

EXECUTIVE SUMMARY

It is recognized that in today's environment the growth of small and medium-sized enterprises (SMEs) is critical to Canada's economic growth. Further, this economic growth will continue to be export led. At the same time, however, the job- and wealth-creating capabilities of SMEs will not be fully utilized until SMEs become more actively engaged in exporting.

In response to the Government's priorities relating to SMEs, two sub-committees were formed. One, chaired by Industry Canada, examined issues of domestic debt and equity financing to SMEs, the other, chaired by Foreign Affairs and International Trade (DFAIT), reviewed those issues involving SME exporters, particularly those relating to export financing. This report describes the status of the review of the DFAIT committee.

SME Exporter Action Plan

On May 6, 1994, the Ministers for International Trade, Finance, and Industry respectively, convened a meeting with the heads of 13 banks and other financial institutions, including the Export Development Corporation (EDC), to address the issue of "seeking enhanced means of furthering the capacity of small business to export."

As a result of the May 6th meeting, an *SME Exporter Action Plan (Action Plan)* was formulated and participants were requested to report back to Minister MacLaren in the fall of 1994. The *Action Plan* identified three distinct categories where support to exporters needed to be improved: Information/Access-to-Information, Short-Term Financing and, Medium-Term Export Financing.

Information/Access

The objective of the information/access-to-information component of the *Action Plan* was to enhance the ability of exporters to access information related to exporting and export finance.