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GOVERNMENT SUPPORTS AGRICULTURAL SALES TO CUBA

International Trade Minister John C. Crosbie announced today that the government, working through the Export Development Corporation (EDC) will provide up to Cdn. \$25.9 million in export insurance to cover sales of up to \$20.9 million in agricultural commodities to Cuba.

In making the announcement Mr. Crosbie noted, "Having this insurance in place through EDC will provide Canadian commodity producers with the security to maintain a growing market in Cuba for products such as New Brunswick seed potatoes, Ontario corn, and Alberta pulses."

While Cuba has been a traditional cash market for Canadian agricultural commodities, since 1986 EDC has been providing insurance to support sales made on 360 day credit terms. Since then, Canadian exporters have entered into long term agreements, and recently new exporters have become preferred suppliers, increasing Canada's market share.

The insurance will be extended by EDC in concert with Cuba's making payments on its existing debt with Canada.

The insurance covering sales to Cuba is part of EDC's Bulk Agricultural Insurance program which has provided support for over Cdn. \$ 790 million worth of agricultural commodity exports worldwide since 1986.

EDC is Canada's official export credit agency, responsible for providing export credit insurance, loans, guarantees, and other financial services to promote Canadian export trade.

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