

Conversely, Canadian exporters identified some \$1.3 billion in sales opportunities which were lost between 1980 and 1990 due to limitations on the availability of concessional funds. Moreover, they identified some \$8.9 billion in sales which could be pursued were concessional financing available.

The national interest considerations of our key competitors focus primarily on the enhancement of the political and commercial bilateral relationship rather than on the risk/credit assessment or cost/benefit analysis of the transaction. Canada is the only country to apply a formal cost/benefit analysis of transactions. In addition, the concessional programs of the selected countries are predominantly market oriented, with an emphasis on infrastructure projects - Belgium is the exception with a sector orientation.

Canada has set transparent and comprehensive standards with its four year cash flow management, its selection process and its accountability requirements. However, the majority of our competitors' concessional financing is incorporated in varied funding envelopes, and it is not subject to separate scrutiny or to yearly report to parliament, other than through ODA reports. In addition, transparent and comprehensive as the standards may be, Canadian exporters do not understand the decision-making process with respect to concessional financing, and there is a need to clarify this process.

With the exception of Canada, all of the other countries, including the U.S.A., have concessional financing programs which directly tap ODA funds. Moreover, as noted earlier, all of these programs involve a tied-aid component, while Canada only ties Section 31 concessional funds to the provision of Canadian goods and services with a minimum 60% Canadian content.

It may be that the time has come to re-examine the Canada Account concessional program in terms of source of financing. If we are to continue to enable Canadian exporters to compete with the countries which this study has considered, it is clear that additional or alternative sources of funding will have to be examined. Indeed, the exporters themselves have