

EXPORT TO CANADA NEWS

INFORMATION · ADVICE · CONTACT

TRADE MATTERS

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CANADIAN MARKET ACCESS INITIATIVE INFORMATION PAPER

Launched in 2003, the Canadian Market Access Initiative promotes economic growth in 48 least developed countries around the world. The Initiative expands your trading opportunities with Canada by allowing goods to enter duty-free and quota-free, giving you a competitive edge in this market.

UPCOMING WEBINARS

TFO Canada Online Services

<u>English</u> - July 22, 2015 at 8:00 am (EDT)

<u>Spanish</u> - August 27, 2015 at 1:00 pm (EDT)

French - September 3, 2015 at 8:00 am (EDT) <u>Como Exportadores</u> <u>pueden beneficiarse de La</u> <u>Corporación de Solución</u> <u>de Controversias sobre</u> <u>Frutas y Hortalizas (DRC)</u> <u>en Canadá</u> *(in Spanish only)*

August 12, 2015 at 11:00 am (EDT)

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35 YEARS – A PROUD HISTORY, OUR PROMISING FUTURE

Do you remember what was happening 35 years ago? The biggest movie on the planet was "Star Wars – The Empire Strikes Back", the Rubik's Cube and Pac-Man were first introduced into the marketplace, CNN became the first 24-hour news station and the original fax machine was available in Japan. Around the world, we saw the start of the Iran-Iraq war, former Beatle John Lennon was killed outside his apartment in New York City and Ronald Reagan was elected President of the United States.

All of these events took place in 1980 and were headline stories during the year. Yet, it is important to note another happening that took place in May of 1980 – the opening of the first TFO Canada office. Trade Facilitation Office Canada/Bureau de promotion du commerce Canada (TFOC/BPCC) was established as Canada's response to a commitment made to the United Nations in the late 1970s to demonstrate our support for growing trade capacity in the developing world. The vehicle for delivery was the United Nations Conference on Trade and Development-General Agreement on Trade and Tariffs (UNCTAD-GATT) and TFO Canada based its client list strictly on those identified under the GATT as

Least Developing Countries (LDCs) and Landlocked Developing Countries (LLDCs).

When I reflect on the past 35 years of TFO Canada, the mandate we had in 1980 on confronting the challenge of global poverty by promoting sustainable economic development through trade with developing countries is still very relevant in 2015. This is especially true given how much Canada's international trade landscape has changed based on the number of agreements we have seen, with the first free trade agreement coming into force with the United States in January 1989. In many respects, these changes have provided greater opportunities for small and medium sized companies to look at the viability of the Canadian market thanks to the reductions of trade barriers.

Looking ahead, TFO Canada will continue to play the role of strategic partner that serves small and medium sized exporting companies and helps them to establish strong links with Canadian firms. We will continue to answer the question on how international trade can be a driver of equitable, sustainable development. Through our trade promotion activities, training programs, market access & capacity building services, and information that we provide to developing country exporters, Canadian importers as well as trade support institutions, our intent is to provide practical tools that equip everyone with what they need to be successful in Canada and abroad.

While we reflect on the past 35 years of TFO Canada, we can be proud of what has been accomplished together. Looking ahead, you can count on TFO Canada to continue our efforts in facilitating access to the Canadian marketplace and share our trade expertise for the benefit of smaller male and female owned/managed exporting companies and for the men and women

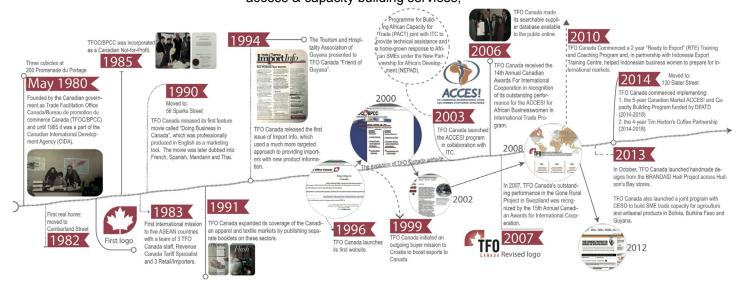
they employ.

Steve Tipman Executive Director TFO Canada



TIPMAN'S TRADE TIP

"Do not underestimate the power of the internet. Having a strong website that shows your company in a positive light can be an important step towards making a favourable impression. Think of it as your storefront to the world."





