

EXPORT TO CANADA NEWS

INFORMATION · ADVICE · CONTACT

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ENVISIONING THE FUTURE OF TRADE IN SERVICES

t is hard to believe that three months have already passed since our last newsletter. I hope you had an excellent summer!

The theme for this issue is on the interesting area of trade in services. Why do I say interesting? Well when you look at the traditional areas of trade, and where many organizations tend to focus is on goods such as food, apparel, furniture and home décor, yet many economies are actually dominated by services. Take for example the Canadian economy where services made up 70% of the country's Gross Domestic Product (GDP) in 2015. Now that is substantial when you consider that the total GDP for the year was in excess of \$1,552,808M!! From a labour perspective, 78% of Canadians are employed in the services sectors.

When looking outside Canada's borders, it is undeniable that the world is experiencing a digital revolution, where technology and innovation has touched almost

every sector of the economy. This opens a tremendous window of opportunity for companies all around the world since there is no need to be in the same city or the same country to render services for other companies.

According to the World Trade Organization (WTO), services can be traded in 4 ways (or modes).

Mode 1: covers services supplied from one country to another (for example, call centre services).

Mode 2: covers consumers or firms making use of a service in another country (for example, through international tourism).

Mode 3: covers a foreign company setting up subsidiaries or branches to provide services in another country (such as a bank setting up a branch overseas).

Mode 4: covers individuals travelling from their own country to supply services in another (for example, a consultant travelling

abroad to provide an IT service).

It is also important to note that the WTO has tracked the increase of trade in services and says: "Over the past 20 years, trade in services has become the most dynamic segment of world trade, growing more quickly than trade in goods. Developing countries and transition economies have played an increasingly important role in this area, increasing their share in exports of world services from a quarter to one-third over this period."

With all of this information as a backdrop, the time is right to produce a newsletter that focuses on this sector specifically.

Happy reading!

Steve Tipman Executive Director TFO Canada



1 World Trade Organization: "The Most Dynamic Segment of International Trade: Trade in Services", Weisman, Ethan (2015)



Tipman's Trade Tip: You should only attend trade shows that match your marketing objectives

When evaluating which trade show to attend, it is important to consider its purpose, whether or not your target audience will be attending along with information about other exhibitors, the layout of the show, and how trade shows may or may not fit with your larger marketing plan.

It is always better to have this information in hand before making the investment and decision to attend.



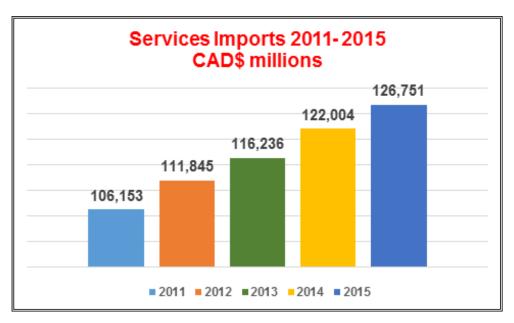
UPCOMING WEBINARS		
Cómo navegar los servicios en línea de TFO Canada	The Value of Having Certifications	Navigating TFO Canada's Online Services
1:00pm (EST) October 12, 2017	10:00am (EST) November 16, 2017	10:30am (EST) December 7, 2017

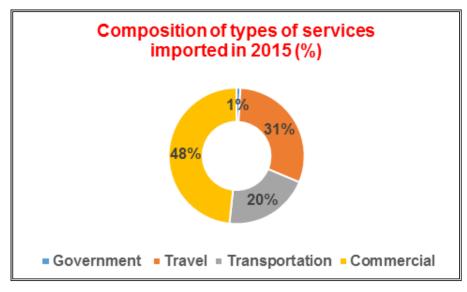


SNAPSHOT OF CANADA'S TRADE IN SERVICES BY THE NUMBERS

In 2015 Canadians imported approximately CAD\$127 billion worth of **Services**, which was dominated by **Commercial Services**¹.

The United States and European Union are the top two regions from which Canada imports services representing CAD\$70 billion and CAD\$24 billion respectively in services out of CAD\$129 billion worth of services imported in 2016.





