planes (Avro, Airbus, Bae-146 and B-737). The other two airlines are, tour operator Thomas Cook Airlines with a fleet of five A-320's, and business airline company VLM Airlines with fourteen Fokker-50's. Belgium offers U.S. companies a wide variety of trade opportunities in the defense sector. Despite its small geographical size, the Belgian military has committed over $1.2 billion on investments in defense procurement in 2005,

much of which was directed towards aerospace. The total Belgian Defense budget was $3.24 billion for 2005. In a European market where defense budgets are being cut, the Belgian defense budget is expected to remain stable in the short term (max. increase of 0.5% as from 2005). The budget for investments for 2005 to 2007 is normally around 15% of the total annual budget but will be increased up to 25% by 2015.

The Belgian aerospace industry is concentrated around avionics and high-end Original Equipment Manufacturing. This explains the increasing US trade figures with Belgium on Advanced Technology Products, where Aerospace ranks 4th on the Belgian technology grouping scale. Aerospace encompasses most new military and civil helicopters, airplanes and spacecraft (with the exception of communications satellites that are included under Information & Communications Technology). Other products included are turbojet aircraft engines, flight simulators and automatic pilots.

On the commercial side, one of the fastest growing sectors in the Benelux is tailor-made aviation solutions for business, private and cargo flights. These airlines fly on regional airports with business jets like Falcon, Learjet and Cessna and cover the major cities of Western Europe. Belgian companies active in this niche are Abelag (Fleet: 12), The Flying Group (Fleet: 8) and De Kyver Sky Group (Fleet: 3). Regarding military aircraft and aircraft parts, the Belgian Government decided not to join the JSF program. This contributed to the downturn in US exports, mentioned above.

However, Belgium is actively participating in the midlife upgrade program of its F-16s and C-130s and has budgeted 360 million $ on buying 10 new helicopters for transport, search & rescue and surveillance. In addition, they are also participating in the A400M strategic transport aircraft, which will replace their C-130s. Belgium will be purchasing eight aircraft (including one for Luxembourg) between 2016-2017.

Best Products/Services
Best prospect areas include high-tech commodities with state-of-the-art capabilities, such as specialized surface vessels (design technology, systems technology and platform automation), radar, simulators, data and telecommunications systems, electronics and data processing. Imports of U.S. aircraft parts and equipment are expected to remain stable over the coming years, offering ample opportunities to U.S. suppliers.

BRAZIL

In 2005, Brazil's aircraft market continued expanding, showing growth in agricultural aviation, maintenance, the offshore helicopter market, and the commercial and corporate markets. According to the Ministry of Development, Industry and Trade, from January to October 2005, Brazil imported $807 million in aircraft and parts, 20% more than 2004 – 40% originating in the U.S. In commercial and corporate aviation, Embraer foresees continuing high demand for commercial and corporate aircraft, driven by Brazil's largest aviation company, exporter and importer of aircraft parts and components, growth in China, the Middle East and Latin America will drive demand for its products.

Best Products/Services
Helicopters, including parts and components, represent a good opportunity for U.S. businesses. Brazil has approximately 1,800 helicopters operating,

76% with turbine engines and 23% piston engines. Helibras of the Eurocopter group is the market leader, followed by Bell Helicopter and Sikorsky. In 2004, helicopter part and component imports were worth approximately $3 million. Agricultural aviation is another growing market in Brazil. Currently 1,200 agriculture airplanes fly in Brazil, covering 18 million hectares, and in 2004, approximately 80 aircraft were imported. Analysts predict 9% market growth in 2006.

In Military Aviation, though the Brazilian government has had a refurbishing program since the end of 2003, which includes acquisition and modernization of aircraft for all military forces, budget restrictions have meant that over the past two years, the armed forces have been unable to implement such programs. The Brazilian Navy was unable to purchase needed fixed wing aircraft, and though the Army was able to purchase versatile helicopters, the budgetary difficulties halted their purchase of attack mission aircraft.

As Brazil's aircraft market grows so to does its maintenance sector. The 2005 estimated value of the global maintenance is $42 million, with Brazil's estimated at $2 million. Brazil's aeronautic maintenance park is composed of roughly 200 companies specialized in cells, engines, turbines, avionics, and flight systems.

EMBRAER has designed, developed, manufactured, sold and provided after-sales support to the global aircraft market for 36 years. Between January and September 2005, the company delivered 101 commercial, executive and defense aircraft. Embraer's delivery forecasts for 2005 and 2006 are 145 aircraft, and the firm's total order backlog, including the airline, corporate and defense market, totaled $10.4 billion. The U.S. is Embraer's largest parts supplier, with companies from more than 15 U.S. states supplying components and material. The U.S. is also Embraer's largest customer, accounting for 60% of the purchases. Embraer has developed "risk sharing" partnerships with key suppliers, including GE Engine Company, Honeywell, Hamilton Sundstrand, C&D, and BF Goodrich.

Opportunities

As Brazil's market continues to expand, imports of aircraft, parts and components continue to increase, representing good business opportunities for U.S. suppliers. The products expected to have the most potential are: Airplanes for agriculture market; Offshore helicopters; Parts and components for helicopters; Avionics and Systems; Turbojet aircraft engines; Aircraft engines; Aircraft control systems; Aircraft propeller parts; Aircraft accessories.

Resources

For more information please contact Industry Specialist Daniele Andrews: daniele.andrews@mail.doc.gov

- For more market research reports please visit: www.export.gov/marketresearch.html
- DAC - Department of Civil Aviation: www.dac.gov.br
- Embraer: www.embraer.com.br
- Ministry of Defense: www.defesa.gov.br
- CTA - Aerospace Technical Center: www.cta.br
- AIAB - Associação das Indústrias Aerospaciais do Brasil: www.aiab.org.br
- Ministry of Development, Industry and Trade Commerce www.mdic.gov.br
- With offices in Brasilia, São Paulo, Rio de Janeiro, Belo Horizonte & Porto Alegre, the US Commercial Service Brazil

(www.buyusa.gov/brazil) helps US exporters enter Brazil's market through research, matchmaking and advocacy. To the best of our knowledge the information in this report is accurate - however readers should conduct their own due diligence before entering into business ventures.

BULGARIA

The total market for aviation, runway systems and air traffic control equipment and services for a short to medium term period until 2008 is estimated at approximately $200 million. This market is supplied almost entirely by imports, and is expected to grow over the next two years at an average rate of 27%. Growth in this market has been influenced by the ICAO and IATA requirements for sustainable development, quality improvements, safety and security upgrades and compliance to international standards.

The end user market includes 5 international airports, three of which still owned by the government and operated as commercial enterprises and two were privatized by means of a 35-year concession (both Black Sea airports, with plans to invest approx 500 million Euros. Other end users include the Civil Aviation Administration (CAA), Air Traffic Services Authority (ATSA), the major international air carriers, and services companies licensed to provide ground-handling activities.

The Sofia airport master plan envisages extension of the existing cargo terminal and construction of a new one. The preliminary terms of reference for the Sofia airport cargo terminal project comprise of two phases. The first phase is a feasibility study of the project and construction of a new cargo terminal to handle approximately 25,000 tons of cargo annually. The second phase is completion of the construction of the cargo terminal to increase the capacity with another 25,000 tons annually. The total capacity of the new cargo terminal is estimated at approximately 50,000 tons annually. In 2006, the Bulgaria-based Balkan Hemus Group (BHG), owner of the regional carriers Hemus Air and Viaggio Air became owner of the national air carrier Bulgaria Air. It declared intentions to invest in the new company over a period of five years 82.1 million euros.

Over the short and medium term, demand is estimated to be highest for airport and air traffic control equipment and related services, for services related to concessioning of airport activities, to cargo handling outsourcing and management, runway systems improvement, and safety and security equipment.

Resources

- Uliana Kanelli, Commercial Specialist, U.S. Commercial Service, Sofia, Bulgaria Tel: 359-2-939-5706 Email: uliana.kanelli@mail.doc.gov http://www.buyusa.gov/bulgaria
- Ministry of Transport and Communications - www.mtc.government.bg
- Civil Aviation Administration – www.caa.bg
- Airport Sofia – www.sofia-airport.bg
- Bulgarian Aviation directory – www.aviation.bg

CANADA

The Canadian Aerospace Industry in terms of revenue was estimated at $18.6 billion in 2005, up from $17.4 billion in 2004. The United States continues to be Canada's largest trading partner accounting for 60% of Canadian imports and 75% of exports.

Imports of aerospace products and parts were valued at $5.9 billion in 2004, of which the U.S. accounted for $3.5 billion or 60% of total imports. Total imports grew 19% in 2004 over 2003.

Canadian Aerospace is a world-class industry that is comprised of over 400 companies and employs 73,000 persons across Canada. Canadian aerospace companies are particularly strong in business jets, commercial helicopters, regional aircraft, flight simulators, and turbine engines. U.S. companies play a strong role in the Canadian aerospace market accounting for 40% of total industry revenue.

Best Products/Services
The Canadian aerospace market offers significant opportunities for U.S. exporters of aircraft and aircraft engine parts. The fastest-growing aerospace imports include the category of parts for balloons, dirigibles, and spacecraft. Other strong growth categories include helicopter parts and aircraft undercarriages.

Opportunities
Major Canadian aerospace manufacturers appear to be cutting the number of suppliers. At the same time, manufacturers are actually expanding outsourcing and increasing contractual periods. The number of opportunities is decreasing, but the opportunities are increasing in size and scope. Some Canadian manufacturers are seeking partners for extensive design and production of both systems and components. Canada and the United States have easy access to each others market due to the North American Free Trade Agreement (NAFTA).

CHILE

Despite its small market of only 16 million citizens, Chile has the third highest demand for aircraft in the region as a result of having the most prosperous middle class in Latin America thus, increasing the number of commercial flights. According to Chilean Custom's data, the total market size of the aircraft sector in 2005 was estimated at $40.9 million, including local production of $14.4 million. Imports of aircraft and aircraft parts for 2005 amounted to $26.5 million, with imports from the United States reaching $8.1 million. Exports were $ 23.2 million.

In the next twenty years, it is projected that Chile will purchase 261 aircraft for commercial use worth an estimated $14.6 billion. LAN, Chile's largest airline will of course play a large role in the expansion and has already budgeted approximately $1.1 billion for the purchase of six 767-300-cargo freighters and six 767-300ER long-range passenger aircraft. Also, by the end of the second half of 2006, LAN will have received 25 Airbus A318 and A319 short-range passenger aircraft with a cost of $750 million. In addition to the expansion of LAN's fleet, other aircraft purchases will represent spending of $2.1 billion on 45 aircraft over the next four years.

