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Ms. Smallridge:

We welcome the opportunity to provide our input on the upcoming legislative review of Export Development Canada (EDC).

This review is timely considering the current global business context marked by increasing protectionist and nationalist policies, and the priority placed by the Canadian government on market diversification and emerging economies. Working closely with EDC will be key for Canadian exporters to increase their capacity to be active and competitive in emerging economies, as they now account for approximately 60% of global GDP.

As you are aware, access to financing for Canadian products and services for foreign buyers in global markets allows for a level playing field vis-a-vis competitors. Furthermore, EDC strengthens the position of Canadian suppliers if its offerings are competitive, enhancing the capacity of Canadian firms as they address international opportunities, all the while respecting international rules such as the Aircraft Sector Understanding (ASU), established by the Organisation for Economic Co-operation and Development (OECD).

To better support Canadian exporters in important emerging and developing markets, we recommend that EDC:

- Add the guarantee structure to its framework as a mechanism to create mutually beneficial partnerships with local financial institutions and international financiers as it promotes a risk sharing approach and leverages expertise and knowledge particularly in emerging markets;
- Provide tools and resources necessary to Canadian businesses to be effective and competitive in emerging markets to support the Government's overall export and economic growth strategy;

- Increase its financing thresholds in emerging markets for large scale infrastructure projects on terms and conditions being offered by competing export credit agencies (ECAs);
- Seek a formalized approach for ECAs to coordinate their assessments of Corporate Social Responsibility (CSR) and other risks, i.e. a framework within which ECAs can share information and develop a consistent assessment of risks related to non-credit risks in certain markets;
- Explore the use of Development Finance Institutions to engage in capacity-building initiatives for developing economies, aligned with sectors where Canada has competitive strengths and expertise. These initiatives could create a favorable environment for Canadian firms to compete in these markets, by helping to address upstream bottleneck/capacity challenges.

Thank you for the opportunity to put forward our recommendations. We look forward to providing further input later in this process.



**Pierre Pyun**  
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