

# EXPORT TO CANADA NEWS

INFORMATION · ADVICE · CONTACT

## CORPORATE SOCIAL RESPONSIBILITY EDITION

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FLORVERDE



SUSTAINABLE FLOWERS



### THE ROLE OF THE PRIVATE SECTOR IN INTERNATIONAL ASSISTANCE

In working for an organization that strives to create sustainable private sector partnerships for exporters from developing countries with Canadian and foreign buyers, I am often asked about the role corporations can play when it comes to providing international assistance.

*Continued on Page 2*

### UPCOMING WEBINARS

<a href="#">Servicios en Linea de TFO Canada</a>	<a href="#">TFO Canada Online Services</a>
April 6, 2017 at 1pm	May 18, 2017 at 10:30am

## THE ROLE OF THE PRIVATE SECTOR IN INTERNATIONAL ASSISTANCE

When you consider that member countries of the Organization of Economic Cooperation and Development's Development Assistance Committee (OECD-DAC) reported a budget of \$132 billion USD in 2015<sup>1</sup>, we realize that there are certainly limitations, in terms of resources, that can be earmarked for spending on international development projects. Also, adding to ongoing needs are the challenges related to humanitarian assistance for displaced populations, natural disasters and emergency relief.

With all of this as a backdrop, it stands to reason that the private sector can play a very important role when it comes to international assistance, especially as it relates to building sustainable economic growth in developing countries. One method that is growing in popularity is the establishment of Public-Private Sector Partnerships (P3s) whereby a corporation and public sector entity (often federal, provincial/state or municipal government institutions) financially contribute together towards a project or program. The advantages that can be derived from such structures include the creation of a shared value where both business and development goals are realized, an infusion of additional capital towards a project and advantage of having both parties bringing alternative management and implementation skills. All of this can ultimately lead to having a greater impact in the developing countries where the investment is being made.

While some have equated a company's investment towards development projects as being part of their Corporate Social Responsibility strategy, our observation is that there can be great value in going the extra step and aligning it to their overall business objectives, often as being part of the management of a global supply chain.

Consistent with this concept is the Government of Canada's "approach to poverty reduction, where it supports market-oriented incentives for the private sector to target investments that achieve meaningful development results."<sup>2</sup>

### Steve Tipman

Executive Director  
TFO Canada



<sup>1</sup>Development aid in 2015 continues to grow despite costs for in-donor refugees" OECD. 13 April 2016  
From Global Affairs Canada's website: "[Private Sector as Partners in Development](#)"

### Understanding Organic Equivalency Arrangements with Other Countries

All Imported agricultural food products must also be certified under the Canada Organic Regime, following the same standards and regulations stipulated in the Canadian Organic Standards as well as the Organic Products Regulations (2009). Imported products certified as organic must therefore be evaluated through the same certification process and evaluation as any organic food product made in Canada.

Imported agricultural products can also be certified in accordance with an Equivalency arrangement between Canada and the exporting country. This type of agreement is only established when Canada assesses and compares the exporting country's regulatory system and its own, thus assuring that standards and principles are consistent. In the case of an equivalency agreement, products are evaluated and certified through the exporting country's organic certification system, which is deemed equivalent to Canadian regulations and standards, and may thus market their product as organic when exported Canada.

Products from countries that do not currently have an Equivalency Agreement with Canada must meet the requirements of both the importing country and those of The Canada Organic Regime to be marketed as organic in Canada.

To find out more about regulations affecting imported organic agricultural products, visit "[Organic Equivalency Arrangements with Other Countries](#)"

### TFO Canada's Corporate Social Responsibility (CSR) Resources

In its catalogue of trade information the organization has a number of resources to guide potential exporters and exporters alike through the process of incorporating corporate social responsibility processes into all aspects of its operations and the same is true for incorporating environmental management systems into an organizations. TFO Canada's resources are:

1. Corporate Social Responsibility Guide
2. Environmental Management System Guide
3. Webinar on "A Guide to Corporate Social Responsibility"

Log on at [www.tfocanada.ca](http://www.tfocanada.ca) using your user name and password to access the two guides, if you don't have a username and password register with us on the same website to access this rich content.