In December 2005, the Chilean government confirmed the purchase of between 20 and 28 used F-16 fighter jets from the Nederland's at a price of less than $5 million each. The $185 million agreement includes the modernization of the planes and delivery within the next two years. This contract is in addition to the $650 million budgeted for the purchase of ten F-16s from Lockheed

Martin, the leading U.S. aerospace manufacturer.

Local production is represented mainly by the company ENAER (Empresa Nacional de Aeronáutica), which provides maintenance, retrofitting, and repair services for aircraft, engines, and accessories, as well as parts manufacturing. Other manufacturers of parts are: FAMAE (Army Manufacturers) and SISDEF (System Engineering and Functional Developments Company) specializing in the development of defense electronic and computer systems.

Best Products/Services

Current trends suggest that best prospects will include large aircraft. Military aircraft and equipment are other good prospect products. The Chilean air force with its "Bicentennial Plan" aims to update its entire fleet of aircraft by the year 2015.

The key suppliers of aircraft to Chile are US manufacturers. Cessna and Piper dominate Chilean imports of civilian aircraft. In other aircraft categories, the principal suppliers include Beechcraft, Bell, and Robinson Helicopter Company. Tariff barriers are practically non-existent due to the Free Trade Agreement between Chile and the United States. Aircraft dedicated to commercial service are free of Customs duties VAT (Value Added Tax). Other aircraft imports, not related to commercial service, are still subject to VAT (Value Added Tax).

CHINA

With an economy forecast to grow by 8% a year through the year 2010 and an aviation market growing at rates above the world average, China is experiencing tremendous strain on its aviation and airport infrastructure. Over the next twenty years, China predicts that its air transportation passenger volume is expected to grow by an average of 8% annually, become the world's second-largest aviation market, and will need to acquire an additional 2,600 aircraft to handle the volume. Expansion of airport infrastructure will also continue with 40 airports slated for construction or upgrade under China's five-year plan, which began in 2005. Furthermore, a new system of regional control centers and full conversion from program to radar based air traffic control will be introduced over the next 10-15 years, making the skies safer.

The General Administration of Civil Aviation of China (CAAC) is making efforts to rationalize the country's airlines. It has completed mergers between the "Big 3" (Air China, China Eastern and China Southern) and China's smaller, less-profitable airlines and is concentrating on expanding the number of smaller, single-aisle aircraft while phasing out additional wide-body, twin-aisle aircraft in the Chinese fleet. CAAC expects the new airlines to improve operating efficiencies and concentrate on developing a modern "hub-and- spoke" air routing system.

The General Administration of Civil Aviation of China (CAAC) reports China's civil aviation passenger transportation volume in 2005 will exceed 130 million. China's airlines currently operate a total of approximately 900 aircraft, and it's commercial aircraft inventory includes: Boeing 737, 747, 757, 767, and 777 aircraft; Airbus 300, 310, 319, 320, 321, 330 aircraft; Embraer ERJ-145 aircraft; and McDonnell Douglass MD-82 and MD-90 models. According to Boeing's 2005 market forecast, China's air traffic volume is expected to grow at an average rate of 8.1% annually over the next two decades. The

report also forecasts that over the next 20 years, China will quadruple its fleet by nearly 2,600 to reach 3,200 aircraft, of which single-aisle airplanes will account for 64% of new purchases, followed by intermediate twin-aisle aircraft (22%), regional jets (11%) and larger-size airplanes (3%).

General Aviation (GA) is just starting to develop in China. China has about 400 general aviation aircraft today, of which about 340 are for agricultural use. The other 60 are civil helicopters used for transport to and from offshore oil fields. There are few private business jets and helicopters. Difficulties in scheduling, pilot and mechanic shortages, airport facilities, and high fuel costs continue to retard GA growth. To boost GA, CAAC implemented the new "Regulation of Foreign Investment in China's Civil Aviation Industry" in August of 2002. This new regulation encourages foreign investment in GA, especially in agriculture, forestry, fishery, business aviation, tourism, and industrial applications.

China is import dependent for jet engines, avionics, and Air Traffic Control (ATC) equipment. Although China can successfully produce components for engines and other complex systems, they still have difficulty at the system level. For example, China is cooperating with many U.S. firms for its ARJ-21 regional jet.

U.S. exports enjoy a solid position in China's market for imported aircraft parts. In 2004, U.S. aircraft exports comprised 46% of China's aircraft part imports, followed by Russia and France. In 2004, China imported approximately $415 million of U.S. aircraft parts (HS 8803), composed of propellers, rotors, undercarriages (landing gear) and other related civil aircraft parts, with another $280 million of U.S. aircraft part imports composed of turbojets, turbo propellers, gas turbine engines, and related parts (HS 8411). Other broad categories of U.S. aircraft part related exports to China valued at nearly $20 million include reaction engines (HS 8412), aircraft seats (HS 9401), new pneumatic tires (HS 4011), parts for spark-ignition type aircraft engines (HS 8409), direction finding compasses (HS 9014), and aircraft launching gear and parts (HS 8805).

U.S. trade statistics indicate a 60% increase in U.S. aircraft parts exports to China for the first half of 2005. U.S. exports of turbojets, turbo propellers, gas turbine engines, and related parts covered by HS 8411, enjoy a similar market position, accounting for nearly one-half of China's imports, followed by the United Kingdom (17%), Germany (15%), and France (10%). U.S. exports have consistently enjoyed a dominant position in the market, relative to other foreign competitors.

ETHIOPIA

Ethiopian Airlines (EAL) continues to expand its routes throughout Africa, Europe, Asia, and the United States and was named Best African Airline 2006 by the Africa Aviation Journal. It has expressed a desire to further expand its fleet within the next several years. Well-managed and considered one of Africa's premier airlines, EAL has been an important regional client for U.S. aviation companies with an all-Boeing international fleet with primarily Pratt and Whitney engines. In 2005 EAL signed a $3 billion deal with Boeing Corporation to buy 10 Boeing 787 Dreamliner jets to be delivered over 3 years, starting in 2008. Ethiopian Airlines also concluded a deal with General Electric Company for the

purchase of 20 GEnx engines by (GE) to power its Boeing 787 Dreamliners. Pratt and Whitney were also approved by EAL as its sales maintenance service provider for African airlines. This will allow EAL to increase its order for aviation spare-parts and ancillary equipment (loaders, forklifts, airport vehicles). In addition, several new cargo and charter airlines are showing some progress and may purchase additional small passenger and used cargo planes.

Resources
Ethiopian Airlines
www.flyethiopian.com

FRANCE

The French aerospace industry's revenues in 2005 increased 7% to 28.3 billion euros and are mostly in response to increased aircraft production rates. For the tenth consecutive year, the value of orders for aircraft outweighed industry revenues (deliveries), continuing to show the long-term growth of this market. The continued weakness of the dollar against the euro, a willingness on the part of procurement executives to purchase in dollars and increased production rates offer opportunities for US firms. No figures for 2006 are yet available, but revenues are expected to have increased again. Employment in France's aerospace sector increased to 119,000 in 2005. For the past several years, the industry has recruited on average about 5000 each year.

Best Products/Services
The best prospects for American aerospace firms in this market continue to be associated with the manufacturing of new aircraft, notably, the Airbus A350 XWB, the A380 and Airbus Military Company's A400M (to a lesser degree as it is a military program). Additionally, many OEM and equipment manufacturers have adopted a "U.S.dollar" strategy on existing and new programs to take advantage of the cost savings offered by the exchange rate. In that regard, the U.S. Commercial Service office in Toulouse is working to help identify the appropriate channels for American small and medium-sized companies wishing to do work on these programs. It is important to keep in mind, however, that as part of a new cost reducing strategy called Power 8, Airbus is reducing the number of its direct suppliers by increasing the sourcing of whole assemblies and work packages. Exceptions to this trend may be made in cases where a potential supplier is able to propose technical innovations, or where delivery or quality problems exist.

Opportunities
Airbus received 790 net firm orders for aircraft in 2006, compared to 1044 net orders for Boeing. This is down substantially form the 1055 orders in 2005, but that was a record. Airbus production rates have remained above the 300 aircraft per year level for the past seven years, with 434 aircraft delivered in 2006, 56 more than delivered the previous year. The year 2006 was the fourth year in the company's history that it delivered more aircraft than Boeing. At the end of 2005, Airbus had a backlog of orders for 2,177 aircraft, which represents five years of production at current assembly rates. However, 2006 marked the announcement of another delay in the first delivery of the A380 super jumbo (2 years overall), and the start of in-flight testing before delivery to launch customer Singapore Airlines in October 2007. The year 2006 also saw the official industrial launching of a new Airbus program, the A350 XWB, as a follow-on to the A330 and a direct competitor to Boeing's 787.

With an in-service date beginning in 2013, the A350 XWB has currently received about

100 orders and commitments from a total of nine customers, including those converting previous orders for the earlier version that has now been scrapped in favor of the XWB. Many of the major systems for the aircraft have been contracted, and as with A380, many have gone to U.S. companies. Contracts for the aircraft's structures are also being solidified and will include the participation of several risk-sharing partners alongside the current production work share, distributed amongst Airbus country partners. According to Airbus, a new final assembly site for the A350 XWB is being planned in Toulouse alongside the current facilities. Airbus Military has received 180 orders from European governments for its A400M military transport aircraft program, officially launched in May 2003, and forecasts an additional market of at least 200 planes. For a list of major suppliers on these programs, contact the U.S. Commercial Service office in Toulouse, the coordinates of which you will find listed below.

Dassault Falcon Jet took in a record 144 orders for aircraft in 200, up from 123 in 2003 (itself a record at the time) and 69 orders in 2004. The Paris-headquartered company plans to increase deliveries to 60+ aircraft in 2006 from the 51 delivered in 2005. Since its official launch in 2001, Dassault's new long-range business jet, the Falcon 7x, has gained over 100 orders, including a record 25 single order from NetJets. First delivery of the 7X, the first-ever business jet equipped with fly-by-wire controls, is expected in early 2007. Dassault continues to improve their production capability. Efficiency at the French Merignac plant near Bordeaux and the Little Rock, Arkansas plant where cabin outfitting occurs have been increased after significant investment. In 2005, Dassault inaugurated its 35 million euro assembly facility for 7X production, capable of manufacturing four 7x aircraft per month. The Franco-Italian (50-50) consortium, ATR, holds half of the world's market for regional turbo prop aircraft with its ATR 42 and ATR 72 models. Based near Toulouse, ATR in 2006 logged 63 orders, down from the near record orders of 90 in 2005. They outsold their competitor Bombardier for the second year in a row. Despite the fall in orders, ATR delivered 24 new aircraft in 2006 compared to 15 in 2005. They expect to deliver 44 aircraft in 2007 and 60 in 2008. Much of ATR's business up till now had been based on the placement of pre-owned ATR aircraft and cargo conversions although it believes the increased price of oil is the reason why smaller airlines are returning en masse to turboprops. As with many European aircraft manufacturers who have costs in euros while the majority of their revenue is in dollars, efforts are underway to limit the impact of the weak dollar, including a drive to increase internal efficiency and "shifting part of the cost-base out of euros or into dollars," as one ATR official described.

