

provincial twinings. On a municipal level Toronto-Chongqing, Montreal-Shanghai, Vancouver-Guangzhou, Edmonton-Harbin, and Calgary-Daqing head a growing list. Aside from the formalization of "twinning" agreements, provincial and municipal governments have taken an active role in a number of shared activities that have forged new bonds and reinforced existing contacts. Frequently, one of the major goals of such activities is trade and economic exchange. Where there are similar economic, cultural and geographic interests, these arrangements flourish best. When the other essential ingredients of a business relationship are already present, "twinning" could provide a useful complement to open doors.

Export Financing

The Export Development Corporation (EDC) finances exports to China through three financing facilities established with Chinese banks. The first facility with the Bank of China, which has had its license extended until October 1, 1995, has been the primary vehicle used to support of over \$2 billion worth of Canadian exports. Two other facilities, one with the Bank of Communication and another with the People's Construction Bank of China, will have their licenses expire in August of 1995.

EDC financing is normally available for up to 85 percent of the contract price of Canadian capital equipment and services. Foreign investment insurance as well as short and medium-term insurance products are also available.

Canada Account financing, available on the basis of national interest considerations, may be available to support exports to China. Requests for Canada Account support, both concessional and non-concessional, are assessed on a case-by-case basis.

Four of the major Canadian chartered banks (Royal Bank, Bank of Montreal, Canadian Imperial Bank of Commerce, and Bank of Nova Scotia) have Beijing offices which concern themselves with trade facilitation and