### TIPMAN'S TRADE TIP

When conducting international business, you should not underestimate the importance of understanding the business culture of your customer. For example, when doing business with a Canadian buyer, you may notice that formal language may only exist at the start of a relationship. While it is customary to address people with the term "Mr." or "Ms." followed by a person's surname initially, Canadians tend to move quickly to communicating on a first-name basis. This is actually quite consistent with other "younger cultures" such as the United States of America and Australia.

## ORGANICS, FAIRTRADE AND ETHNIC FOODS MARKET INFORMATION PAPER

Canada is the 4th largest organics market in the world. The organic market in Canada has tripled in value since 2006 and is now worth more than \$4 billion CAD per year. More than 20 million Canadians buy organic products weekly representing more than half the country's population. At the same time, the organic market represents only 4.7% of total food sales in Canada. British Columbia is the largest organic market in Canada by consumption percentage, with 66% of the province buying organic products weekly. However, the largest market in Canada for organics, by total amount sold, is the province of Ontario with over \$1 billion in annual sales.

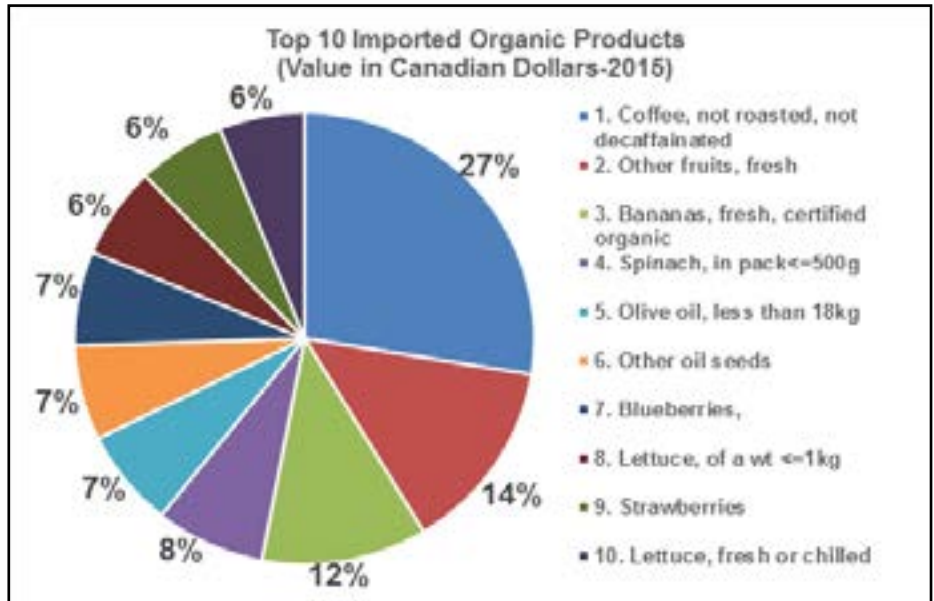
### Products Overview

The chart below illustrates the top 10 organic products that were imported into Canada in 2015. From 2014 to 2015, organic blueberries saw the largest growth rate, posting a 38.3% year over year growth, followed by organic bananas with a 31.4% year over year growth. Meanwhile, the product with the largest growth, by weight (kg), was other organic oil seeds, with a year over year growth of 22%, followed by, again, organic bananas with a 17.5% year over year growth. The largest fall was posted by lettuce, with a reduction of 18.8% from 2014 to 2015.

### Countries Overview

The United States is the number one exporter of organic food to Canada, by both Canadian dollar value and total weight, with \$386,177,092 million dollar and 121,187,940 kg exported in 2015, over 100 countries export organic food to Canada. During the period 2014 to 2015 Honduras experienced the largest demand growth for organic products from Canada. The country experienced an increase in demand by 86.5% in Canadian dollars and by 63.9% by weight (kg). The demand for organic products from Chile also grew exponentially from 2014 to 2015 by 57.1% in Canadian dollars while the second largest growth by weight (kg) was posted by Peru with 40.1% year over year growth rate.