Eurocopter, which claims over 50% of the world's market for helicopters, is the largest single manufacturer of civilian and para-public helicopters in the world, with 615 new orders for helicopters in 2006, up from 401 in 2005 and 322 in 2004. It delivered 381 helicopters in 2006, an increase from 334 in 2005 and 277 delivered in 2004. As with many aircraft manufacturers, Eurocopter has expanded its industrial base to include manufacturing partnerships in Eastern Europe (Romania) and Asia (China). Among Eurocopter's significant achievements in 2006 was a contract awarded to supply the U.S. Dept. of Homeland Security with 322 UH-145 light duty helicopters, to be assembled out of its Columbus, Mississippi plant.

The Safran Group is the leading aerospace equipment manufacturer in France and one of the most important in Europe, with a dominant position in providing key systems to Airbus, Boeing, Eurocopter, Dassault and Arianespace, among others, both in civil and military applications. It also has important links to the U.S. market and U.S. companies, both as a supplier, and as an equity partner or owner. Safran, a multi-faceted business group created in 2005 by the merger of two diverse and well-established majority state owned companies (Snecma and Sagem), has two branches that should be of interest to American suppliers. These two divisions-- aerospace propulsion and aerospace equipment-- are headquartered in Paris, employing 40,890 people worldwide and generating approximately $9 billion in 2005 revenue. In total they comprise 13 individual companies, many of which have captured, alone or in partnership, significant or leading market share in various different sectors of activity. Most have invested in numerous projects and expanded their global presence through acquisitions and partnerships.

The semi-privatized national carrier Air France is still the dominant French airline and reported positive net profits of more than 900 million Euros for its 2005 fiscal year, contrary to the worldwide industry trend for similar-sized carriers. In May 2004, Air France merged with KLM, and the group is now not only the leader of European airlines in terms of number of passengers, but it is also a world leader with 21 billion Euros of turnover. Smaller, particularly foreign, low-cost carriers that use secondary regional airports are experiencing rapid growth in response to the EU directive for national market liberalization and an increased consumer confidence in on-line booking. With local government incentives, foreign low-cost airlines such as EasyJet and Ryanair have won significant advances in the market by offering both short-haul international and, in some cases, national point-to-point routes to otherwise infrequently visited regions.

Maintenance support for both American and European aircraft is a large industry in France which is primarily handled by two companies: Air France Industries, based outside of Paris at Charles De Gaulle Airport; and Sogerma, located in Merignac at the Bordeaux airport. In 2004, Air France Industries inaugurated its 40-million-Euro Toulouse facility in Aero constellation, adjacent to the site where the Airbus A380 is assembled. This facility is dedicated to the refurbishment of their own and other customers' single-aisle Airbus aircraft.

To stay competitive with international products, French civil aerospace industry procurement departments have been forced to adopt a business model based on economic, rather than nationalistic merits, with cost and quality becoming key requirements for selecting suppliers. French companies are also more aggressively targeting civilian and military users with foreign partnership agreements as a means to boost international sales. With new projects in various stages of development and the increased value of the Euro vis-à-vis the U.S. Dollar, the French market provides substantial opportunity to the most competitive and innovative U.S. aerospace firms.

Resources

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JAPAN

Japan continues to offer a lucrative market for imported aircraft and aircraft parts, including aircraft engines. Long-term relationships — some spanning over fifty years —between U.S. aircraft and aircraft parts makers and Japanese manufacturers and trading firms has given the United States an overwhelming presence in Japan's market. In the civil aircraft market, Japan's two largest carriers, Japan Airlines (JAL) and All Nippon Airways (ANA), have consistently selected Boeing aircraft, including cargo freighters, virtually eliminating commercial aircraft orders from Airbus.

Annual production of Japan's aircraft manufacturing industry is valued at approximately $10 billion. The industry is heavily geared towards meeting the needs of the Japanese Defense Ministry (MOD). Other production supplies frames, wings, and other parts and components to foreign aircraft manufacturers such as Boeing, Airbus, Embraer, and Bombardier. Of the total domestic production in 2005, defense orders accounted for 54% and exports for 27%. Further growth in Japan's industry is expected to result from international joint projects (such as Boeing's 737, 777, and 787), domestic development of military patrol and transport aircraft, and feasibility studies of a new environmentally friendly small jet. U.S. suppliers of proven aircraft and aircraft parts are well positioned for tapping into the coming decade's expanding opportunities. New-to-market suppliers should consider partnering with trading firms that are knowledgeable about and connected to aircraft industry networks.

Japan is experiencing a boom in airport infrastructure development:

- the Central Japan International Airport (Centrair) opened in Nagoya in February 2005;
- Nagoya Airport recently was re-designated as a commuter flight base;
- Kobe and Kitakyushu Airports were completed in 2006;
- . the Haneda, Narita and Kansai Airports are scheduled for further expansion.

These developments should create exciting opportunities for regional airlines and corporate jet operations.

Best Products/Services
Commercial aircraft and aircraft engines, business jets, helicopters, aircraft parts and supplies, avionics.

Resources
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Society of Japanese Aerospace Companies www.sjac.or.jp/

KOREA

According to the Korea Aerospace Industries Association (KAIA), local production of aircraft, airframes and other related systems, by Korean companies, amounted to around $1.19 billion in 2004, of which 80% was from the defense sector. The commercial aviation market accounted for 20%. The market is forecast to reach around $1.27 billion in 2005. Korea's aerospace industry heavily depends on foreign products and technology. In order to support production, Korea imports major parts and components from foreign countries, primarily from the U.S.

There are two national air carriers in Korea. Korean Air and Asiana Airlines have fleets

of 116 aircraft and 60 aircraft, respectively, serving more than 90 cities in 30 countries. In addition to the two major airlines, other end-users include charter airlines, central and local governments and aircraft operated for private business and VIP transportation.

In December 2005, there were 383 registered aircraft in Korea. Of the total, 178 aircraft were used for regular transportation while 67 aircraft were used for non-regular and business purposes. Around 140 aircraft were for personal use. Korea's National Police Administration and the Forestry Administration own 20 and 36 helicopters, respectively. These two agencies are major end-users of helicopter parts and components. Most major U.S. aircraft companies, such as Boeing, GE Aviation and other large aircraft engine and parts manufacturers, have branch offices in Korea.

In 2003 there was a slow down in the commercial aircraft market mainly due to the Iraq war and the SARS outbreak that delayed purchases of new aircraft, parts and components. By 2005, however, the market had picked up. In that year Korean Air ordered five A380 aircraft worth $2.2 billion, which will be delivered to the airline between 2007 and 2009. Korean Air also ordered 10 Boeing 787 Dreamliner aircraft, with an option for an addition 10 aircraft with delivery beginning in 2009. The deal was worth approximately $2.6 billion. These purchases will provide opportunities for foreign parts and components manufacturers to supply products in the next few years.

Currently KAI dominates the Korean aerospace industry, which makes the industry uncompetitive and holds back further development of the industry as a whole. Other Korean companies contribute to the production of aircraft, aircraft frames, structures and raw materials. The level of technology is still behind of that of the U.S. and other advanced European countries. In addition, although Korea is very strong in IT and electronics, coordination by these industries with the aerospace industry is not yet well established. The parts and components sector is not able to nurture other relevant production due to the lack of investment and the dependence on imports.

In 2004, total imports in the commercial and defense aerospace industries were $1.4 billion. A 19% increase is anticipated in 2005 bringing imports up to around $1.67 billion. The expected increase is attributable to a change in Korean company procurement plans. One of the factors that will increase imports is that major airlines have begun to move from leasing to direct purchase of aircraft. As a result, imports of commercial aircraft increased significantly in 2005 and this trend is expected to continue in the near future.

Exports are steadily increasing since Korea's aerospace market is expanding. Total exports in 2004 were $371 million with $155 million for defense and $216 million for commercial exports. Exports of aircraft and parts increased significantly in 2004, with a 27.1% increase over the previous year. In 2005 exports are projected to reach $376 million.

KAI exports engines and engine parts to end-users in both the commercial and defense sectors. The company has agreements with airlines companies such as Suning Air in China and travel companies in Canada to provide SB-427 helicopters. Additionally KAI exports wing structures for mid-sized aircraft and currently has contracts amounting to $100 million on the books. Korean Air has a contract with the U.S. Army and U.S. Air Force to maintain

HH-60 helicopters and A-10 fixed wing aircraft that is worth $18.3 million. WIA Corporation has an agreement with United Defense to jointly produce landing gear. United Defense will pay $22 million to WIA Corporation under the agreement. WIA is the sole landing gear manufacturer in Korea. In addition to exports of locally manufactured products, transportation service companies also export old aircraft, which contributes to the volume of exports.

The U.S. has the lion's share in both the defense and commercial aviation sectors in Korea. According to KAIA, in 2004, the U.S. had a 96.8% market share in commercial aviation while the market share in defense was 78%.

NEPAL

The mushrooming of private airlines in Nepal in the early nineties initially provided opportunities for the sale of short-hop passenger turboprop aircraft, including both used and new aircraft. However, declines in the tourism industry over the last five years drove at least five domestic airlines into bankruptcy, and, as a result, adversely affected the market for aircraft and parts.

Best Products/Services

The best prospects are all kinds of aircraft parts, accessories, and ground equipment accessories and spares.

Resources

Information pertaining to government policies and regulations can be obtained from the regulator, Civil Aviation Authority of Nepal, via email: dgca@caanepal.org.np. For additional information and assistance, U.S. businesses may wish to contact the Commercial Specialist of U.S. Embassy Kathmandu at: GuptaTK@state.gov.

NETHERLANDS

Aircraft parts and associated equipment rank sixth on the list of top twenty commodities exported from the United States to the Netherlands. This includes commercial and military aircraft parts and equipment. Although the statistics for 2005 show a shrinking market, this industry remains a best prospect because the majority (68%) of all imported aircraft and associated equipment are from the United States. Moreover, the statistics do not reflect an important aspect of the market, which is comprised of services, R&D, and the exchange technology.

On the commercial side, the flag carrier of the Netherlands was KLM (Royal Dutch Airlines) before its take-over by Air France in 2004. KLM has a 100% share in Transavia Airlines and a 50% share in Martinair. Although foreign suppliers continue to work on increasing their market share in the Netherlands, all three airlines still operate with predominantly U.S.-made aircraft. In addition, there are various charter, leasing and other aviation companies in the Netherlands with more than 2,500 registered aircraft.

