



Top 5 EDC Products Used By Canadian ICT Companies

For more detailed information please visit: [EDC's Website](#)

1. Accounts Receivable Insurance

Accounts Receivable Insurance (ARI) protects Canadian businesses against non-payment by U.S. and foreign customers.

- Business Benefits:
 - **Mitigated risk:** ARI covers up to 90 percent of losses due to non-payment resulting from commercial or political risks.
 - **Access to capital:** ARI can be used as security against which a bank may extend your working capital.
 - **Increased sales:** ARI allows you to maintain your existing client base and attract new customers with attractive payment terms and credit options.

2. Foreign Buyer Financing

EDC offers a range of financing solutions for foreign buyers of Canadian capital goods and services.

- Business Benefits:
 - **Increased Opportunity:** Canadian companies can win more business by offering their foreign customers flexible financing and payment options.
 - **Peace of mind:** Canadian companies can secure cash sales while EDC assumes the risk of non-payment by foreign customers.
 - **Direct access:** Foreign customers can access loans directly from EDC or through one of our financial partners.
 - **Flexibility:** EDC can lend funds in any major international currency and will consider transactions of any size.

3. Pre-Shipment Financing

Through its Pre-Shipment Financing guarantee, EDC encourages Canadian financial institutions to advance pre-shipment loans to Canadian companies exporting goods or services, then covers up to 75 percent of loan value.

- Business Benefits:
 - **Capacity:** Pre-Shipment Financing gives Canadian companies the financial strength to close and fulfill international deals.
 - **Business development:** By accessing the working capital to fund the upfront costs associated with an export contract, Canadian companies can reserve their existing operating lines for new business development.

4. Surety Bond (re)Insurance

Surety Bond (re) Insurance (SBI) gives surety companies reinsurance capacity of 100 per cent, enabling them to provide Canadian companies with the bonding support required to conduct business overseas.

- Business Benefits:
 - **Minimized risk:** By minimizing the risks for your surety company, SBI facilitates your access to bonding capacity in the market.

- **Access to surety bonds:** EDC has fronting agreements with international institutions, so companies without existing surety lines can obtain the bonds you'll need.

5. Contract Frustration Insurance

Contract Frustration Insurance (CFI) protects Canadian companies against losses related to specific export contracts for services, capital goods or projects. CFI covers up to 90 per cent of costs incurred or receivables lost.

- Business Benefits:
 - **Mitigated risk:** CFI protects you, and in some cases your suppliers, against commercial and political risks.
 - **Business growth:** CFI protects your exports, allowing you to increase sale size, enter new markets with confidence, and expand your presence where your business is already active.
 - **Enhanced competitiveness:** CFI allows you to maintain your existing client base and attract new customers with flexible payment terms.
 - **Secured working capital:** By assigning the claims proceeds to your bank as collateral, CFI allows you to retain more cash with which to pursue export deals.
 - **Uninterrupted cash flow:** Timely assessment and payment of eligible claims against your CFI policy help ensure that both your cash flow and company's viability are protected.