The pie chart to the left shows the composition of services where 48% are commercial services followed travel 31%, transportation 20% and government 1%. In 2015 the sub-services with the highest dollar figure under each services category are as follows:

- Commercial services: charges for use of intellectual property CAD\$12.6 billion, management services CAD\$11 billion, other management services CAD\$10.1 billion and financial services CAD\$9 billion.
- Travel Services: personal travel CAD\$34 billion and other personal travel CAD\$31 billion.
- Transportation services: water transportation CAD\$12 billion and air transportation CAD\$10 billion.



COSTA RICA NOW READY TO TACKLE THE WORLD OF TRADE IN SERVICES

Costa Rican small and medium enterprises in the services sector are now equipped with the know-how, tools, and connections to enter the Canadian market. No longer is trade solely the domain for large multinationals, or Costa Rica's traditional agro-processing, agriculture and tourism sectors. SMEs in the Information and Communications Technology sector, Health and Wellness Tourism, and Environmental Education are making inroads, thanks to a new programme, "GATEWAY to Trade", designed to build their capacity to trade with Canada.



<u>PROCOMER</u>, the country's trade promotion organization, has led many exceptional initiatives to support exporters and would-be exporters. In fact, PROCOMER, has been hailed as the global benchmark for trade promotion organizations, by the International Trade Centre in Geneva¹. According to Marysabel Gonzalez, Project Manager at TFO Canada, "We knew we were selecting the right trade promotion organization, when we saw that PROCOMER had already 6 service sector officers on staff and that trade in services was a top priority."

The GATEWAY to Trade programme has now made it possible for PROCOMER to support the growth of **trade in services** through market research, capacity building, export promotion and sector development initiatives. Some of the highlights include:

- 12 PROCOMER trainers have successfully completed a rigorous Trainer Certification Programme and are now delivering training in various regions of the country
- Over 50 companies have received comprehensive training and over 30 have developed Export Plans
- Hundreds of B2B meetings have been facilitated between Costa Rican and Canadian companies through PRO-COMER's Canadian office and Centres of Excellence like Innovation Guelph
- Several partnerships are in process of being established non-disclosure agreements have been signed, proposals are in the works and some initial agreements for web app development and digital marketing projects have been signed.



According to Diane Girard, Project Manager for Global Links Network, "The Costa Rican companies are helping to fill critical talent shortages currently being experienced in the Canadian high-tech sector. This is a win-win for both Costa Rica and Canada."

Perhaps the most noteworthy success of the GATEWAY to Trade Programme has been the strengthening of PROCOMER's offering with respect to the services sector. According to Michelle Corriols, "GATEWAY to Trade has provided us with innovative methodologies that we will continue to utilize not only in this sector, but also in other areas of our trade development programme. Our team is ready and our companies are already implementing business opportunities with Canadian counterparts."

<u>GATEWAY to Trade</u> is a Global Links Network Inc. initiative. This <u>TFO Canada</u> Trading Partners Responsive Fund (TPRF) project is financially supported by Global Affairs Canada.



CANADA'S GAMING INDUSTRY FUTURE LOOKS BRIGHT: ANIMATED MOVIES, VIDEO GAMES AND VIRTUAL REALITY

By the time you are reading this article the curtains would have closed on the third largest film festival in the world the Toronto International Film Festival (TIFF) which ran from September 7th to the 17th. The film industry is one of the biggest consumer of creative digital content, as is the digital media industry, encompassing video games, animation and VFX. The Entertainment Software Association of Canada indicated that Canada's video game industry is considered the third largest in the world contributing CAD \$3 billion to Canada's GDP annually. The industry's activity is concentrated in three provinces Quebec (29.4%), British Columbia (27.1%) and Ontario



(22.9%); and it has over 450 video game studios with 14 of the 24 largest studios in Canada such as Ubisoft, EA Canada etc. located in Quebec. The industry generates 90% of their revenue from export sales.