*This information has been extracted from TFO Canada's Market Information Paper "Organics, Ethnic and Fairtrade Foods". Registered members can download the full report after April 9th, 2017 at [www.tfocanada.ca/mip.php](http://www.tfocanada.ca/mip.php).*



## CANADA'S ROLE IN THE ADVANCING OF RESPONSIBLE BUSINESS CONDUCT

For a significant period of time Multinational enterprises' social, economical, environmental etc. impacts on the societies in which they operate have become a topical issue internationally. The concerns of different stakeholders provide different perspectives of the corporate social responsibilities of business enterprise as a whole and have cause both citizens along with watchdog NGOs making them accountable for their actions and inaction as it relates to negative impacts on a society as a result of business conduct.

From an international overseer perspective the Organisation for Economic Co-operation and Development (OECD) has Guidelines in place for Multinational Enterprises (MNEs) as it pertains to corporate social responsibility. The OECD produces due diligence guidelines there are currently a number of industry-specific ones in place such as:

1. Garment and footwear sector
2. Financial sector
3. Agriculture supply chains

Global Affairs Canada chairs an interdepartmental committee called the Canada's National Contact Point (NCP) for the OECD Guidelines for Multinational Enterprises (MNEs). This NCP main purpose is to bring awareness to the Canadian business community, employee organizations and other parties concerned on the guidelines. The NCP does this through fora and consultations with these stakeholders. For more information on Canada's role in the OECD Guidelines for MNEs click [here](#).

## SNAPSHOT OF TFO CANADA ACTIVITIES

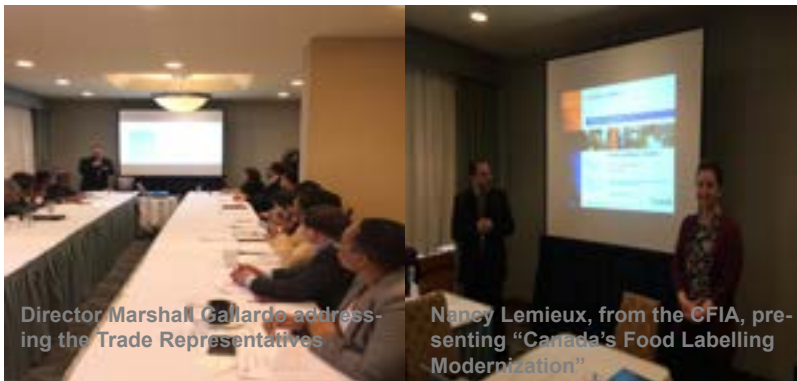
### TRAINING EVENT FOR OTTAWA TRADE REPRESENTATIVES

MARCH 22 & 23, 2017

TFO Canada hosted a training event for Ottawa-based trade representatives on March 22 (in English) and March 23 (in French). TFO Canada project managers Marysabel Gonzalez and Amandine Gakima led interactive sessions on “Getting Ready to Export”.

The Canadian Food Inspection Agency supported the event with a presentation on “Canada’s Food Labelling Modernization”, presented by Nancy Lemieux. Trade representatives from across Africa, Asia, Latin America and the Caribbean attended, for a total of 33 participants over the two day event.

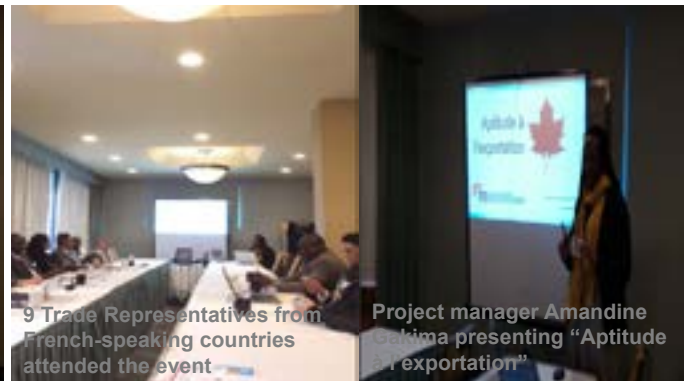
#### English Trade Representative Training



