

The transactions have been reviewed under and comply fully with the Canadian government guidelines regarding trade with China announced in June, 1989. The exports preserve existing links established by the exporters in the past, and include training components that offer direct, people-to-people exchanges. The pulp and paper products and services to be exported are clearly directed towards civilian domestic needs.

The exports will be financed under a line of credit between EDC and the Bank of China. EDC lends the funds to the Bank of China, which in turn lends them to Chinese end users.

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. EDC reports to Parliament through the Minister for International Trade.

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