Gateway to Trade, a TFO Canada project, forecasted that over the next 1-2 years the Canadian industry will increase its demand of programmers, artist and animators, data analysts and game designers. As this demand is unmet to a large extent within Canada, it is projected that Canadian studios seeking the best talents in the industry will be looking outward to fill these skillsets, in places such as Costa Rica, Chile, USA to name a few countries.

In July of this year New Zoo ranked Canada as number 8 out of 100 countries on global game revenue estimates for 2017, with estimated USD\$1.9 billion in revenues¹. PWC's global entertainment & media outlook forecasted that global social/casual video gaming will surpass traditional gaming where it will surge at an 11.9% compound annual growth rate (CAGR), and is expected to reach USD\$74.3 billion by 2021.

1 https://newzoo.com/insights/rankings/top-100-countries-by-game-revenues/ The revenues are based on consumer revenues generated by companies in the global games industry and exclude hardware sales, tax, business-to-business services, and online gambling and betting revenues

Welcome to TFO Canada

Heather White, Program Director

Mary Heather White is TFO Canada's new Program Director. Mary Heather leads TFO Canada's Geographic and Trade Information Services teams with an aim to improve trade between small and medium exporters from developing countries and Canadian buyers. Mary Heather brings to TFO Canada over 20 years of experience in the



development sector where she contributed to skills development and sustainable and inclusive livelihoods for women, men and youth, in Canada, Sri Lanka and Indonesia. She holds an MA in International Development from Norman Patterson School of International Affairs, Ottawa.

Mary Heather White Program Director

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Marta Recinos, Program Manager (Asia and the Middle East)

Marta Recinos is the Project Manager for Asia and the Middle East. In this role, she is responsible for the design, implementation and monitoring of trade-related technical assistance and capacity building projects and activities within this region.



She brings with her over 10 years of work experience in the field. Prior to joining TFO Canada, she worked as Trade and Investment Specialist for Chemonics International Inc. in the implementation of the USAID SME Development Program in El Salvador. Marta holds a Master Degree in International Commerce from the University of Kentucky, USA; and a Bachelor Degree in International Relations from Universidad de El Salvador.

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TFO CANADA'S SUCCESS AS A TRADE SERVICES PROVIDER



TFO CANADA SUCCESSES AS A TRADE SERVICES PROVIDER

For over thirty-seven (37) years TFO Canada has been a service provider to its clients – developing countries' exporters and their respective trade support institutions (TSIs) and Canadian importers. The organisation, through

its provision of trade capacity building and Canadian market Access services, aims to improve lives through the creation of sustainable trade partnerships for exporters from developing countries with Canadian and foreign buyers.

Over the years the organisation has recorded a number of successes through its service delivery; here are a number of these successes:

Trade Capacity building Success:

- 1. Weaving the past with the present in the Mountains Of Peru
- 2. Coco Sugar Indonesia: Attending International Trade Shows add to the Bottom-Line
- 3. Harnessing the Rich History of Weaving in Swaziland

Market Access Successes:

- 1. <u>Empowering Peruvian Mango Exporter to be Export Ready for the Canadian Market</u>
- 2. Succeeding In A Man's World: Amazon Authentics Navigates The Hurdles
- 3. The Path from Aid to Trade: Ethiopian Leather Attracts Canadian Business

Visit our success stories webpage and visualize your own success in the Canadian marketplace!.

TRADE INFORMATION TOOL SPOTLIGHT EXPORT READINESS QUIZ

Assessing export readiness is key to unlocking and entering new international markets. Selling goods and services to another country is about more than just knowing who the buyers are. Successful exporting requires time, resources and knowledge to prepare your products and your staff for a foreign marketplace, to identify specific opportunities, and to maximize the potential of a successful venture.

TFO Canada has created this brief questionnaire tool to help put some context to your level of export readiness. Taking a couple of minutes to complete it will allow us to immediately guide you to the information

Export Readiness Quiz

Question 7 of 20

Market selection

Do you have a solid idea of the opportunities in the Canadian market, and the cost of doing business in Canada? Topics would include: potential customers, customer needs, size of market (volume and revenue), costs of servicing the market, typical sales channels, etc.

