

Other creative initiatives are being developed by individual banks, in cooperation with EDC. For example, the Toronto Dominion Bank and EDC recently became partners in a financing program for the automotive parts sector. Under this arrangement, 50% of financing provided by the Toronto Dominion Bank to eligible companies will be guaranteed by EDC. With EDC's involvement, the Toronto Dominion Bank may finance up to 100% of the cost of making tools and molds used in the manufacture of automotive parts, as well as offer flexible repayment terms. Another example of an innovative initiative is the launch of Northstar Trade Finance Inc., a company owned by the Bank of Montreal, the B.C. Trade Development Corporation, Ontario Ministry of Economic Development and Trade, and Dalhousie Financial Corporation, a small Vancouver-based financing firm. Northstar Trade Finance supports Canadian exporters by offering fixed rate, medium term financing to credit worthy foreign buyers of eligible Canadian goods and services.

The foregoing represents a degree of cooperation never before seen for the benefit of the SME exporter. This cooperative approach is precisely the kind needed to mobilize Canada's export potential, and in particular, the potential of SMEs.