Director Marshall Gallardo addressing the Trade Representatives

Nancy Lemieux, from the CFIA, presenting “Canada’s Food Labelling Modernization”

#### French Trade Representative Training



9 Trade Representatives from French-speaking countries attended the event

Project manager Amandine Gakima presenting “Aptitude à l’exportation”



Project Manager Marysabel Gonzalez presenting “Getting Ready to Export”



Director Marshall Gallardo presenting in front of trade representatives

## ARTISAN HUB UPDATE

### TFO CANADA PARTNERS WITH APPAREL TEXTILE SOURCING CANADA (ATSC)

ARTISAN HUB PRODUCTS TO BE SHOWCASED AT THE ATSC SHOW

AUGUST 21 TO AUGUST 23, 2017

INTERNATIONAL CENTRE IN TORONTO

In January 2017, as part of the Artisan Hub project, 30 companies were selected to come Canada in 2017 to exhibit their products. These small and medium enterprises (SMEs) are from eight countries: Bangladesh, Cambodia, Nepal, Madagascar, Ethiopia, Lesotho, Uganda and Haiti, and offer a wide range of unique, hand-crafted home décor products, apparel, and fashion accessories.

Visit the website [www.artisanhub.ca](http://www.artisanhub.ca) to learn about all the activities of this project.

# SNAPSHOT OF TFO CANADA ACTIVITIES CONTINUED

## SEMINAR ON THE FRESH PRODUCE MARKET

**JANUARY 26, 2017**

Alma Farias, Toronto regional representative hosted a seminar in partnership with CPMA and OPMA on the “Canadian Fresh Produce Industry and Marketplace Trends” for Trade Representatives in Toronto- on Jan 26, 2017. There were 14 trade reps of 11 countries - Malaysia, Thailand, Mexico, Jamaica, Colombia, Afghanistan, Costa Rica, Chile, Ecuador, South Africa and Philippines were in attendance

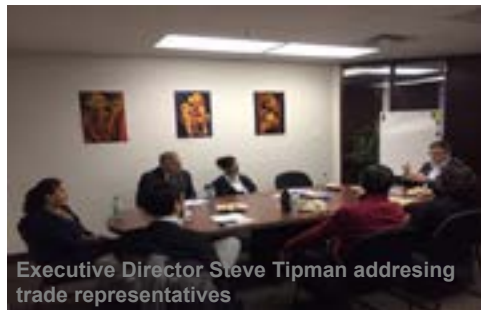


Presenting “Canadian Fresh Product Industry and Marketplace Trends”

## SESSION ON TFO CANADA SERVICES

**JANUARY 26, 2017**

On January 26, 2017 Marc Germain, Quebec regional representative and Steve Tipman, Executive Director hosted trade representatives from Haïti, Chile, Colombia, Argentina, Mexico, Honduras and Ecuador on TFO Canada Services.



Executive Director Steve Tipman addressing trade representatives

## EXPORT READINESS TRAINING IN COSTA RICA

**JANUARY – MARCH, 2017**

TFO Canada project manager, Marysabel Gonzalez participated and delivered two training modules on “Researching Markets” and “Market entry options”, to services exporters during the sessions held in Costa Rica from February 28 to March 1, 2017. This was a component of the Gateway to Trade program implemented under the trading partners Initiative where a series of export preparation sessions in the services sectors of Information Technology and Communications (ITC), Global Healthcare, Educational services and Environmental education, were delivered over the period January to March 2017. These sessions aimed to prepare new and existing exporters in the exporting process.



