

News Release

Minister for
International
Trade



Communiqué

Ministre du
Commerce
extérieur

No. 220

October 1, 1990.

EDC SUPPORTS SALE TO CHINA WITH LOAN OF US\$5.3 MILLION

International Trade Minister John C. Crosbie announced today that the Government of Canada, working through the Export Development Corporation (EDC), will lend up to US\$5.3 million to China in support of a contract awarded to Fujima International Inc. for the supply of automotive stamping dies to a Jilin province car manufacturer.

Fujima International Inc. will supply metal stamping dies for the production of parts by the First Automotive Works Corporation (FAW) at Changchun.

The transactions have been reviewed under and comply fully with the Canadian Government guidelines regarding trade with China announced June 30, 1989. The project preserves existing links established by Fujima International Inc. over the past several years, and includes a training component that offers direct, people-to-people exchanges. The car production by FAW is clearly directed towards civilian domestic needs.

The transactions will generate 225 person-years of employment in Canada.

The transactions are financed under a line of credit between EDC and the Bank of China. EDC lends the funds to the Bank of China, which in turn lends them to Chinese buyers. In this case, the buyers are the First Automotive Works Corporation and the China National Machinery Import and Export Corporation.

Fujima International Inc., a joint venture company located in Brampton Ontario, is equally owned by Cosma International Inc., a Magna controlled company and Fuji Technica Inc. from Japan.

Fujima supplies metal stamping dies to many major automobile manufacturers in North America and Europe as well as to automotive parts suppliers who sell to automobile manufacturers.

EDC is Canada's official export credit agency responsible for providing export credit insurance, loans, guarantees, and other financial services to promote Canadian export trade. EDC reports to Parliament through the Minister for International Trade.

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