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JOE NG ENGINEERING TO EQUIP COAL GASIFICATION PLANT IN CHINA

Minister of Industry, Science and Technology and Minister for International Trade Michael H. Wilson announced today that the Government of Canada, working through the Export Development Corporation (EDC), will lend up to US\$5 million to China to support the sale of equipment and services by Joe Ng Engineering Limited (JNG) for a coal gasification plant in Kunming, Yunnan Province.

JNG of Hamilton, Ontario, founded in 1980 and employing a staff of 85 people, is a consulting engineering firm that provides engineering services on a domestic and international basis to firms in the rubber, petrochemical, steel, automotive and chemical fields.

JNG's primary project responsibilities will be to provide design engineering and procurement services. This sale is expected to create 165 person-years of employment in Canada.

This transaction has been reviewed under, and complies fully with, the Canadian government guidelines regarding trade with China announced in June 1989. The project includes a training component that offers direct, people-to-people exchanges. The equipment and services for the coal gasification plant are clearly directed towards civilian domestic needs.

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

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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