

to Canadian benefits, the exporter's technical and financial capability, and the creditworthiness of the borrower/country.

### Opening Doors for SMEs

Thousands of SMEs rely on EDC's support. Some of the ways in which EDC is helping SMEs increase their export business in China include:

- *Emerging Exporters Team*, which focuses exclusively on helping smaller exporters manage risks associated with exporting. Exporters can access a team member by calling 1-800-850-9626. These small-business specialists can put insurance coverage in place on the spot and can approve sales to foreign buyers.
- *SME Financial Services Team*, which coordinates all EDC initiatives aimed at SME capital goods and services exporters.
- *NORTHSTAR Trade Finance Inc.*, which, through a partnership with EDC, helps Canada's SMEs boost their competitive edge. NORTHSTAR has offices in Vancouver and Toronto and includes as shareholders three prominent Canadian banks. It provides medium-term loans (i.e. 1-5 year terms) ranging from \$100,000 to \$5 million to buyers of Canadian exports. These loans do not require repayment guarantees from the exporter since EDC insurance protects NORTHSTAR against buyer non-payment. China has been a primary focus of Northstar's operations in recent years. Exporters can contact NORTHSTAR at 1-800-663-9288.

As the Chinese market continues to evolve, EDC is familiarizing itself with issues related to transactions involving new risk (non-sovereign) structures, as well as the dynamic new Chinese entities involved. All creditors, including EDC, are struggling with some of the issues behind new risk transactions in China. However, EDC is well-positioned to consider providing support for creditworthy joint venture projects, as well as for projects involving corporate risk, commercial bank risk and project financing/limited recourse structures.

As part of its approach to addressing new risks, EDC now has an ongoing presence in China, and thus will gain enhanced market intelligence on issues relating to new risk transactions. Furthermore, EDC's business teams and financing and insurance specialists closely follow developments in the China market, helping EDC to underwrite new risks in support of Canadian exporters and investors.

For more information about EDC support for doing business in China, call 1-888-332-3320 to contact an EDC office near you. Fax (613) 598-6697 or e-mail [export@edc4.edc.ca](mailto:export@edc4.edc.ca). EDC's website is [www.edc.ca](http://www.edc.ca).