

The Canadian firms now in Indonesia include not only large, internationally renowned corporations, but also small and medium-sized firms with unique expertise in emerging technologies and specialized services.

Small and medium-sized enterprises [SMEs] are a priority for my ministry, representing 70 per cent of the firms utilizing the services of our embassies and trade commissions in the Asia-Pacific region. In Indonesia, SMEs account for a significant portion of the over 200 per cent increase in the number of business visitors recorded by our embassy here in Jakarta.

These are the companies who are forming joint ventures and technology transfer arrangements with Indonesian private sector counterparts to create and expand a "win-win" economic partnership.

The Canadian government is supporting the expansion of these business linkages through strengthened trade promotional activities and innovative export financing and insurance programs.

The Canada-Indonesia business development office, a project being implemented by the Canadian Exporters' Association with the support of the Canadian International Development Agency, is assisting Canadian firms in accelerating investment and technology partnering and registration locally, through the work of resident advisers located at "BKPM" [Investment Co-ordinating Board] and "BPPT" [Agency for Applied Research and Technology].

The Export Development Corporation, EDC, has expanded its lending programs to include not only government-to-government transactions, but also support for private sector procurement from Canada and limited-recourse financing for large-scale capital projects.

The first of what I hope will be a number of private sector lines of credit was signed by EDC with Indonesia's Bank Umum Nasional in May of this year. This facility, which will support transactions with a value of \$100 000 or more, is of particular importance to Canadian and Indonesian small and medium-sized firms who require export credit support.

There are already a number of such transactions in the pipeline. They will add to the extensive EDC portfolio in Indonesia, which has accounted for over \$800 million in financing support since the 1970s.

An EDC representative has joined me on this mission to pursue further discussions with their Indonesian and Canadian clients.