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The Canadian Market Access Initiative helps you to:

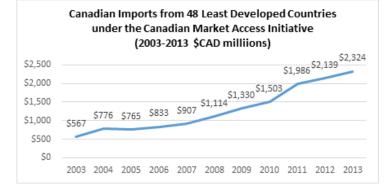
- · Grow and expand your business by trading with Canada
- Benefit from favourable trade arrangements
- · Gain a competitive edge in the Canadian market
- Connect with potential trading partners
- Learn tips for export success

WHY TRADE WITH CANADA?

Ranked as the 13th largest importer in the world, Canada offers a wealthy marketplace for your goods. The proportion of Canada's economic activity that relies on international trade is higher than any other G7 country. On a per capita basis, Canadians import twice as much as the United States. Canada is also a bilingual country, offering opportunities for exporters in both official languages of English and French.

ELIGIBLE GOODS

Almost all goods coming into Canada from the 48 countries under this Initiative can enter duty-free and quota-free. The only exceptions are raw and unprocessed forms of dairy, poultry and egg goods.



Note: Excludes minerals HS codes 26-27 and 71 Source: Industry Canada, Trade Data Online, 2014

RESULTS

Trade flows from the 48 eligible countries have increased significantly since the Market Access Initiative began over ten years ago. The largest share of imports are in commodities: crude oil, aluminum ore and rubber. After excluding minerals, imports of consumer goods are also steadily rising, amounting to CAD \$2.3 billion in 2013. Popular consumer goods include textiles, apparel, food products, tableware, kitchenware, headwear, carpets, electrical and electronic equipment, sporting goods and jewellery.

This information has been extracted from TFO Canada's Canadian Market Access Initiative Information Paper. Registered members can download the full paper at <u>www.tfocanada.ca/mip.php</u>.

MODERNIZING FOOD SAFETY IN CANADA

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The Canadian Food Inspection Agency (CFIA) is working to modernize food safety in Canada through a new Safe Food for Canadians Act. Under this initiative, three CFIA inspection statutes will be consolidated into a single set of regulations which apply to all food that is imported, exported or prepared for inter-provincial trade in Canada. Regulations will address four areas:

- Identifying and licensing food businesses for authorization to conduct certain activities
- Enhancing food safety with a focus on prevention, good manufacturing practices, and HAACP certification
- Written Preventative Control Plan (PCP) to document the hazards and preventative controls that demonstrate food safety requirements are met
- Traceability to track food one step forward and one step backwards in the supply chain

Canada is the 6th largest importer of agricultural and agri-food products in the world. Over the past decade, there

have been a number of fatalities from food recalls in Canada, such as the recall of spinach products contaminated with salmonella in 2013. CFIA has also noted a rise in the occurrence of undeclared allergens in food products. Addressing these risks is a key driver of CFIA's modernization of safe food for Canadians regulations. CFIA held targeted consultations with micro and small businesses across Canada from April 17 to June 30, 2015. It is expected that the new Act will come into effect after 2016.

To learn more about this initiative and its activities, visit CFIA's website.



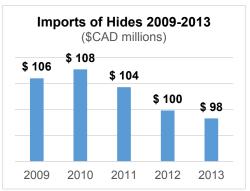
CANADIAN MARKET FOR HIDES, LEATHER GOODS AND LEATHER APPAREL

Renowned for its softness, durability and luxury image, leather has reemerged as a top fashion trend in recent years both on Canadian <u>runways</u> and <u>retail shelves</u>. While classic items such as leather jackets, belts, and bags remain commonplace, new designs include everything from leather dresses, to pants, to dress shirts, as well as more subtle leather accents such as the arms of a coat or sweater. A wide-range of colours, patterns and textures are available, however black and neutrals remain the most popular.

Canada's domestic leather manufacturers reported their <u>highest</u> <u>sales</u> in five years in 2013 reaching a total of \$430.7 million. In addition, Canada imported \$98.3 million in leather hides this same year, led by tanned bovine leather (\$9.2 million), raw or wet-salted cattle hides (\$4.3 million), tanned sheep/lamb skins (\$2.1 million), and patent/metallized leather (\$1.0 million). Canadian imports of finished leather goods and apparel increased significantly from 2009 to 2013 to reach \$303 million and \$267 million respectively. Top products included leather handbags (\$163 million), clothing (\$90 million), gloves (\$111 million), and sporting goods (\$71 million).

