

# News Release

# Communiqué

Minister for  
International  
Trade



Ministre du  
Commerce  
extérieur

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CHINA BUYS SAWMILL TECHNOLOGY,  
EDC PROVIDES FINANCING TO BUYER

International Trade Minister John C. Crosbie today announced that the government, working through the Export Development Corporation (EDC), is supporting a sale by 347060 British Columbia Limited (BCL) (Vancouver) of sawmill technology to China by providing the buyer with up to U.S. \$4.0 million in financing assistance. The sale is expected to generate some 189 person-years of employment in Canada.

This transaction is financed under the \$2 Billion Line of Credit with the Bank of China announced by Minister Crosbie October 27, 1988.

In making the announcement, Mr. Crosbie said that this sale into one of Canada's priority markets, demonstrates the skill of Canadian entrepreneurship and the value of Canadian technology, as China is a highly competitive market.

The sale calls for BCL to supply equipment and related services for a sawmill with annual log input of 90,000 cubic meters in southern China. Upon completion, this sawmill will process wood for furniture manufacture.

BCL is a Vancouver-based trading company specializing in Canada-China trade, particularly in the wood processing industry.

The financing for the sale is being provided by EDC as an allocation to the Bank of China, which has a Cdn. \$2 billion line of credit with the EDC. Under the terms of the agreement, the Bank of China borrows funds on behalf of other Chinese agencies that use goods or services provided by Canadian exporters. In this case, the Bank is borrowing funds on behalf of a state-owned corporation that specializes in foreign trade.

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Export Development Corporation (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.

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