On the military side, the Netherlands offers U.S. companies a wide variety of trade opportunities in the defense sector. Despite its small geographical size, the Dutch military spends $1.2 billion on new material and $235 million on its infrastructure. The Dutch were the first 'Level 2' partner in the Joint Strike Fighter (JSF) program and the fourth country to join as a JSF System Development and Demonstration (SDD) phase partner, and the first 'Level 2' partner. The Dutch commitment spans ten years.

Best Products/Services
Best military prospect areas include high-tech commodities with state-of-the-art capabilities, such as specialized surface vessels (design technology, systems technology and platform automation), radar, simulators, data and telecommunications systems, composite materials, electronics and data processing. Currently, the major military programs include:
- F-16 fleet enhancement and replacement: Supply, logistics and technical applications to maintain and replace the fleet offers U.S. industry opportunities for the next fifteen years.
- Submarines: The RNLN submarine force consists of four modern conventional boats built and maintained at the Rotterdam Dockyard, delivered between 1988-1993. A mid-life upgrade is planned to begin in 2007.
- AH 64-D Apache: The RNLAF took delivery in May 2002 of the last of their 30 new AH-64 D model Apaches. Systems upgrades and continuous maintenance opportunities exist.

The Dutch are evaluating the potential of a large-scale repair center for civil and military aircraft in the Netherlands, which offers partnering opportunities. A detailed list of additional large projects and smaller programs is available though the Embassy upon request. Imports of U.S. aircraft parts and equipment are expected to remain stable over the coming years, offering ample opportunities to U.S. suppliers.

Resources
Web resources: Upcoming trade shows in 2006 include ATC Maastricht in Maastricht from February 14-16 and the MRO Europe Conference & Exhibition from October 25-26.

In addition, the Embassy is hosting an Aerospace Trade Mission to the Netherlands, Belgium and Germany from November 13-16.
Email address of local commercial specialist: Natasha.Keylard@mail.doc.gov

NEW ZEALAND

New Zealand consistently demonstrates a strong demand for imported aircraft and aircraft parts. In 2005, imports of aircraft and aircraft parts totaled $ 133.5 million. For the period January-October 2006, New Zealand's imports of aircraft and aircraft parts totaled $103.6 million. New Zealand's demand for aircraft and aircraft parts is expected to remain very positive reflecting the importance of the aviation sector in this country's economy:

- **Tourism:** more than 99% of all travelers to New Zealand arrive by air.
- **Trade:** exporters of perishable products such as seafood and flowers rely on the aviation industry to send their products to international markets. Agriculture products contribute more than 50% of New Zealand's GDP. Aviation also has a role in farm management e.g. top-dressing.
- **Security:** New Zealand's geographical isolation from the rest of the world helps to protect its long, mostly uninhabited, coastline. Overall security has gained greater significance over the last five years.

U.S. aircraft manufacturers (both fixed wing and helicopters) represent more than 50% of New Zealand's aircraft fleet. This existing base of U.S. aircraft creates a strong demand for U.S. manufactured spare parts. Further, the introduction of larger and longer-range aircraft by major manufacturers to realize fuel and other efficiencies has made New Zealand's national carrier, Air New Zealand

one of the first airlines in the world to invest in Boeings B787. Air New Zealand's multi-million dollar investment and the Royal New Zealand Air Force's upgrade plans are likely to ensure U.S. companies specializing in aircraft parts will continue to enjoy a high market share here. In 2005, U.S. market share of aircraft and aircraft parts in New Zealand was 66.7%.

Best Products/Services
1. Aircraft propellers
2. Aircraft rotors
3. Aircraft undercarriages

Resources
New Zealand Aviation Industry Association: http://www.aia.govt.nz
New Zealand Statistics: http://www.stats.govt.nz
New Zealand Trade and Enterprise: http://www.nzte.govt.nz

NIGERIA

The Federal Aviation Authority (under the Federal Government Ministry of Aviation) continues to restructure the aviation industry that is plagued by a drastic reduction in operational aircrafts. Private airlines with U.S.-origin aircrafts in their fleet (mostly Boeing 727s, 737s, and DC9s) cover the lucrative domestic route thus increasing the U.S. share of the aviation/avionics sector of the economy. Nigeria's Federal Aviation Authority (FAAN) is determined to improve safety at its dozens of airports by installation of navigational aids at several of them. FAAN installed navigational aids at two of its international airports in 2003 (Lagos and Abuja) and plans to purchase and install additional 12 navigation and landing aids within five years for other airports throughout the country. It is expected that ground support equipment at international and domestic airports would be upgraded at some of the domestic airports and U.S.-origin equipment is most preferred by Nigerian importers of aviation/avionics equipment.

Aviation sources expect a growth in this sector in the next few years. With the government paying more attention to safety regulations and monitoring the operation of airlines in Nigeria, airline operators are purchasing or wet-leasing U.S. origin used aircraft with attendant supply of parts and services. Grounded planes will need replacement of engines, component parts and navigational equipment from U.S. sources. Some airline operators, in anticipation of increased patronage, are seeking serviceable but reliable aircraft to replenish their fleet and the U.S. aviation market is their first choice. Aviation sources expect a growth in this sector in the next few years.

PHILIPPINES

The Philippines is home to 85 airports (4 international, 4 alternate international, 12 trunk line, 36 secondary, 29 feeder) and is currently serviced by 37 international airlines, including Philippine Airlines (PAL), Cebu Pacific, Northwest, Cathay Pacific, Singapore Airlines, and Malaysian Airlines, among others. In 2004, more than 15 million passengers passed through the Ninoy Aquino International Airport (NAIA 1 and 2) and regional airports.

Within the commercial and general aviation sub-sector, opportunities exist in the supply of spare parts and accessories to airline operators and accredited repair facilities. Although the market is not large, sales opportunities exist for aircraft precision parts and components, landing gear, engine

parts, cabin parts, and aviation training and simulation. In military aviation, market prospects are limited to spare parts for C130's, UH-IH's, and MG-520's, as well as limited upgrading of existing aircraft. The GRP recently announced that it would give priority to a military modernization program, which could trigger sales prospects for U.S. companies.

The Philippine aerospace industry offers bright prospects for U.S. companies. Total imports of aviation and military spare parts increased by nearly 22%, from $156 million in 2003 to $191 million in 2004, and industry experts conservatively projected an additional 15-20% increase in 2005.

Over the past two years, Philippines Airlines (PAL) and Cebu Pacific- the country's two largest carriers- have pursued (and will continue to pursue) their re-fleeting programs for expanded domestic and regional routes. The entry of smaller airlines such as Tiger Airlines and JetAsia, which offer low cost flights to near-by Asian destinations such as Singapore and Malaysia, has reinvigorated local competition and has been the impetus for infrastructure improvements in airport facilities, particularly at Clark International Airport. From January to September 2005, inbound visitors increased by 12% compared to the same period in 2004 (1.7 million in 2004 to 1.9 million in 2005), in large part due to the Philippine Department of Tourism's WOW (World of Wonders) travel campaign.

RUSSIA

Russian airlines continue to experience growth in passenger and cargo transportation. In 2004, Russian airlines transported 34 million passengers and 655 thousand tons of cargo. While the Russian traffic market is rapidly developing, it remains in certain sectors relatively immature with strong potential for growth in both passenger and cargo sectors. IATA forecasts that in 2006-2007 Russia's civil aviation market will experience annual growth rates of 5.8%. Four major commercial airlines – Aeroflot, Sibir (S7), Pulkovo and UT Air – carry about 15 million passengers a year. Aeroflot dominates the international market, while in the domestic market it faces competition from the others.

According to 2004 statistics, the Russian fleet is comprised of 3,830 aircraft and 1,967 helicopters, with most aircraft operating since Soviet times. According to the Federal State Statistics Service, about 50% of the Russian aircraft fleet has been in service for 15 to 30 years - 3.5% have been operating more than 30 years. By 2015 around 80% of the fleet will have exhausted its service life. The majority of aircraft needs upgrading or replacement, including replacement of engines and avionics. Over 1,600 aircraft in service do not comply with existing ICAO noise standards. Only a few types of the existing Russian aircraft (Tu204, Tu214 and IL-96-300) meet Stage-III noise standards currently in effect in EU countries and the United States. Further introduction of the Stage-IV noise standards will require heavy expenses by airlines in order to comply with new requirements. Moreover, under new EU regulations that began on January 1st, 2005, aircraft that are not equipped with EGPWS ground collision equipment will not be allowed to fly to European airports. However, the Russian Ministry of Transportation reported that it had negotiated a one-year extension period.

Only about 2% of Russian aircraft are equipped with this system and, according to

industry experts, 300 to 400 aircraft must be equipped. One of the major delaying factors cited by Russian carriers is cost. The cost of fitting a ground collision system to a Russian aircraft (Tu-154 or IL-96) is estimated to be $50,000-100,000 per aircraft.

The Ministry of Transport estimates that the Russian civil aviation sector demands from 2005-2010 will exceed 530 aircraft, including at least 180 new helicopters, 164 longrange aircraft and 146 regional aircraft (Source: "Vozdushnyy transport"). According to the Ministry of Industry and Energy, Russian manufacturers intend to build 135 new generation aircraft including IL-96 and AN-148 between 2005-2008. This so-called "start order" will be financed by the government through two leasing companies, Ilyushin Finance and Finance Leasing Corporation (FLC), and is reportedly the result of joint analyses performed by leasing companies, airlines and ministries.

Russian airlines and the Russian aviation industry are taking more immediate steps to resolve the problem of obsolete fleets. For example, Aeroflot wants to acquire 50 aircraft in the next five years in a special tender competition to renew its fleet and modernize flight systems. The first such Aeroflot tender resulted in the purchase of seven new A321-200s medium range aircraft from Airbus. Another tender for 22-28 long haul aircraft was released last summer and will reportedly be decided by March 2006.

Russia's most ambitious national aviation project is a new short-range aircraft called the Russian Regional Jet (RRJ). In December 2005, Aeroflot signed the first contract for 30 RRJ 95 aircraft valued at $820 million. The RRJ will incorporate modern technology provided by U.S. and European component producers. Russia has traditionally possessed a sizeable aviation industry. Today, Russia's domestic industry employs around 500,000 people in about 300 companies and research and engineering institutes. It suffers from a lack of financing for aircraft construction and is in need of significant restructuring. For a number of years, the Russian Government has been discussing possible measures to revitalize the industry, including consolidation. In February 2005, Prime Minister Mikhail Fradkov approved the idea of establishing a national aircraft-building company, which will consolidate Sukhoy, MIG, Ilyushin, Irkut, Yakovlev and Tupolev. At the first stage, participants will form a public-private consortium and a management company, which will be called the Unified Aircraft Manufacture (OAK).

The government share in the management company will be from 25.5 to 51%. According to the Ministry of Energy and Industry, the long-term goal of the OAK is to become one of the world's leading players, to reach a minimum return of $6 billion and, by 2015, to match the sales volume of Airbus, Boeing, Bombardier and Embraier. It is planned that OAK will first produce 30% civil and 70% military aircraft. Eventually 50% of production will be civil aircraft.

