

# Financial Assistance Programs for Export



## Business Development Bank of Canada (BDC)

[www.bdc.ca](http://www.bdc.ca)

*Market Expansion Financing:* Businesses can gain financial assistance with repayment terms tailored for maximum flexibility. There is up to \$50,000 in long-term financing to help businesses take advantage of opportunities to grow. BDC can re-advance any repaid portion of the loan starting at a minimum of \$10,000 (conditions do apply). The market expansion financing option is unique, as it provides businesses with the flexibility to borrow more money when needed.

## Export Development Canada (EDC) [www.edc.ca](http://www.edc.ca)

*Export Express Credit:* In the EDC's partnership with Mercantile Finance Services Ltd, the Export Express Credit option enables businesses to obtain unsecured loans of up to \$50,000 with flexible repayment terms of up to two years. No pledge of company or personal assets is required and there are no penalties for early payback. This program is designed for Canadian exporting companies with at least two years of operating history and with annual sales less than \$5 million.

*Export Guarantee Program:* The Export Guarantee Program helps businesses access additional financial support in export-related activities and/or foreign investments. The EDC can provide guarantees on loans to finance on-going export-related working capital needs, and the purchase of equipment or other expenses related to export activities. Any Canadian company with export-related activities or foreign investments can inquire about this program. To qualify, your financial institution must be willing to establish a credit arrangement with your company and participate in the financing. The related costs are based on the associated risks, the duration of the contract and the amount of financing required.

*Supplier Financing:* The EDC offers a variety of supplier financing arrangements tailored toward small- and medium sized export contractors. Under a note purchase arrangement, the EDC can buy promissory notes issued to the business by its foreign buyer related to the sale of Canadian goods and services. This reduces the risk of non-payment and increases access to cash. Typically, note purchase arrangements are suitable for contracts with simple payment terms and with repayment terms of up to two years. The costs and rates associated with supplier financing are based on the credit risk of your customer, the term of the note and market risk.

*Project Finance:* The Project Finance option provides structuring, expertise and direct financing of complex, large-scale global projects across a variety of industry sectors. This type of financing support is typically required when the project sponsor needs to build, expand or acquire a project. Typically, the EDC focuses on three key sectors including energy, infrastructure & telecom, and mining metals / resources. To qualify, the project must demonstrate economic benefits to Canada and a financial model must be clearly outlined.

**Nova Scotia Business Inc. (NSBI) [www.nsbi.ca](http://www.nsbi.ca)**

*Export Prospector Program (EPP):* NSBI has developed the Export Prospector Program to create new, high potential selling situations for Nova Scotian companies. Applicants must be able to clearly demonstrate a commitment to develop new markets outside of the Maritime Provinces, and the ability to service the new market. The non-refundable contribution from EPP will not exceed a maximum of \$5,000 per project application.



*Service Export Program (SEP):* The Service Export Program provides funding to small and medium-sized enterprises in the later stages of the sales cycle to support business interactions. To qualify, applicants must clearly demonstrate that they possess a fully-developed exportable service. The non-repayable contribution from SEP will not exceed 50% of approved eligible costs, to a maximum contribution of \$5,000 per project application, with a maximum of five projects per year. Minimum and maximum contribution restrictions apply.

*Go-Ahead Program (GAP):* The Go-Ahead Program helps small and medium-sized enterprises realize their export potential by supporting export opportunities. The program helps cover the costs of follow-up market visits to prospects recognized or pursued during a previous interaction. Non-repayable contributions will not exceed 50% of approved costs. To qualify, the project must follow up from a past trade initiative. Minimum and maximum restrictions apply.

**Atlantic Canada Opportunities Agency (ACOA) [www.acoa.ca](http://www.acoa.ca)**

*International Business Development Agreement (IBDA):* The IBDA provides financial assistance to not-for-profit and non-commercial organizations to deliver support services and resources to Atlantic Canadian exporters. To qualify, a project proposal must be submitted. Financial assistance is given based on project needs.

*Business Development Program (BDP):* The Business Development Program focuses on small and medium-sized enterprises and offers access to capital in the form of interest-free, unsecured, repayable assistance. To qualify for BDP financing, a business project should provide economic benefit to an area or community and be economically feasible. ACOA can provide an unsecured, interest-free loan towards the eligible costs of a new establishment, expansion, or modernization of a project which improves the organization's competitiveness. ACOA's contribution is repayable on a time schedule tailored to the enterprise. The maximum level of assistance under the program is as follows.

Costs eligible for up to 50% financing include:

- Construction or acquisition of a building
- Machinery and equipment
- Working capital requirements related to an establishment or expansion project
- Intangible assets such as patents, trademarks and licenses
- Start up costs such as insurance and interest capitalized during construction

Costs eligible for up to 75% financing include:

- Marketing
- Training
- Innovations
- Consultant advice
- Contract bidding
- Business proposal development
- Business support



[www.enterprisescanada.ca](http://www.enterprisescanada.ca)

*Global Opportunities for Associations (GOA):* The GOA provides contribution funding to support national associations undertaking new or extended international business development activities for the benefit of an entire industry (member and non-member firms). Annual non-repayable contributions range from a minimum of \$20,000 to a maximum of \$150,000 and agreements are made for a one-year period from April 1 to March 31. GOA provides matching funds of up to 50% of eligible expenses. To apply, new associations must complete the Pre-Screening Eligibility Requirement Checklist. Access to this process is provided when registering for a Virtual Trade Commissioner (VTC) account. [www.international.gc.ca](http://www.international.gc.ca)

*International Science and Technology Partnerships Program (ISTPP):* The International Science & Technology Partnerships Program promotes international collaborative research and development activities. The ISTPP promotes and supports joint research projects which have the potential for commercialization between Canada and partner countries. ISTP Canada is a not-for-profit arms-length organization, incorporated in Canada, which will support up to 50% of the costs of approved joint research projects proposed by companies and universities/colleges and other private sector research and development institutes. Partner countries include Israel, India, Brazil, and China. To qualify, an organization's project must contribute to the objective of the ISTPP program, and in the event of a business success, funding is repaid in whole or in part. To qualify, a proposal must be submitted and should demonstrate the intention to undertake a long-term, multi-year strategy.

<http://www.tradecommissioner.gc.ca>

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