We are just beginning our market review

We have some information and are looking for more

We have conducted a detailed review and confirmed Canada as a potential market

Next question

and publications within our website that may help you on your way to export success.

"As an international trade professional I believe all exporters should be ready for the market they wish to enter, that's why creating this quiz now a tool was so important to me." Clarecia Christie. Team Lead, Trade Information Services

Take the quiz today http://www.tfocanada.ca/quiz/index.php



COSMETICS, SPA AND BEAUTY PRODUCTS MIP

t midnight on September 7, 2017 megastar Rihanna released her FENTY BEAUTY makeup line at Sephora. The release party was livestreamed on all social media and changed the game in the beauty and personal care industry on that night. Focusing on creating products that are accessible to all women, the singer has industry leaders scrambling trying to demonstrate to consumers that they too have products for all shades of the

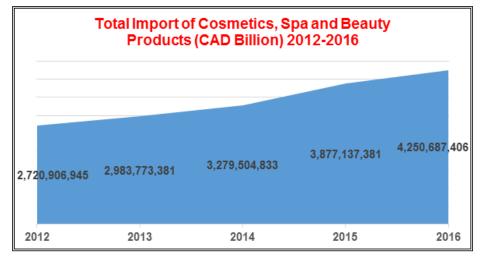
human colour spectrum.

Globally, the beauty and personal care industry is a multi-billionaire one dominated by global companies such as Coty Inc., Estee Lauder, L'Oreal Group, Procter and the Gamble Company, to name a few of the companies managing global megabrands such as MAC makeup, Cover Girl, the Body Shop, Clarins, Clairol and more. The global retail space is dominated by Sephora Beauty, and here in Canada the company has over 50 retail outlets and is rivaled only by Shoppers Drug Mart's own beautyBoutique. Other retail spaces include beauty counters in department stores such as the Hudson's Bay Company (The Bay).



In 2016 Canada's importation of these products reached a five year high of CAD\$4.3 billion. The top three product (products covered in the MIP) categories imported were beauty or make-up preparations valued at CAD\$1.9 billion, hair shampoos and other preparations next with CAD\$688 million, and other perfumery, cosmetic or toiletry products valued at CAD\$485 million.

The ingredients industry is a very important supplier for the manufacturing of beauty products especially natural ingredients as consumers are looking for products that have added value for health and wellness. Consumers are more conscious of the source of the ingredients, and the livelihoods of those responsible for growing, reaping and selling those ingredients and the reduction of animal testing. A number of companies have come close to being socially responsible in their ingredient sourcing practices such as LUSH cosmetics and Body Shop to name a few.





REGULATIONS THAT GOVERN THE NATURAL HEALTH PRODUCTS SECTOR IN CANADA



It should be noted that the Natural Health Products Directorate (NHPD) has changed its name to the Natural and Non-prescription Health Products Directorate (NNHPD) subsequent to its recently expanded mandate to include the oversight of non-prescription and disinfectant drugs in addition to natural health products (NHPs)

Introduction: about the regulation

To be legally sold in Canada, all natural health products must have a product licence, and the Canadian sites that manufacture, package, label and import these products must have site licences. To get a site license

manufacturers must maintain proper distribution records, have proper procedures for product recalls and for the handling, storage and delivery of their products, and demonstrate that they meet good manufacturing practice requirements. Good Manufacturing Practices for NHPs cover product specifications, premises, equipment, personnel, sanitation program, operations, quality assurance, stability, records, sterile products, lot or batch samples and recall reporting. https://www.canada.ca/en/health-canada/services/drugs-health-products/natural-non-prescription/regulation.html#a6

Licensing Requirements

Health Canada requires that all natural health products must have a product licence before they can be sold in Canada. Applicants must provide following information to get a licence. They need to provide medicinal ingredients, source, does, potency, non-medicinal ingredients and recommended use(s).