Russian airlines publicly complain that the restrictions on their ability to acquire aircraft negatively impact their operations and prevent them from being competitive in the international market and from providing quality services to passengers. Although sales are severely constrained by high import tariffs of 20% plus VAT of 18% on aircraft and parts, for major Russian airlines the necessity to update their fleet is beginning to outweigh the prohibitive nature

of the tariff as is witnessed by a number of recent purchases by Russian carriers of western aircraft. Additionally, a section of the new Customs Code, which came into effect at the beginning of 2004, allows purchasers of foreign aircraft to spread the tariff payment over almost 34 months, making it less of an obstacle to imports. The Russian Government is considering lowering import tariffs on aircraft where there is no Russian equivalent. If import duties for aircraft are lowered, significant opportunities will arise for supply of aircraft, particularly used aircraft, spare parts, support and maintenance.

The Russian Government and industry representatives are looking for broader cooperation with foreign firms in order to revitalize their domestic industry and integrate it into the global aviation industry. This includes participation in significant cooperative projects and further development of new generations of Russian aircraft able to compete in fuel-efficiency and able to meet the demands of international noise standards.

As part of its long-term plan to resurrect the domestic aircraft industry, the Russian Government is supporting the development of a locally produced Russian Regional Jet. In March 2003, the Russian Aerospace Agency selected Sukhoi to work on the Russian Regional Jet project jointly with Ilyushin, Yakovlev and Boeing. There are plans to build the airplane in Russia with the intention of marketing it both in Russia and abroad. The new jet will have three modifications, seating 60, 75, and 95 passengers. Boeing is planning to assist in the design, marketing and after sales support of the airplane. Current estimates are that imported content in these planes may initially exceed 40%.

Some partnership agreements have been established with European and U.S. firms mainly in the area of small component manufacturing. Such cooperative projects with foreign companies could provide capital needed to sell newly designed aircraft in domestic and international markets. However, limiting this potential is a 1998 law that restricts foreign ownership in aerospace companies to 25%. Currently the Russian Government is considering lifting the limit for foreign ownership to 49%. Over the long run, the Russian market presents significant opportunities for U.S. aerospace trade and investment. U.S. commercial aircraft and U.S. aircraft makers (such as Boeing, United Technologies, General Electric, Lockheed Martin, and Raytheon) are engaged in joint production projects and component supply.

Resources

- Russian Aviation News & Information Server http://www.avia.ru/english
- International Aviation & Space Salon http://www.airshow.ru/etable.htm
- Sukhoi Civil Aviation: www.scac.ru
- Rosaviaexpo www.rosaviaexpo.ru
- A Listing of Russian Airlines http://www.polets.ru:

SINGAPORE

The Singapore's aerospace industry comprises primarily maintenance, repair and overhaul (MRO), manufacturing, and research & development. Singapore accounted for about 25% of the Asian MRO market share and 6% of the global share in 2005. Its overall aerospace industry registered output of $3.133 billion, with MRO services contributing 90% of the total output. Manufacturing accounted for the remaining 10%. Singapore Changi Airport's strong traffic throughput and connectivity

not only contribute to the demand for MRO services, but also allow aircraft parts to be sent to Singapore for repair and then returned to airlines quickly.

Best Products/Services
In 2005, Asia led the world with 7.6% growth in international passenger traffic and 3.2% growth in air cargo, exceeding the global figures of 6.5% and 3.0% respectively. For these reasons, airlines in Asia are aggressively expanding and poised for fleet renewal. Singapore aims to be at the vanguard of growth to capture a larger share of the global MRO business. Consequently, there are tremendous opportunities in Singapore to grow MRO activities and to supply aircraft parts and systems.

Opportunities
The optimistic outlook for the industry has induced the Civil Aviation Authority of Singapore and the Defence Science & Technology Agency to stage a new air show in place of the Asian Aerospace exhibition to serve as a global marketplace and networking platform for the military and civil aviation community. The Singapore Airshow 2008 will be held from February 19 to 24, 2008. The Singapore Airshow will be a key platform for American contractors to showcase their capabilities for the Asian aerospace and defense audience.

Resources
Singapore Government Offices
Singapore Economic Development Board
http://www.sedb.com
Civil Aviation Authority of Singapore
http://www.caas.gov.sg
Defense Science & Technology Agency
http://www.dsta.gov.sg
U.S. Commercial Service, Singapore
Contact NG Haw Cheng, Commercial Specialist
Email: Hawcheng.Ng@mail.doc.gov

SLOVAKIA

Slovakia is at a stage of airports' infrastructure transformation because of the air traffic growth. The Domestic Carriers (SkyEurope, Air Slovakia and Slovenské Aerolínie) report significant continuous passenger growth. The growing economic power of the domestic population and the opening of labor markets in some western countries make Slovaks of all ages want to travel. Air carriers are expected to expand their fleets in order to serve more travelers. Slovenske Aerolinies should be sold in 2006. The Economy Ministry expects to privatize its state controlled 34,012-percent equity stake. In July 2005 the Slovak Economy Ministry invited potential investors to express interest in buying the state owned stake in the airlines. This aircraft order will reinforce and enlarge the company's aircraft fleet during the period of 2006 - 2009.

More realistic pricing, larger volumes of passengers, more destinations flown, increased revenues, market reforms, last but not least more vigilant enforcement are anticipated. There is potential for any American company in the civil aviation equipment, management, and services sector.

SPAIN

Spain's highly competitive aerospace sector, located primarily in Madrid, the Basque Country and Andalusia, is benefiting greatly from internationalization and offers many opportunities for foreign companies. It is also part of the nucleus of the European aeronautical sector, although it ranks behind the three largest players (Germany, France and the United Kingdom). The sector employs more than 27,000 people in Spain.

The largest local company, EADS-CASA, has a minority participation in the European consortium Airbus. The Spanish Government is trying to increase its participation to 10%. In additional to EADS-CASA, there are two other dominant companies in Spain; Aernova, formerly GAMESA, a manufacturer of structural parts for aircraft; and ITP (Industria de Turbo Propulsores, S.A.), an aircraft engine producer. GAMESA recently sold its aeronautical branch to concentrate more fully on its international wind-energy business.

Best Products/Services

Demand is increasing for products related to composite tape-laying machines and fiber placement systems with computer numerical control. Aeronautical products in greatest demand include components for aeronautical software programming, avionics, ground support equipment, plus extruded metal products and plastics.

Opportunities

Spain's aerospace sector is constantly growing, and shows greater potential due to increased competition in the Spanish air transport market and demand for new technology. Liberalization of Spain's internal air transport system has resulted in increased demand, creating opportunities for U.S. manufacturers and distributors.

Demand for systems and components, has increased substantially in recent years. Currently, U.S. companies are enjoying a notable increase in exports of flight simulators, propellers, rotor blades and other aircraft parts.

Air traffic in general has also grown significantly. Iberia Airlines projects a 10% increase in number of flights this year. Madrid's Barajas Airport has constructed an additional terminal to accommodate the 11% increase over the previous year (2005) in passengers, planes and cargo. The new Terminal 4 started operations in February 2006. Damaged by a bomb blast in its parking garage in December 2006, the terminal itself was able to be re-opened in a matter of days. The privatization of Iberia, the merger of Aviaco and Binter into the Iberia Group, and the purchase of new airplanes by Spanair, Air Nostrum, and especially Air Europa with its recent purchase of 18 new 737-800s, valued at $1.2 billion, are driving new opportunities for U.S. businesses. More companies are requesting airline licenses from the civil aviation authorities than ever before. Companies entering the market in the last couple of years include Vueling, Clickair (low-cost carrier created by Iberia, ACS and other partners) and Air Asturias. This has increased the total number of airplanes operating in Spain and created steady expansion of the spare-parts market. This trend is expected to continue as regional markets start to develop. Iberia and British Airways have signed an agreement to jointly operate the routes connecting London/Heathrow with Madrid and Barcelona. Iberia is the leading Spanish airline as well as the market leader on European-Latin American routes. The agreement between British Airways and Iberia calls for joint administration of profits and operating costs.

The latest opportunity for the Spanish aeronautical sector has been the Airbus A-380 project, the European 600-passenger SuperJumbo. Despite fall 2006 news reports of delays, Airbus has received the first 50 orders for this project, which are now scheduled for delayed release in 2008. Airbus now has 46% of the worldwide civilian airline market. This has increased opportunities for U.S. firms selling parts and

components to Airbus through its supplier chain. By 2007, Airbus expects to be delivering 450 new aircraft yearly, up from 305 in 2003. Boeing expects higher orders for its 737 and 747 model lines, and its 787 "Dreamliner" has attracted considerable attention.

Currently, local Spanish manufacturers are unable to meet the production demands for parts and components, and are looking to the international market for help. Many Spanish sub-contractors are exploring the possibility of international agreements to meet increased demand, offering excellent export opportunities for U.S. companies. To decrease operating costs, some airlines are considering operational leases, opening opportunities for U.S. companies. This service market is expected to increase in the short term. However, U.S. aircraft manufacturers face stiff competition from European companies (small aircraft) and from Airbus.

Resources

- Spanish Association of Aerospace Industries: www.atecma.org
- Foreign Trade Statistics/ Chamber of Commerce: http://aduanas.camaras.org
- Commercial Service Spain: www.buyusa.gov/spain
- Trade Specialist, Aircraft Parts & Services: Carlos Perezminguez, carlos.perezminguez@mail.doc.gov

SWITZERLAND

The total Swiss market demand for aircraft and parts, including components and avionics, was valued at an estimated $1.944 billion in 2006 and is estimated to grow 3-5% in 2007. In 2006, U.S. suppliers garnered a 16% market share. The competition in the Swiss aviation market includes a host of world-renowned suppliers of aircraft, parts and components that have made inroads into the Swiss market. There is a relatively large number of operators of aircraft given the small size of the country, including the national flagship carrier SWISS (part of the Lufthansa Group), operators of regional and business jets, operators of air taxi services, operators of charter/executive fights as well as a growing number of privately held aircraft.

Switzerland's sole aircraft manufacturer, Pilatus Aircraft, Ltd., is world renowned for its development of single-engine turboprop aircraft, in particular, the PC-12 civilian aircraft of which over 600 have been built. The company reported strong results in 2005 with an annual output of 89 aircraft deliveries, thereby increasing demand for avionics, parts and components from its U.S. supplier base on which Pilatus relies. The U.S. content of the PC-12 aircraft exceeds 30%. At the end of 2004, the Swiss Federal Office for Civil Aviation (FOCA) granted Pilatus aircraft type certification for its latest military trainer aircraft, the PC-21, newly developed for modern air forces around the world. In addition to Pilatus, several Swiss aerospace companies are also end-users of parts and components from U.S. suppliers.

