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DOW CHEMICAL TO SUPPLY CHINESE PLANT

EXPORT SALE FINANCED BY EDC

Ken James, Member of Parliament for Sarnia announced today on behalf of International Trade Minister John C. Crosbie that the government will support a sale of chemical equipment and services by Dow Chemical Canada Inc. (Sarnia, Ontario) to China, by providing up to U.S. \$15.2 million in financing to the buyer through the Export Development Corporation (EDC). The sale is expected to generate approximately 480 person-years of employment in Canada.

This transaction is financed under the \$2 billion Line of Credit with the Bank of China announced by Minister Crosbie October 27, 1988.

In making the announcement, Mr. Crosbie stated, "This sale of chemical process technology is a major success on two fronts. It helps to create employment in Canada, and it also shows that Canadian industry is earning the respect of buyers from other countries, outside our traditional areas of expertise, such as agriculture, forestry, mining, and telecommunications."

Dow Chemical Canada Inc. has been awarded a contract to supply equipment and related services for the construction of a chemical plant in Ningbo, Zhejiang province, on the east coast of China. The plant is to be completed within five years, and Dow Chemical Canada will provide the process design technology, procurement of equipment and materials, the training of operating personnel, and the technical support for the engineering, construction, commissioning and start-up phases of the project. The plant will use Dow technology to produce propylene oxide, propylene glycol, and polyol, which are used in the manufacture of flexible foams and solvents. Dow Chemical is a wholly-owned subsidiary of the Dow Chemical Company and is a major producer and marketer of inorganic and organic chemicals.

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