Licensed Natural Health Products Database (LNHPD)

The Licensed Natural Health Products Database is managed by Health Canada and includes information on licensed natural health products including, vitamin and mineral supplements, herb and plant-based remedies, traditional medicines like Traditional Chinese Medicines or Ayurvedic (Indian) Medicines, omega 3 and essential fatty acids, probiotics, homeopathic medicines and many everyday consumer products, like certain toothpaste, antiperspirants, shampoos, facial products and mouthwashes. Consumers can identify licensed natural health products by looking for the eight-digit Natural Products Number (NPN) or Homeopathic Medicine Number (DIN-HM) on the label.

Evidence requirements for safety and efficacy

There must be sufficient evidence to support the safety and efficacy of NHPs and their health claims to the public, such as Health Canada and consumers. Evidence may include clinical trial data or references to published studies, journals, pharmacopoeias and traditional resources.

Labelling

According to the Natural Health Products Regulations, the inner and outer labels of a NHP must contain a list of information that will help consumers make more informed choices about products they take. Also, the regulations require security packaging for NHPs sold in packages so consumers know the product has not been opened prior to purchase.

More information regarding on labelling: https://www.canada.ca/ en/health-canada/services/drugs-health-products/natural-non-prescription/legislation-quidelines/quidance-documents/labelling.html



SPOTLIGHT ON TFO CANADA ACTIVITIES

Visit to Global Link Network Inc., on TPRF Project "GATEWAY to Trade – Costa Rica"

August 9, 2017 Foothill, Ontario



On Aug 9, 2017, TFO Canada's Accounting Manager, Mursalin Chowdhury, visited the Global Link Networks (GLN) implementing partner of the TPRF Costa Rica project. The purpose of the visit was to review the financial documents of the project to ensure compliance with the financial management aspects of the TPRF component of the Canadian Market Access Service (CMAS) program. Mursalin met with Diane Girard founding President and Project Director of GLN. He also met with their Accountant Bill Crysler, and bookkeeper Michele Dawn.

Artisan Hub Pavilion Shined at the Apparel Textile Sourcing Canada (ATSC)

August 20-23, 2017 Toronto, Ontario



From August 20-23, 2017 TFO Canada took 30 selected companies on an exporter mission to the second edition ATSC under the leadership of project manager, Africa Amandine Gakima. The

mission kicked off with an orientation session on August 20th, where the small and medium exporters (SMEs) received valuable insights on TFO Canada services, advice on meeting with Canadian buyers, guideline on how to creatively set up their booth space and feedback from two importers sharing their sourcing experiences with suppliers from developing countries.



The following days, the exporters successfully showcased their culturally unique home décor items, textiles, garments and fashion accessories in the Artisan Hub pavilion at the ATSC show, where they had the opportunity for show attendees touch and feel their products and held B2B meetings with Canadian buyers and importers interested in developing and maintaining sustainable business relationships. Overall the mission was a success for the SMEs, where twenty-two (22) out of the thirty (30) companies were either owned by women or managed by women, from a market familiarization perspective, receiving orders and tradeshow experience. In recognition of the new Canadian feminist international assistance policy the gender composition of companies by country should be acknowledgement there were six from Cambodia, four from Bangladesh, three each from Ethiopia, Lesotho and Madagascar, two form Uganda and one form Haiti.

Artisan Hub was launched in 2016 with over 60 artisans from eight least developed countries (LDCs) - Madagascar, Uganda, Lesotho, Ethiopia, Haiti, Bangladesh, Nepal and Cambodia, it is an innovative project to promote small and medium enterprises in the specialty textile and garment sector. Through roadshows in Toronto, Vancouver and Montréal 30 companies were identified for the ATSC. Artisan Hub is a component of the Canadian Market Access and Capacity Building Services (CMA-CBS) program, delivered with the financial support of the government of Canada via Global Affairs Canada, and is implemented with the collaboration of the International Development Research Centre (IDRC). For more information visit www.artisanhub.ca.



Montreal Trade Representatives visit Finance Alliance for Sustainable Trade (FAST)

August 23, 2017 Montreal, Quebec

TFO Canada's regional representative Marc Germain organized a meeting with FAST on Wednesday August 23, 2017 for Montreal-based Trade Representatives to get acquainted with FAST's AXiiS online platform.