Italy remains a top leather supplier for luxury retailers, while China has emerged as a low-cost alternative. Strong opportunities exist for exporters from other countries, with recent gains by Vietnam, Indonesia and Colombia seen in this market. While exporters must ensure compliance with Canada's strict rules for importing <u>animal products</u>, the majority of finished leather goods and properly treated raw hides can enter the country upon visual inspection at the border.

This information has been extracted from TFO Canada's Market Information Paper "Hides, Leather Goods and Leather Apparel". Registered members can download the full report at www.tfocanada.ca/mip.php.





Source: Industry Canada, Trade Data Online, 2014

TFO CANADA 35TH ANNIVERSARY FLASHBACK: DESIGN AFRICA



As TFO Canada reflects on 35 years of promoting sustainable economic development through trade with developing countries, the <u>Design</u> <u>Africa</u> program stands out as an important milestone. Design Africa was launched in 2006 to assist African artisans and home décor producers to grow their business through access to the Canadian and international market. Targeting small and mediumsized companies from seven African countries, the program provided seminars, training, and hands-on guidance in creating designs with international appeal. Part of the success of Design Africa is linked to the growing popularity of African designs around the globe. Sought after for their natural materials, beautiful finishing, and highend appeal, African designers have gained a reputation for the guality and originality of their work. For participating companies in Design Africa, preserving the rich tradition of design in their home countries is a central point of inspiration. Firmly rooted in this cultural heritage, African designers are innovating with modern twists that appeal to

international buyers. Handwoven techniques from indigenous artisans are combined with skills training to enhance the livelihood outcomes for local communities, especially women. The Design Africa program also provided training on how to do marketing for home décor products in Canada. Many of the companies had the opportunity to exhibit at Canadian design shows in Montreal and Toronto, where TFO Canada organized meetings with importers and wholesalers interested in sourcing form Africa.

This extract is a summary of WIPO Magazine's August 2008 article on Design Africa: "International Home Decoration Market Beckons <u>Africa's Designers</u>"



SNAPSHOT OF TFO CANADA ACTIVITIES

MARKET ENTRY STUDY PROGRAM: FINAL PRESENTATIONS

APRIL 2015

With the winter semester coming to a close this April, TFO Canada hosted final presentations from three participating universities of the Market Entry Study programme. Two MBA student teams from Wilfred Laurier University participated this year. The first presented on Canadian opportunities for a cluster of Dominican Republic mango producers, while the second produced a market entry report for a Bolivian producer of alpaca blankets. Students from the University of Victoria rounded out this semester's presentations, working with a specialty coffee company from Honduras to provide tailored market entry recommendations.



MBA students from Wilfrid Laurier University presentation on Bolivian Alpaca blankets

PERUVIAN MISSION TO CPMA MONTREAL 2015

APRIL 13-17, 2015

TFO Canada in collaboration with the Association of Exporters in Peru (ADEX) and the Trade Office of Peru in Canada (OCEX Toronto) organized an exporter mission to the largest Canadian tradeshow for fresh produce: CPMA Montreal 2015. Three Peruvian companies participated in the mission, offering a range of products: organic ginger, turmeric, Hass avocados, pomegranates, grapes, sweet potatoes and organic bananas. The mission began with a market familiarization tour to major grocers and distributors in the Montreal area. Exporters also benefited from a presentation from the Fruit and Vegetable Dispute Resolution Centre and 45 business-to-business meetings with potential Canadian buyers.

SECOND INFORMATION ROUNDTABLE FOR TORONTO TRADE REPRESENTATIVES

APRIL 23RD, 2015

Under the patronage of the Consul General of Grenada, (Hon) Mrs. C. J. Augustine-Kanu, TFO Canada **Regional Representative for Ontario** Alma Farias organized the second information roundtable for trade representatives based in Toronto. Clarecia Christie, TFO Canada Project Manager Trade Information Services, shared the importance of using trade information to access the Canadian market through a presentation on "Trade Information Services: International Trade in a Digital World". Participants engaged in a feedback session on TFO Canada's online services providing meaningful inputs to better serve their exporters. The roundtable was attended by delegates from Mongolia, South Africa, Chile, Peru, Indonesia, Mexico, Grenada, Sri Lanka and Argentina, Ecuador, Jamaica, Uruguay and Vietnam.

