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# news release

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## NORTHERN TELECOM EXPANDS SALES IN CHINA WITH EDC FINANCING

The Honourable Michael Wilson, Minister of Industry, Science and Technology and Minister for International Trade, announced today that the Government of Canada, through the Export Development Corporation (EDC), will support the sale of digital switching systems by Northern Telecom Canada Limited (NTCL) to China. The transaction will be financed with a loan to the Bank of China of up to US\$35 million.

NTCL will supply digital switching systems for public exchanges to the China National Machinery Import and Export Corporation for use by the posts and telecommunications authorities in Hebei Province, south of Beijing. Northern Telecom Limited, based in Mississauga, Ontario, is a leading global supplier of fully digital telecommunications systems. This transaction will create approximately 1,010 person-years of employment in Canada.

The project preserves existing links established by the exporter over the past 20 years and includes a training component that offers direct, people-to-people exchanges. The telecommunications equipment and services to be exported will help expand network capacity to better meet civilian domestic needs.

The transaction is being financed under a line of credit between the EDC and the Bank of China. The EDC lends the funds to the Bank of China, which in turn lends them to end-users.

The Export Development Corporation is a unique financial institution that specializes in helping Canadian exporters compete internationally. The EDC facilitates export trade and

foreign investment through the provision of risk management services, including insurance and financing, to Canadian companies and their global customers. The EDC reports to Parliament through the Minister for International Trade.

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