Project Manager Marysabel Gonzalez with service exporters from Costa Rica

## SERIES OF TRAINING SEMINARS IN MEXICO, COLOMBIA AND PERU

**FEBRUARY – MARCH 2017**

As part of the ‘Improving Market Access and Export Readiness for Pacific Alliance Small and Medium-sized Enterprises’ project, TFO Canada Project manager, Marysabel Gonzalez along with officers from PROMEXICO, PROMPERU and PROCOLOMBIA delivered seminars during the months of February and March 2017. These seminars were oriented to educate SME exporters on the Canadian import market. More than 200 companies participated in the seminars and learned about gaps in

logistics, regulatory entities, corporate and social responsibility, environmental management systems, gender inclusion and organic production standards.



Officers from ProMexico, PromPeru and ProColombia with over 200 exporters

## DELIVERY OF TECHNICAL SEMINAR ON EXPORTING COCOA PRODUCTS TO CANADA

**MARCH 22, 2017**

TFO Canada in partnership with the Ghana Export Promotion Authority (GEPA) and the Ghana National Chamber of Commerce and Industry (GCCCI) (part of both organisations action plan following the TSIs training in 2015) held a technical seminar on “Exporting Cocoa Products to Canada” for small and medium enterprises (SMEs) in the industry. The seminar, was delivered by Bertrand Walle an associate with TFO Canada on March 22nd in Accra, and sought to provide cocoa processing SMEs with an overview of the Canadian market, its potential and requirements.



Ghanaian Cocoa exporters pose for a group picture after attending the seminar

# SUCCESS STORY: CAFICOSTA

## SOCIAL GOOD BUILDS STRONG COLOMBIAN COOPERATIVE

To optimize Canada's contribution to the Free Trade Agreements with Colombia, Trade Partners Responsive Facility (TPRF) project of TFO Canada hosted an organic trade mission to Canada, to help Colombian small and medium sized businesses become export ready. The goal of the trade promotion activities was to reduce poverty and gender inequality, while increasing sustainable development. Juan Carlos Garcia, Cooperative Director of Caficosta, got the opportunity to be a part of the trade mission to Canada, where he visited Montreal and Toronto.

Juan Carlos Garcia understands that making powerful connections is hard work. He recognizes that, with a trusted connector, things can happen very quickly. Through TFO Canada's project, Caficosta strengthened its relationship with a Montréal based coffee company by having a scheduled face-to-face meeting. The meeting with the client helped the cooperative to understand and comply with the client's needs, which translated into an order of 18 containers of organic and fair trade coffee, valued at USD \$1,072,500. Caficosta Cooperative represents 2,600 small producers, 600 of which are female producers.

TFO Canada understands that when people can help themselves, the world benefits. And that it is important for both men and women to get the same opportunities to lift themselves out of poverty. One of the big challenges that small and medium-sized Colombian businesses face, is the lack of market intelligence on the Canadian import market. Additionally, although they know that organic products are important, producers do not understand the certification process, and the value-added gains of certified organic production.



To ensure that the small and medium Colombian producers succeed on the trade mission, the organizers scheduled 150 meetings. According to Juan Carlos Garcia, "The project helped me to understand what the clients expect from our products. They want 'cup quality' and continuous supply, besides the organic and fair trade certification."

Because of the project, Juan Carlos Garcia discovered that there is also a market for organic cocoa. Additionally, the Cooperative is now working with the producers to improve the quality of their products, so that they meet Canadian standards. Although Caficosta made a substantial sale with Canadian buyers, it's never just about profits -- people matter. "Fifty cents of USD dollar per pound of coffee is returned to the producer in the following way: 30 cents, which is the "primar organica" goes directly to the producer, and 20 cents, which is the fair trade prima, is administered by the cooperative to implement social programs for the producers."

Caficosta Cooperative provides life insurance to its producers. Thirty-six students of producers are on scholarship, studying at major universities in Colombia. Also, the cooperative has partnerships with fertilizer suppliers that do soil analysis, which doesn't cost the coffee growers to use the service. And they offer Service Credits to coffee growers who meet specific requirements.

TFO Canada improves lives through the creation of sustainable trade partnerships for exporters from developing countries with Canadian and foreign buyers. 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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