

Accessing Pre-shipment Finance through CCC

The Progress Payment Program (PPP) helps small and medium-sized companies overcome the difficulties in arranging pre-shipment financing on export sales. The Canadian Commercial Corporation (CCC) now has agreements with 17 financial institutions to provide access to pre-shipment financing through lines of credit covering production costs for particular export sales.

With CCC's involvement and expertise in providing trade solutions, financial institutions will normally be prepared to provide funds beyond a Canadian exporter's regular line of credit.

Who can use PPP?

Canadian companies with sales of \$50 million or less and in good standing with their principal bank.

Looking to Do Business with the U.S. Federal Government?

Opportunities are just a key stroke away at the Internet site (www.gsa.gov) of the General Services Administration (GSA), which facilitates purchases by the U.S. government — "the world's largest consumer" — and the Electronic Posting System site (www.eps.gov). More GSA opportunities are listed on the site of the Canadian Embassy in Washington, D.C. (www.canadianembassy.org), and periodically in *CanadExport*.

How does PPP work?

- A financial institution flags exporting clients who may qualify for PPP and refers them to CCC.
- CCC assesses the risk and approves the exporter's application.
- The financial institution performs its own assessment and if acceptable grants the exporter a project line of credit to cover the cost of the export sale.

Franklin

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over a multimillion-dollar empire that includes 30 books, a hit TV show, videos, and an array of merchandise from Franklin bed sheets to puzzles.

This two-day event afforded an excellent opportunity to spotlight Sheridan College. Pamphlets and information were displayed at the event highlighting the College as well as the talent and creativity of Canadian animators and illustrators. It was also an occasion to draw the attention of American audiences to the stellar reputation Canada has established in children's books, television and entertainment.

The representatives of the Museum praised this successful, well-attended program, which was most appreciated by the children as well as parents looking for schools for their budding artists. The Museum said that based on the success of this program, it plans to incorporate a Canadian component in the Festival on an annual basis, and is looking forward to working with the Consulate to develop new ways to showcase the best of Canada in children's entertainment. ✪

- CCC then issues a disbursement order allowing the exporter to draw on the line of credit.
- The goods or services are delivered to the foreign buyer as per the contract terms.
- CCC receives payment from the foreign buyer and reimburses the financial institution for the line of credit.
- If the exporter defaults, CCC completes the contract and pays down the line of credit.

Credit line limits

Credit lines are limited to \$2 million per transaction for up to two years. With special approval, credit lines can be increased.

CCC is the Government of Canada's official export sales agency. It provides Canadian exporters with a range of export sales, consulting, contract management and access to pre-shipment financing services to help them win sales on better terms in a wide variety of markets around the world. ✪

Upcoming Home Furnishing Mission to North Carolina

A Spring 2000 marketing mission to High Point, North Carolina, entitled "Five Years in Five Days", has been organized by the Canadian Consulate General in Atlanta, the Department of Foreign Affairs and International Trade (DFAIT), Industry Canada and provincial trade offices.

The April 4-9 mission features a visit to the International Home Furnishings Market or High Point, the largest furniture show in the world (see the September 15, 1999, issue of *CanadExport*, p. 10).

For more information, contact Bill Stolz, Canadian Consulate General in Atlanta: tel.: (404) 532-2017, fax: (404) 532-2050, e-mail: william.stolz@dfait-maeci.gc.ca or your local International Trade Centre. ✪