EXPORTER MISSION TO SIAL TORONTO 2015

APRIL 26-30, 2015

At SIAL Toronto 2015, TFO Canada organized a successful exporter mission of 70 companies showcasing over 193 products from Bolivia, Ecuador, El Salvador, Indonesia, Jordan, Morocco, Saint Lucia and Tunisia to Canada. Activities included a market familiarization tour to 8 retail outlets for 102 persons representing 55 companies along with an information session on the processed food market which featured presentations from Daniel Miller, Executive Director CFIA Food Import/Export and Consumer Protection Directorate and Nugroho Iskandar, Regional Manager, U.S. & Canada Operations of Indofood CBP Sukses Makmur TBK. TFO Canada also scheduled 256 business-to-business meetings for the exporters with 51 importers.



Business-to-business meetings at TFO Canada's booth, SIAL Toronto 2015

TFO CANADA'S 35TH ANNIVERSARY MAY 20TH, 2015

TFO Canada Celebrated its 35th Anniversary with past executive directors, its board members, its staff, Associates, officials from Canadian government departments and members of the diplomatic corps. Welcoming remarks were provided by Board Chair, Paul Hitchfield followed by Executive Director, Steve Tipman. Her Excellency Sofia Cerrato, Ambassador of Honduras, shared the history of TFO Canada working in her country and keynote speaker for the evening Malcolm Brown, Deputy Minister of International Development, Foreign Affairs Trade and Development, addressed the importance of innovative programming in trade promotion for development.



35th Anniversary Celebration reunites past and present Executive Directors

FACE-TO-FACE CONTACT IS STILL KING IN A VIRTUAL WORLD

These days, looking for any kind of information, is like looking for the proverbial needle in a haystack, especially if you do not know what you are doing, or where to find what you need. Each day, more than 2.5 Exabyte of data is created - that's a lot of data. Mantab, a Canadian importer of high quality canned fruits and vegetables, believes that TFO Canada has a welldesigned website that's easy to navigate with complete trade information. Martine Nepton Mantab's Main Buyer, who went on the TFO Canada Trade Mission to Expo Alimentaria in Peru, reports that, "Communication with Bertrand Walle was easy. We explained to him what we needed from the trade mission and he understood our needs. It felt like they were taking care of us. And he also recommended some upscale restaurants where we dined with other Canadians in Peru." Mantab believes that the trade organization delivered on its promise, making the experience more than Nepton and her colleague could ever have imagined.

Mantab was approached to participate in the Trade Mission, and it can be daunting when you are doing something for the very first time. TFO Canada, through its Canadian Market Access Program, offered logistical support that enabled two company representatives to attend Expo Alimentaria in Peru. The firm recognizes the importance of capitalizing on the opportunities that come its way, and this was a big opportunity for them because participating in TFO Canada Trade



Mantab buyers discuss business opportunities with Peru's Minister of Trade and Tourism, Magali Silva, at the Expo Alimentaria trade fair

Mission to Expo Alimentaria in Peru made it possible to meet their existing Peruvian customers, in addition to sourcing new ones. Incidentally, the caliber of the suppliers at the show was so outstanding that Mantab was able to order products from two suppliers while there. When they received the order of red peppers, they allowed their customers to sample the product. It was such a big hit that Mantab made another substantial order.

The biggest lesson that Nepton learned from participating in the event is, "It is all about showing up. If you want to get to know a supplier, you have to show up, make contact and shake hands. It is important to shake hands because email is not enough...." The company recognizes that it got the opportunity to show up because of TFO Canada's Trade Mission to Expo Alimentaria in Peru. And it didn't stop there, TFO Canada made sure that Mantab got what it needed by asking questions, listening to the responses, and then responding to the needs of the importer.

Read more succes stories on our website at <u>www.tfocanada.ca</u>

TFO Canada confronts the challenge of global poverty by promoting sustainable economic development through export information, advice and contact. We facilitate access to the Canadian marketplace and share Canadian trade expertise for the benefit of smaller male and female owned/managed exporters from developing countries and for the men and women they employ. Founded in 1980, TFO Canada is a non-governmental, non profit organization.

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