

News Release

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Minister for
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GOVERNMENT RENEWS \$2 BILLION LINE OF CREDIT

WITH CHINA TO SUPPORT CANADIAN EXPORTERS IN TARGET MARKET

International Trade Minister John C. Crosbie announced today that the Government of Canada has renewed a Cdn. \$350 million concessional financing facility with the People's Republic of China. The funds form part of a Cdn. \$2 billion line of credit that Export Development Corporation (EDC) signed with the Bank of China in Beijing today.

The concessional facility was established in 1986 to support Canadian exporters in their efforts to pursue export sales in this priority market for Canada by being able to offer financing that is competitive with the concessional financing offers being provided by other export credit agencies to support their exporters.

The renewal of the concessional facility, and the line of credit, assures Canadian exporters that their potential buyers in China will have access to medium and long term financing to support their purchases of Canadian goods and services.

To date, the Canadian facility has proven to be a success and a number of Canadian exporters, both large and small from across Canada, have concluded significant sales in the areas of telecommunications, electrical generation and distribution, petrochemical/chemical plants, grinding wheel manufacturing machines, sawmill equipment and other sectors. An important bridgehead has been established by competitive Canadian exporters in the China market and opportunities for increasing sales to China are very promising.

In making the announcement, Mr. Crosbie said that, "China is one of Canada's most important markets, and our industrial expertise closely matches China's development priorities. With the renewal of this line of credit, Canadian companies will have every financial advantage available to them in helping to find their place in this vital market".

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