Although private jet aviation as a business productivity tool is already well accepted in the United States, Switzerland has been slower to embrace this concept. However, Swiss executives and politicians are increasingly taking advantage of business jets for flexibility and to avoid congested airports and flight delays, and demand is steadily increasing in the business/regional market segment. Corporate jets available in the market encompass a wide spectrum, ranging from twin-engine turboprops to reconfigured jetliners, although the number of propulsion airplanes dwarfs the number

of twin-engine turboprops. As a result of an increased demand for business jets, demand for parts and services for overhaul, retrofitting, and repair is expected to register growth in 2007.

Best Products/Services

Although SWISS's aircraft fleet is predominantly Airbus, many of the parts and components used in maintenance and overhaul are sourced from a broad network of U.S. suppliers, including various components, avionics, aircraft flight instruments and communication instruments. In addition to two further Airbus A330 aircraft acquisitions, SWISS will be adding three more Airbus A340 aircraft to its long-haul fleet within the next two years to meet customer demand. Aside from operators of airplanes and overhaul and maintenance companies, Switzerland has approximately two-dozen manufacturers involved in the development, production and assembly of structural components, systems integration and services for aircraft, helicopter and systems that stem from defense and civilian aeronautics and space technology. These companies are receptive to the idea of broadening their U.S. supplier list and interested in new product offerings.

Resources

- Federal Office for Civil Aviation (FOCA): http://www.aviation.admin.ch/
- Swiss Aeronautical Industries Group (SAIG): http://www.swissmem.ch/
- Annual European Business Aviation Convention & Exhibition (EBACE 2007) to be held in Geneva on May 22-24, 2007, URL: http://www.ebace.aero/
- Commercial Specialist Sandor Galambos, U.S. Commercial
- Service, Zurich, Switzerland. For further information, e-mail: Sandor.Galambos@mail.doc.gov

TAIWAN

According to CASID, Taiwan's aerospace industry production value reached an estimated $1.127.3 billion in 2005. Almost half of the local production value compiled by CASID is revenue from aircraft Maintenance, repair and overhaul services, Based on CASID's projection, local production will remain flat over the next 2 years. Air transport is essential to the island's vast number of export-oriented businesses, industry and tourism.

Based on estimates by the public and private aviation professionals interviewed, Taiwan imported about $2.5 billion worth of aircraft, parts and components in 2005. The U.S. has been a market leader in both military and civil aerospace. According to the U.S. Department of Commerce, Taiwan imports of aerospace products from the U.S. came to $1.824 billion in 2005, growing from 2003's $1.283 billion and 2004's $1.824 billion. Of U.S. imports in 2005, about 45.2%, or $825 million are engines/parts and other aerospace parts. The prevalence of American-made military and civil aircraft and ongoing cooperation with the local aerospace industry presents continued business opportunities for U.S. companies.

Taiwan has two international, four regional, and five small carriers in general aviation service. Together, they operate a fleet of 197 aircraft, of which 112 aircraft, or 56.9% are Boeing and 41, or twenty%, are Airbus. Either GE or Pratt & Whitney engines power all of these aircraft. In 2005, Taiwan residents made over 8.2 million trips abroad, a record number, and Taiwan received near 3.8 million visitors from abroad, up 14.5% over a year earlier. During the same period, air cargo transportation volume outgrew even that of passenger numbers. Cargo generates more than 50% of the revenue for

Taiwan's two international carriers, China Airlines (CAL) and EVA Airways (EVA) respectively. To meet promising future demand and strengthen their competitiveness, CAL and EVA, are expanding fleets or replacing aircraft.

In contrast, Taiwan's four regional airlines are facing difficulties. Far Eastern Air Transport, Mandarin Airlines, UNI Airways Corp., and Trans Asia Air (TNA) are competing for a shrinking domestic market due to the island's improved highway system and increasing costs.

China Airlines, Taiwan's largest international air carrier, flies to 49 passenger and cargo destinations in 23 countries with a fleet of 67 modern aircraft, including 49 passenger jets and 18 freighters. All of CAL's freighters are B747-400s, giving the airlines the world's largest fleet of this type of aircraft. In a recent International Air Transport Association survey, CAL ranked 5th in the world for international cargo traffic volume.

The Aerospace Industrial Development Corp. (AIDC) was founded in 1969 by the military and transformed into a state-owned company in 1996 under the Ministry of Economic Affairs. AIDC is considered the cradle of Taiwan's aerospace industry. Currently, AIDC is working on several international cooperation projects such as the cockpit for the Sikorsky S-92 helicopter, GE's CT7 Turboshaft engine, the B717 Regional Jet, the BD-100, the A321 16s barrel section, the Bell AH-1Z/UH1Y tail boom, the C-27J Military Transporter project with Alenia Aeronautica of Italy, and a Learjet 45 project with Bombardier of Canada. AIDC is currently pursuing markets such as the production of short-distance transports, emergency-rescue helicopters and reconnaissance planes. In addition, AIDC continues to do MRO service for the IDF fleet, which brings in about $48.5 million of revenue per year. On June 2005, the Ministry awarded a long-term maintenance and repair contract to AIDC for the T-34 and AT-3 trainers worth $6.1 million per annum.

Best Products/Services

The Taiwan aviation industry continues to offer excellent prospects for U.S. products, services and technology since the civil and military aircraft fleet consists largely of American aircraft. Almost no aircraft spare-parts used by Taiwan's airlines are manufactured locally because of international certification concerns by Boeing and Airbus. U.S. suppliers are particularly strong in such areas as: airplanes, engines/parts, propellers and rotors/parts, under-carriages/parts, wings and parts of gliders.

THAILAND

Opportunities for sales of U.S. aircraft and parts, including other related equipment is high in Thailand, because U.S. companies and their products have the highest market share and are well-received by end-users. Despite its small and captive nature, the aircraft and parts market in Thailand continues to have high growth potential due to near-term completion of the new Bangkok International Airport (Suvarnabhumi) – expected in 2006. The completion of the new airport is expected to increase the demand for aircraft, related parts, avionics, airframe and engine components, and maintenance/overhaul services from local and foreign airlines visiting Thai airports. Imported aircraft, parts, and maintenance services play a vital role as Thailand lacks a domestically based aircraft and parts

manufacturing industry to support domestic demand.

The total market size of aircraft and parts in Thailand stood at $677 million in 2004. It is estimated to have increased to $802 million in 2005 and analysts estimate growth will continue at a rate of 5% per annum to support increased demand. The volume of imported products has been inconsistent each year, depending on new commercial aircraft acquisitions, government and military budgets, as well as parts needed for maintenance and overhaul of existing aircraft fleets.

The distribution channels of aircraft and parts in Thailand are direct from manufacturers or through local agents/distributors. It is worth noting that Thailand exports a relatively high volume of aircraft and parts. These exports are re-exports of aircraft and parts for overseas maintenance and repair, as well as exports of locally-manufactured parts for aircraft communications and electronics equipment. With regard to the competition, U.S. manufacturers are competing with manufacturers from Europe, especially British and French companies. This competition includes participation by such well-known players as Boeing, Airbus, and BAE, etc. The key competitive advantages are price, quality, financing terms and after sales service. Among others, buyers seem to put more emphasis on price and quality, given that they are mostly government-owned agencies with limited budgets.

Best Products/Services
Best prospect areas are Aircraft and related parts, Avionics, Airframe and engine components and Maintenance/overhaul services.

Resources
- Thailand's Customs Department [compiled by U.S. Commercial Services, Bangkok]
- Ministry of Transport, http://www.mot.go.th
- Department of Civil Aviation (DCA), http://www.aviation.go.th
- Thai Airways International Public Co., Ltd, http://www.thaiair.com
- Directorate of Aeronautical Engineering, http://www.rtaf.mi.th
- U.S. Commercial Service, American Embassy, Mr. Kitisorn Sookpradist, Commercial Specialist
  Tel: 662-205-5279
  Fax: 662-255-2915
  Email: ksookpra@mail.doc.gov
  Website:
  http://www.buyusa.gov/thailand/en

UNITED ARAB EMIRATES

The air transport industry in the Middle East is experiencing the fastest rate of expansion in the world. According to a report by the Overseas Exhibition Services Ltd., passenger and cargo traffic is rising at the rate of 10% a year. The total value of aviation-related projects currently underway or imminent in the region has recently been valued at $20 billion. Local and regional airlines are expected to spend an additional $30 billion over the next en years on expanding their fleets and Dubai's national carrier Emirates, announced in November 24, 2005 a stunning $9.7 billion order of 42 Boeing 777's airplanes.

The United Arab Emirates has acknowledged the importance of aviation as a vital artery that links it to the rest of the world. Building on centuries of tradition as a trading post in the path for Africa, South Asia and the Gulf, the modern UAE offers a

highly energized business environment coupled with the infrastructure and resources to service the full spectrum of global business needs.

Systematic efforts have been made over the past five years to expand the infrastructure of the aviation sector as both Abu Dhabi and Dubai move towards an era when they function as major hubs for airlines from across the globe. A reflection of the UAE as a modern country can be best seen in the futuristic plans laid out mostly by Abu Dhabi and Dubai for their sophisticated airports.

The growth and transformation of UAE into a major business and tourist hub is also evident by the tremendous increase in passengers, cargo and aircraft movements over the past few years.
According to the Dubai Department of Civil Aviation, traffic movement at Dubai International Airport has scaled new heights in 2004, with a 20% growth and 21.7 million passengers using the airport. Passenger movement is expected to continue growing in 2005 and to reach around approximately 25 million. Abu Dhabi International airport handled 5.2 million passengers in 2004, up from 3 million the previous year.

The Dubai-based Emirates Airlines is one of the world's fastest growing international airlines. Emirates operates an all wide-bodied fleet of 83 aircraft to over 75 cities in 54 countries Etihad Airways, the two year old UAE national carrier, currently operates a fleet of 12 leased aircraft and plans to acquire 56 wide-bodied aircraft by 2008. The most promising sub-sectors within this sector are aircrafts and engines aircraft.

Resources
E-mail: adel.fehmi@mail.doc.gov for additional information from the U.S. Commercial Service for the UAE.

UNITED KINGDOM

The UK's aerospace industry is currently the second largest in the world with an estimated turnover in 2004 of $32.9 billion. The sector has become increasingly dependent on the military sector and this trend is expected to continue based on the Ministry of Defense's plans to increase real spending by 1.4% for the period 2005-2008.However, this increased spending will also cover new non-aviation related equipment and rising operational costs resulting, in part, from military commitments in the Middle East. BAE Systems, focusing on military programs, has been withdrawing from many civil aerospace lines. A large part of this disengagement was achieved with the sale of business units to Finmeccanica SpA (announced in January 2005), who have a growing foothold in the UK market, alongside other certain European firms, namely EADS and Thales. Consolidation within the industry continues but strong prospects for U.S. exporters nevertheless remain, particularly as the UK seeks to invest in improved ISTAR capabilities, requiring expertise in areas that include systems integration and defense electronics.

