

cash-flow burden, the Canadian Commercial Corporation - CCC - has developed a Progress Payment Program delivered through bank branches. The Progress Payment Program helps small and medium-sized businesses obtain pre-shipment financing for export sales beyond that normally available to them.

Another frequently cited problem of export financing is the uneven treatment of foreign receivables in terms of margining against operating lines of credit. The Export Development Corporation has been working closely with banks in extending operating lines of credit to Canadian exporters against their foreign receivables.

Clearly, adequate financing to exporters is critical. However, equally as important in developing international trade is the availability of financing to an exporter's foreign customer. As we know, a good financing package can often make or break the sale.

This is particularly true in markets of emerging economies. To that end, EDC is currently working with banks in developing two frameworks for foreign risk sharing to encourage banks to participate actively in international financing and to increase the overall availability of financing to foreign markets. One of these frameworks is targeted directly at supporting smaller exporters.

In a similar vein, a new company was launched several months ago, called Northstar Trade Finance Inc. This innovative firm provides medium-term export financing for smaller export sales. Northstar was developed with support from federal and provincial governments, the Bank of Montreal and an EDC insurance arrangement.

Making more or better financing available to exporters is one of the key objectives that we have been pursuing with banks. Another related goal is to help exporters to become more efficient at accessing available capital.

Today's seminar helps to provide the opportunity to acquire the tools necessary to make the best use of the trade finance products and services available from both public and private sector financial institutions.

Similarly, as part of our discussions with banks, we identified the need to increase the knowledge of bankers about the business of exporting and the challenges faced by exporters. As a result, the Institute of Canadian Bankers has put together a seminar for account managers involving senior bank trade specialists and representatives from my department and the Export Development Corporation. As companies generally turn to their bankers for export financing information, this seminar should help bankers serve their clients better.