

our business volume is increasing rapidly. While in 1992, EDC's total business volume stood at \$18 million, it reached \$174 million in 1993 and is expected to increase its activity level in 1994. Exporters supported under EDC's various programmes ranged from small to large companies. You will find hereunder EDC's position with respect to both the insurance and financing programmes.

#### Foreign Investment Insurance (FII)

Argentina is now one of EDC's most important markets for FII. Under this insurance programme, EDC can cover the following risks: transferability of funds, expropriation, as well as war, revolution and insurrection. In 1992 and 1993, EDC's total insurance coverage stood at \$13.0 million and \$165.0 million respectively and was primarily in respect of investments in the oil and gas sector. It is expected that investors' interest will continue in the oil and gas sector. However, EDC hopes our business will grow in other sectors such as the mining sector, where the Republic of Argentina is making this industry sector more attractive to international investors.

#### Short Term Insurance

EDC can also protect Canadian suppliers against non-payment of foreign receivables with a term of up to 360 days and less. EDC is on-cover for both the public and private sectors (open for ILC and case-by-case for open account). In 1992 and 1993, EDC's business volume was respectively \$5.3 million and \$8.0 million. To date, 1994 looks promising; as at February 28, 1994, EDC had already provided insurance coverage for \$2.8 million of Canadian exports. Over the last three years, EDC has supported a wide range of goods including: paper, rubber, sulphur, telecommunications equipment, medical/pharmaceutical products, etc.

#### Medium Term Insurance and Financing

Presently, EDC is only open for private sector risk under these two programmes. However, with the significant improvement of the financial situation of the Republic of Argentina, EDC is currently reviewing whether or not it should resume cover for the public sector risk as well. It should be noted that in view of the significant exposure EDC already has in Argentina, if EDC were to support new public sector projects, it would be on a modest basis.

Under the Medium Term Insurance Programmes, EDC can protect a Canadian supplier of services, capital goods or projects against non-payment of foreign receivables by a private sector buyer with a term up to five years or less.