There is a consistently strong demand for aircraft parts and components for MRO. In particular, the competition for passengers in a depressed market has generated demand for in-flight entertainment equipment. A new generation of products – including personal distributed video, audio/video-on-demand, in-flight satellite television and in-flight Internet – are giving airlines the

opportunity to create a marketing advantage. In a similar vein, the need to differentiate airlines has created opportunities for aircraft reconfiguration and cargo capacity.

Another factor is the UK government's commitment to increased airport capacity. With additional runways proposed throughout the country, including London's Heathrow Airport, an increasing need is developing for low-noise and low-emission equipment. The Ministry of Defense is increasingly emphasizing acquisitions related to systems for Network Enabled Capability. This will require systems integration experience, particularly with cutting-edge data links and software-related data fusion capabilities. Similarly, there are clear opportunities for the provision of training services, following on from projects that include the tri-service Military Flying Training System and the UK Combined Arms Tactical Trainer.

In the medium and long term the commercial air transport industry will resume growth with opportunities for both new aircraft types and updated versions of existing aircraft. After extensive revenue losses among the larger airlines, the struggle to absorb new aircraft scheduled for delivery is a problem that is only a little less acute for the low-cost carriers. Airlines' financial difficulties over the past two to three years have delayed some ambitious plans, these include the integration of new reservations and billing systems and customer relationship management policies, which may now be accelerated. Although confidence in air travel is steadily returning, the fear of further terrorist attacks remains and has led to increased spending on both aircraft and airport security and on aircraft and passenger insurance.

Although the civil aerospace sector had traditionally been considered the key driver of growth in the industry, in recent years a series of major military development projects have generated significant opportunities in the defense sector. However, government censure of cost overruns on selected programs, and the rising proportion of defense funds being allocated to meet operational and manpower costs have effected procurement. Nevertheless, the UK commitment to high-technology defense solutions – namely, the pursuit of Network Enabled Capability – remains. The impact on the defense sector of operations in Iraq and Afghanistan is difficult to quantify. The importance of acquiring enhanced surveillance/reconnaissance assets, not least UAVs, has been underlined, as has the requirement for improved strategic airlift capability. The acquisition of C-17 aircraft, and the significance attached to the Watchkeeper UAV program, appears to confirm this trend. Other than for existing aircraft and helicopter programs, the UK will be spending more on security related products and training contracts. For instance, the MOD is moving forward with its Ground Based Air Defense (GBAD) program competition, to be awarded in 2005. Additionally, amid mounting global tensions, the space and satellite manufacturing sector's products are likely to play an ever more crucial role, specifically in the handling of military communications and surveillance.

Valid opportunities exist for companies to supply a wide range of goods and services to the Ministry of Defense (MOD), by competitive tender and through the Government's Private Finance Initiative (PFI) and Public/Private Partnership (PPP) Schemes. One particular development is the public-private lease arrangements, which

will allow the RAF to lease operational hours without owning the airframe.

Resources

For further information on the UK aerospace market, please contact:

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American Embassy
24 Grosvenor Square
London W1A 1AE UK
Tel: 011 44 20 7894 0452
Fax: 011 44 20 7408 8020
Email: Jestyn.Cooper@mail.doc.gov

V. TRADE EVENTS

Trade events, such as trade shows and trade missions, offer excellent opportunities for face-to-face interaction with foreign buyers and distributors. Of the many U.S. and international events held throughout the year, some are vertical (single industry theme) and some horizontal (many industries represented). The events organized or approved by the U.S. Department of Commerce can be especially useful for first-time or infrequent participants – they require less lead time to register and typically involve more handholding.

Major trade events for the Aerospace Industry in 2007-2008 are listed below.

Australian International Air Show 2007
Location/Date: Victoria, Australia 3/20/2007 - 3/25/2007
Website: http://www.airshow.net.au
http://www.kallman.com
Contacts:
Karen Dubin, Trade Event Programs International Trade Specialist
Phone: (202) 482-3786Karen_Dubin@ita.doc.gov

Aerospace Executive Service at LAAD and Aviation Expo 07
Location/Date: Rio De Janeiro, Brazil 4/17/2007 - 4/20/2007
Website: http://www.buyusa.gov/eme/laad07.html
Contacts:
Amy Magat, Los Angeles (Downtown) International Trade Specialist
Phone: 213-894-3966Amy.Magat@mail.doc.gov

AERO 2007
Location/Date: Friedrichshafen, Germany 4/19/2007 - 4/22/2007
Website: http://www.hfusa.com
Contacts:
Juergen Mueller, Hamburg Commercial Specialist
Phone: 49-40-41171-313juergen.mueller@mail.doc.gov
Mara Yachnin, Trade Event Programs Senior International Trade Specialist
Phone: 202-482-6238mara.yachnin@mail.doc.gov

International Black Sea Defense & Aerospace Exhibitions & Conference 2007
Location/Date: Bucharest, Romania 4/24/2007 - 4/27/2007
Website: http://www.bdsa@tntexpo.com/)
http://www.micexpos.com
Contacts:
Cindy Biggs, Bucharest Senior Commercial Officer
Phone: (++4) (021) 200-3376cindy.biggs@mail.doc.gov
Helen Simpson-Davis, Trade Event Programs International Trade Specialist
Phone: 202-482-1882Helen.Simpson-Davis@mail.doc.gov

Monica Eremia, Bucharest Commercial Specialist
Phone: (++4) (021) 200-3358monica.eremia@mail.doc.gov
William Warnes, Marketing International Corporation
Phone: 703-527-8000Bill@micexpos.com

2007 Paris Air Show
Location/Date: Paris, France 6/18/2007 - 6/24/2007
Website: http://www.salon-du-bourget.fr
Contacts:
Cara Boulesteix, Paris Commercial Specialist
Phone: [33] (0)1 43 12 22 79Cara.Boulesteix@mail.doc.gov
Christopher Mente, Toulouse Commercial Specialist
Phone: [33] (0)5 34 41 36 52Christopher.Mente@mail.doc.gov
Mara Yachnin, Trade Event Programs Senior International Trade Specialist
Phone: 202-482-6238mara.yachnin@mail.doc.gov

Dubai Air Show
Location/Date: Dubai, UAE November 11-15, 2007
Website: www.fairs-exhibs.com/airshow05/index

Singapore Air Show
Location/Date: Singapore 19th – 24th February 2008
Website: www.singaporeairshow.com
Contact:
Mr. Tom Kallman
Kallman Worldwide Inc.
4 North Street, Suite 800, Waldwick,
NJ 07463 - 1842
Tel: + 1 201 251 2600
Fax: +1 201 251 2760
tk@kallman.com

Berlin Air Show
Location/Date: Berlin, Germany May, 27 – June, 1 2008
Website: www.ila-berlin.de
Contact:
Mr. Bill Musser
E-mail: ila2006@exhibitpro.com
Phone: (540) 372-3777
Fax: (540) 372-1414

ILA North America
701 Kenmore Avenue – Suite 220
Fredericksburg, VA 22401-5737

Farnborough International Air show
Location/Date: Farnborough, England 14th – 20th July 2008
Website: www.farnborough.com
Contacts:
Farnborough International Ltd
2nd Floor
1 Queen Anne's Gate
London
SW1H 9BT
Tel: +44 (0)20 7976 3330
Fax: +44 (0)20 7976 3349

Japan Aerospace 2008
Location/Date: Yokohama, Japan October 1-5, 2008
Website: www.japanaerospace.jp
Contacts:
Society of Japanese Aerospace Companies (SJAC)

To find other upcoming trade events of interest for U.S. Aircraft and Aircraft Parts, check out the on-line Trade Event Directories listed below. For Aerospace related events in particular, use industry search terms such as Aircraft, Aerospace or Avionics.

Schedules for U.S. Government Organized or Sponsored Events

Domestic USDOC Events: http://www.export.gov/comm_svc/us_event_search.html
International USDOC Events: http://www.export.gov/comm_svc/us_event_search.html

Schedules for Commercially Organized Events

Expo 24-7 (http://www.expo24-7.com/default.asp)
TSNN (http://www.tsnn.com/)
ExpoWorldNet (http://www.expoworld.net/)
Exhibition Center - Foreign Trade Online (http://www.foreign-trade.com/exhibit.htm)

VI. AVAILABLE MARKET RESEARCH

Aircraft & Aircraft Parts

The reports listed below are country-specific market surveys relating to Aircraft and Aircraft Parts written by resident U.S. commercial staff in each country. Many of these reports analyze demand trends, the competition, business practices, distribution channels, promotional opportunities, and trade barriers.

All the reports can be obtained on-line at no cost from **www.export.gov**, or in print/on disk for $25.00 from:

CENTER FOR INTERNATIONAL TRADE DEVELOPMENT
13430 Hawthorne Blvd, Hawthorne, California 90250 USA
Phone: (310) 973-3173 Fax: (310) 973-3132 E-mail: **mkogon@elcamino.edu**

The Argentine Market for Aircraft and Parts	Argentina	9/14/2005
Helicopters	Australia	3/25/2003
Civil Aerospace Market	Austria	7/31/2003
Aircraft and Parts	Austria	7/3/2002
Belgian Aerospace Industry	Belgium	11/7/2006
Brazilian Helicopter Market	Brazil	6/23/2005
Demand for Agricultural Aircraft & Aviation Parts Increases in Brazil	Brazil	8/11/2004
Helicopters & Parts	Brazil	3/19/2003
Aviation Equipment and Services	Bulgaria	2/12/2007
Bulgaria: Aviation Market Brief	Bulgaria	12/27/2005
Aircraft/Aircraft Parts Market	Canada	4/4/2006
Aircraft and Engine Parts	Canada	6/11/2002
Chile: Aircraft & Aircraft Parts	Chile	9/27/2006
Aviation Industry Market Brief 2005	China	11/29/2005
Aircraft Parts & Components Market in China	China	8/12/2005
Small Aircraft Market in South China	China	1/6/2004
Small Aircraft and Parts	Costa Rica	3/28/2003
The European Aviation Safety Agency (EASA)	European Union	8/12/2005
Civilian Aircraft Industry Manufacturers in France 2005	France	10/25/2006
Civilian Aircraft Industry Manufacturers in France	France	6/8/2005
Civilian Aircraft Manufacturers in France	France	10/9/2003
Civil Aviation Services in Georgia	Georgia	4/7/2003
The German Aerospace Industry Maintains its Ascent	Germany	11/18/2005
Unmanned Aerial Vehicles (UAVs)	Germany	3/21/2005
Commercial Aviation	Germany	8/12/2003
Market Brief for Hong Kong Aviation Sector	Hong Kong	12/22/2005
Aviation Industry Market Brief	Hong Kong	6/14/2006
Civil Aerospace Market Overview	Hungary	8/5/2002
Multi-role Combat Aircrafts	India	7/26/2006