AXiiS is an online portal that matches social finance to producers businesses in the agriculture and forestry sectors



SPOTLIGHT ON TFO CANADA ACTIVITIES

in emerging markets. The platform will also collect market intelligence on financial markets for SME investment. One of the main purposes of AXIIS is to make financing for SMEs more accessible. Representatives from Argentina, Colombia, Chile, Ecuador and Egypt attended the session. Here is a one-pager on the platform for more information visit www.axiis.ca.

Agro Food Buyer Mission to Central America

August 29 -September 3, 2017 Guatemala City, Guatemala and Managua Nicaragua



A delegation of ten (10) Canadian buyers from the agro food sector led by TFO Canada regional representative, Alma Farias went on a trade mission to Central America. The first stop was in Guatemala City where the buyers had a full agenda of Business to Business (B2B) meetings, over two (2) days with more than forty (40) agro food suppliers from Guatemala, Honduras, El Salvador and Nicaragua. The next and final stop was EXPO APEN, a trade show showcasing Nicaraguan exporters from fresh and processed foods sectors along with leather goods sector. At EXPO APEN the buyers experienced the show along with having B2B meetings at the show. The Canadian buyers had the opportunity to identify new suppliers in fresh produce and processed food and learn about the potential the Central America region offers in the agro food sector. This buyer mission was organized in partnership with TFO Canada, the Guatemalan Canadian

Chamber of Commerce, the Association of Producers and Exporters of Nicaragua (APEN), the Honduran Chamber of Commerce of Cortes, The Organismo Promotor de las Exportaciones e Inversiones de El Salvador (PROESA) and The Corporacion de Exportadores de El Salvador (COEXPORT).

Senegalese Food Exporters visit the



CHFA East Show

September 17, 2017 Toronto, Ontario

TFO Canada's Associate Bertrand Walle led an exporter mission of Senegalese food exporters to Canada (Toronto and Montréal). Four SME exporters - Biosene Sarl (natural health products, cereals), Baobab de Sauvers (baobab natural health products), Esteval (fruit juice) and Fruitales (jams, sauces) attended the CHFA East tradeshow and held meetings with a number of Canadian buyers). This mission, a result of a partnership between TFO Canada and CESO, is a follow up activity from the first phase of the project. Last year Bertrand went to Dakar to deliver TFO Canada's Export to Canada seminar and met with a few SMEs.



Honduran Certified Coffee Exporter Mission to Coffee and Tea Show

September 23-25, 2017

Toronto, Ontario

As part of the project "Strengthening Capacities of SMEs and Cooperatives for the Export of Certified Coffees from Honduras to Canada" being implemented under the Trading Partners Responsive Initiative TFO Canada in partnership with Fundación para el Desarrollo Empresarial Rural de Honduras (FUNDER), brought seven (7) certified coffee producers on an exporter mission to the Coffee and Tea Show in Toronto from September 24 to 25, 2017.

Seven Honduran companies, of which three (3) are managed by women, were screened and validated as export-ready to participate in the mission they were AMPROCAL from Intibucá, APROLMA from Intibucá, CAFEPSA from El Paraíso, CAFESCOR from Copan, COAQUIL from Intibucá, COMMOVEL from Santa Barbara and PACAYAL from La Paz. Over the course of the show the exporters partook in a market information session, had B2B meetings with Canadian buyers and had a guided exploration of the tradeshow. This mission was led by TFO Canada manager for Latin America, Marysabel Gonzalez and Coffee Expert Rodolfo Moseres and supported by Project Officer Pierre-Nicolas Legaut. The coffee producers learned firsthand about the Canadian market for coffee, got immersed in the coffee industry and how to conduct face-to-face B2B meetings with Canadian buyers.