Air and Air Parts	India	8/31/2005
Procurement Officers at Israel's Major Defense Industries	Israel	5/6/2004
Japan: Business Aviation Industry	Japan	11/2/2006
Japan: Helicopters	Japan	9/7/2006
Aircraft/Aircraft Parts	Japan	9/13/2005
Business Aviation in Japan	Japan	3/15/2005
Airport Ground Support Equipment (GSE)	Japan	7/5/2004
Aircraft/Aircraft Parts	Japan	8/14/2002
Aircraft & Aircraft Parts and Service in Kenya	Kenya	5/26/2005
Aircraft & Aircraft Parts Market Brief, Malaysia	Malaysia	11/21/2005
Aviation/Aerospace Equipment Market in Malaysia	Malaysia	10/26/2003
Aircraft & Aircraft Parts in Malaysia	Malaysia	9/30/2005
The Mexican Top Brass Air Fleet	Mexico	6/21/2005
Airport Groups Operating in Mexico	Mexico	9/21/2004
Mexican Air Force Aircraft Inventory	Mexico	8/17/2004
Defense - Business Opportunities	Mexico	7/6/2004
Used Aircraft In Nigeria	Nigeria	8/30/2005
Aerospace Market Brief - Philippines	Philippines	12/2/2005
Civil Aviation Market in Poland	Poland	8/31/2005
Aerospace and Defense	Russia	12/21/2006
Aircraft and Aircraft Parts	Russia	10/1/2002
Equipment Modernization	Slovakia	3/3/2004
General Aviation in Southern Africa	South Africa	8/30/2006
Southern African Air Carriers	South Africa	9/30/2004
The South African Defense and Aerospace Equipment Market	South Africa	9/30/2004
Opportunities for U.S. Aircraft Parts & Components Manufacturers	South Korea	2/22/2006
Aerospace & defense industry	Spain	8/3/2005
Aircraft/Aircraft Parts	Spain	5/19/2004
Aircraft and Parts	Sweden	9/12/2005
Swiss Aerospace Market Poised for Strong Growth	Switzerland	8/18/2006
Potential for U.S. Aerospace Suppliers to Enter the Swiss Aviation	Switzerland	6/16/2006
Civil Aircraft and Parts	Switzerland	3/15/2005
Aerospace Market Brief - Taiwan	Taiwan	12/5/2005
Overview of Taiwan's Aerospace Industry	Taiwan	10/31/2003
Aerospace Market Brief - Thailand	Thailand	12/16/2005
Market Opportunities for Sales of Aircraft and Parts	Thailand	9/1/2005
Turkish Airlines Future Aircraft Needs	Turkey	9/29/2003
The UK Aerospace Market	UK	5/31/2005
Civil Aircraft Markets	Vietnam	3/28/2003
Overview of the Aviation Sector in Vietnam	Vietnam	1/3/2006

APPENDIX

Products in Aircraft and Aircraft Parts, by Schedule B Code
HS 88, 901420: 76 Items

880310	AIRCRAFT AND SPACECRAFT PARTS
901420	AIRCRAFT ENGINE INSTRUMENTS, GAS CONTROL, ELECTRICAL OR ELECTRONIC
901420	AIRCRAFT ENGINE INSTRUMENTS, GAS VARIABLES CHECKING, ELECTRICAL OR ELECTRONIC
902610	AIRCRAFT ENGINE INSTRUMENTS, LIQUID CHECKING, ELECTRICAL OR ELECTRONIC
903289	AIRCRAFT ENGINE INSTRUMENTS, LIQUID CONTROL, ELECTRICAL OR ELECTRONIC
902610	AIRCRAFT ENGINE INSTRUMENTS, LIQUID MEASURING
841181-82	AIRCRAFT ENGINES, GAS TURBINE
840710	AIRCRAFT ENGINES, SPARK-IGNITION, INTERNAL COMBUSTION
841111-12	AIRCRAFT ENGINES, TURBOJET
841121-22	AIRCRAFT ENGINES, TURBOPROPELLER
940110	AIRCRAFT FURNITURE (SEATS, ETC.), AND PARTS THEREOF
901420	AIRCRAFT NAVIGATIONAL INSTRUMENTS, N.E.S.O.I. (ALSO SEE SPECIFIC TYPE)
880320	AIRCRAFT PARTS (INCLUDING LANDING GEAR)
850710-80	AIRCRAFT STORAGE BATTERIES
880110-90	AIRCRAFT, NON-POWERED
910400	ALARM CLOCKS FOR VEHICLES, AIRCRAFTS, SPACECRAFT OR VESSELS
901420	ALTIMETERS, AIRCRAFT
901420	ALTITUDE GYROS, AIRCRAFT
901420	ALTITUDE INDICATORS, AIRCRAFT
940540	ANTI-AIRCRAFT SEARCHLIGHTS
901420	ARTIFICIAL HORIZON INDICATORS, AIRCRAFT
901420	AZIMUTH INSTRUMENTS, AIRCRAFT
880110-90	BALLOONS, DIRIGIBLES, GLIDERS AND KITES (AIRCRAFT)
901420	BANK AND TURN INDICATORS, AIRCRAFT
880240	CARGO TRANSPORTS (AIRCRAFT)
880510	CATAPULTS AND SIMILAR AIRCRAFT LAUNCHING GEAR
901420	CIVIL AIRCRAFT INSTRUMENTS AND APPLIANCE FOR AERONAUTICAL, OR SPACE NAVIGATION (OTHER THAN COMPASSES)
901420	CLIMBING OR DIVING SPEED INDICATORS, AIRCRAFT
901420	CLIMBING SPEED INDICATORS, AIRCRAFT
910400	CLOCKS WITH WATCH MOVEMENTS INSTRUMENT PANEL, FOR VEHICLES, AIRCRAFT, SPACECRAFT OR VESSELS
901410	COMPASSES, AIRCRAFT
901420	CONTROLS, AIRCRAFT NAVIGATIONAL INSTRUMENTS
901420	COURSE PLOTTERS, AUTOMATIC DIRECTIONAL, AIRCRAFT
852691	DECCA (HYPERBOLIC GRID SYSTEM), DESIGNED FOR AIRCRAFT INSTALLATION
901410	DIRECTION FINDING COMPASSES FOR USE IN CIVIL AIRCRAFT, N.E.S.O.I.
901410	DIRECTION FINDING COMPASSES, N.E.S.O.I., (EXCEPT CIVIL AIRCRAFT)
901420	DIVING SPEED IDICATORS, AIRCRAFT
840710	ENGINES, AIRCRAFT, SPARK-IGNITION, INTERNAL COMBUSTION
840710	ENGINES, MODEL AIRCRAFT, SPARK-IGNITION
271019	FUEL, JET AIRCRAFT, KEROSENE-TYPE
271011	FUEL, JET AIRCRAFT, NAPHTHA-TYPE
901420	GAUGES, MANIFOLD PRESSURE, AIRCRAFT

700711	GLASS, SPECIALLY TEMPERED OR TOUGHENED, FOR USE IN AIRCRAFT, SPACECRAFT OR VESSELS
901410	GYROSCOPIC COMPASSES FOR USE IN CIVIL AIRCRAFT (ELECTRICAL)
901410	GYROSCOPIC COMPASSES FOR USE IN CIVIL AIRCRAFT (EXCEPT ELECTRICAL)
940600	HANGARS, AIRCRAFT, ALUMINUM, PREFABRICATED
940600	HANGARS, AIRCRAFT, PREFABRICATED, IRON OR STEEL
901420	INDICATOR, AIRCRAFT NAVIGATIONAL INSTRUMENT
901420	INDICATORS, AIRCRAFT, ALTITUDE
901420	INSTRUMENTS AND APPLIANCES FOR AERONAUTICAL OR SPACE NAVIGATION (OTHER THAN COMPASSES) (EXCEPT CIVIL AIRCRAFT)
901420	INSTRUMENTS AND APPLIANCES FOR AERONAUTICAL, OR SPACE NAVIGATION EXCEPT FOR USE IN CIVIL AIRCRAFT (OTHER THAN COMPASSES)
901420	INSTRUMENTS AND APPLIANCES FOR AERONAUTICAL, OR SPACE NAVIGATION FOR USE IN CIVIL AIRCRAFT (OTHER THAN COMPASS
880320	LANDING GEAR, AIRCRAFT
880510	LAUNCHING GEAR, AIRCRAFT
852691	LORAN RECEIVERS, DESIGNED FOR AIRCRAFT INSTALLATION
901410	OPTICAL INSTRUMENTS, DIRECTION FINDING COMPASSES (EXCEPT FOR USE IN CIVIL AIRCRAFT)
901410	OPTICAL INSTRUMENTS, DIRECTION FINDING COMPASSES FOR USE IN CIVIL AIRCRAFT
880310-90	PARTS, N.E.S.O.I., FOR AIRCRAFT AND SPACECRAFT
940190	PARTS, N.E.S.O.I., FOR SEATS FOR MOTOR VEHICLES OR AIRCRAFT
880240	PASSENGER/CARGO COMBINATIONS, AIRCRAFT
880310	PROPELLERS, AIRCRAFT
852691	RADIO BEACON RECEIVERS, EXCEPT AIRCRAFT
852691	RADIO DIRECTION FINDERS, DESIGNED FOR AIRCRAFT INSTALLATION
852691	RADIO NAVIGATIONAL RECEPTION APPARATUS FOR AIRCRAFT (EXCEPT PARTS)
901420	RECORDERS, ALTITUDE, AIRCRAFT
880211-12	ROTARY-WING AIRCRAFT, NONMILITARY AND MILITARY
940110-20	SEATS FOR MOTOR-VEHICLE OR AIRCRAFT USE
848590	SHOCK ABSORBERS, EXCEPT MOTOR VEHICLE AND AIRCRAFT
852691	SHORAN RECEIVER, DESIGNED FOR AIRCRAFT INSTALLATION
853080	SIGNALS, AIRCRAFT TRAFFIC CONTROL, ELECTRIC
902920	SPEEDOMETERS FOR USE IN CIVIL AIRCRAFT
902920	TACHOMETERS FOR USE IN CIVIL AIRCRAFT
401130	TIRES NEW, AIRCRAFT
401213	TIRES, RETREADED, FOR AIRCRAFT
847989	WINDSHIELD WIPERS, AIRCRAFT, SHIPS AND ALL VEHICLES EXCEPT CYCLES AND MOTOR VEHICLES
854430	WIRING SETS FOR USE IN VEHICLES, AIRCRAFT OR SHIPS