SUCCESS STORY: COYA INCA

WEAVING THE PAST WITH THE PRESENT IN THE MOUNTAINS OF PERU

pinning yarn and weaving cloth has always been an intrinsic part of the Inca society and to this day Peruvian weaving is unsurpassed anywhere. The finest women weavers were brought to Cusco to weave for the royal court of the Inca Queen named Coya. These women then settled in weaving communities in the Sacred Valley of Cusco, where they worked with wool from Ilamas, alpaca and vicuna to weave the finest textiles in the world, and where they remain to this day.



In the province of Calca in Peru, there is community named Accha Alta, home to one hundred and eighty (180) families, and within that community is a smaller community referred to as a sector of Totora, a place thirty-five (35) families call home. Twenty (20) of these families belong to the Asociación de Artesanas Textiles Pallay Awaq, the weaving association of Totora. The association is mostly composed of women, whose first language is Quechua, proud descendants of the Inca Empire and its weaving tradition.

At an altitude of over 12,930 feet above sea, and forty (40) minutes away from the nearest town, this community relies on weaving and agriculture to make a living and continue in their traditions. It is perhaps one of the most remote communities TFO Canada has ever sought to empower, a challenge that has made their success much more gratifying.

Sabina Mamani Huallpa is one of the sixteen (16) women working in the twenty-person Pallay Awaq Association. We meet her for the first time in 2014 through our Peruvian implementing partner MINCETUR (the ministry of foreign trade



and tourism of Peru) and Brand[Trade]. As one of the weavers she was paired with Canadian designers who with the input from weavers sought to modernise their designs while respecting their traditional iconography. The pairing resulted in an adaptation of their original designs into designs that would appeal to North American consumers.

The processes of incorporating the new designs to their traditional weaving also included productivity enhancing tools like learning how to use the metric system, to standardize the measurements of each piece, to increase consistency and improve their quality control. This new standardization also saw the weavers go from the weaving finishing style 'aguapa', which was more complex, and more labor intensive, to the faster crochet finished, simpler yet strong enough that it could be used in large pieces too. Sabina told us that while it was hard at first to get use to using the metric measuring system and the new finishing styles she could see what a difference it made in her work, how it made it easier and more efficient, while reducing waste and thus their costs, she could clearly see the benefits of learning this new system.



CONTINUES SUCCESS STORY: COYA INCA

To maintain this new efficiency the weavers created a new position for quality control titled Tukuy Rikug, an Inca name that means "he who sees it all". The Tukuy Rikuq reviews the work of the weavers to ensure it is up to the standard the organization has set, and works on recovering and safekeeping the use of their traditional iconography in the new designs. This review is done every Wednesday and Saturday where work created during the previous week, is reviewed by Tukuy Rikug.

In the summer of 2017 the products were showcased at the De Nuestas Manos (From Our Hands) Tradeshow 2017 in Lima, Peru. While their traditional designs still have a high demand from tourist the new modernist and more functional designs have seen a higher than expected demand from the local Peruvian market, so much so all new design were sold out. A number of high-end Peruvian hotels contacted the weavers and placed large orders for the new designs. In the past, the average orders were between PEN\$500 to 1000 (Peruvian Sol) equivalent to Cad\$200 to \$400, now they have received orders as large as PEN\$25,000 equivalent to Cad\$10,000. With the productivity improvements, they can



work on several orders at once and finish them on schedule, something they had struggled with in the past.

This growing demand, brought about by the design and productivity improvements, has also had a large impact in their community. Several of the women weavers' husbands, seeing the increased opportunities due to these improvements, have joined their wives to work as weavers themselves, instead of their previous work of luggage



carriers for tourists in Machu Pichu. Sabina's daughter has also started weaving and with the income generated between Sabina and her daughter, her daughter attends Technical Higher Education School in Cusco. For some of the other women the increased income has allowed them to reduce time spent farming, increasing their time spent as artisans instead.

"Experiencing the acceptance and demand for their new designs, especially by local Peruvians provided the weavers with a renewed sense of pride. This reaction has made it so worthwhile for them to have gone through the learning process that brought new productivity and designs." says Mario Flores Alagon, the President of Pallay Awaq. With the praise received from consumers they returned to Totora more energized than ever, ready to weave the past and the present while getting ready for the future and to share their beautiful designs with the world.

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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