

## **GROW YOUR BUSINESS** IN THE INDO-PACIFIC

BENEFIT FROM THE COMPREHENSIVE AND PROGRESSIVE AGREEMENT FOR TRANS-PACIFIC PARTNERSHIP (CPTPP)



Are you looking to access millions of new consumers by expanding your business to markets in the Indo-Pacific?

The Canadian Trade Commissioner Service (TCS) can help get you there! The TCS can help you navigate the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), a free trade agreement (FTA) that presents businesses like yours with new advantages and excellent opportunities for growth in Indo-Pacific markets.

FTAs are treaties between two or more countries that lower or remove barriers to trade, such as tariffs. They make it easier to do business and may help you compete as an equal with local companies. They can also cover non-tariff barriers to trade, like quotas and border processing delays. Some of Canada's recent FTAs, including CPTPP, can make it easier to invest across borders, protect your intellectual property, or move your highly skilled workers between Canada and FTA partner countries.

### LET THE TCS HELP YOU NAVIGATE

Whether you export goods or services, the TCS can help you capitalize on CPTPP and Canada's other FTAs.

- Learn about Canada's FTAs and what they can do for you
- Discover the benefits of doing business in the Indo-Pacific with CPTPP
- Access CPTPP tools and resources to help your business succeed in the Indo-Pacific
- Connect with trade commissioners who can offer insights and support
- Read success stories about how CPTPP has helped businesses like yours

#### CANADA'S FTAs

Canada currently has 15 ratified FTAs with 51 different countries, including <u>CPTPP</u>. Together, these agreements cover 1.5 billion consumers worldwide.

Whether you sell goods or services or you're seeking to find business partners in your supply chain, <u>Canada's FTAs</u> help grow your business by:



## Increasing competitiveness



With lower or no tariffs, it could cost less to take your product or service to a new market than it would for a competitor bringing a similar product or service from another country without an FTA in place.

## Providing access to new consumers



FTAs make it easier for you to sell to consumers in other countries, including foreign governments. FTAs can also include preferential rules that can simplify how you set up your foreign operations.

## Making foreign markets more transparent and stable



FTAs take some of the guesswork out of exporting by offering Canadian businesses better predictability, protection and transparency in foreign markets. Some recent FTAs also promote progress on meeting global labour, environmental, and responsible business standards and practices.

## > Removing barriers to trade



FTAs can reduce border-crossing delays to member countries, which gets your product to market more quickly. Some FTAs include commitments that give businesses protection for their investment, an equal opportunity to bid on government contracts, or streamlined access to partner markets to conduct their business activities.

<sup>&</sup>lt;sup>1</sup> Refers to the completion of a party's domestic legal procedures necessary for the entry into force of the agreement. Parties begin ratification processes once negotiations are complete. Learn more on the <u>development of agreements</u>.



# DOING BUSINESS IN THE INDO-PACIFIC WITH CPTPP

<u>CPTPP</u> is a free trade agreement in force between Canada and 10 Indo-Pacific countries:

- Australia
- Mexico
- Singapore

- Japan
- New Zealand
- Vietnam

Peru

Brunei

- Malaysia
- Chile



• Once fully implemented CPTPP will also include the United Kingdom and will give Canadian companies preferential access to:

540+

million consumers

99%

of tariff lines<sup>2</sup> duty-free

> Here are some of the top ways that you can use CPTPP to your advantage



**Price your products more competitively**: CPTPP provides comprehensive tariff elimination across all sectors. 99% of Canadian exports are duty-free, making them more competitive than those from countries that do not have FTAs with CPTPP countries, including the United States.



**Bid on contracts with CPTPP governments**: CPTPP creates greater access to government procurement opportunities in member countries, including, for the first time, in Vietnam and Malaysia. A number of bidding opportunities are published online (see page 4).



**Deal with barriers to trade in services**: CPTPP offers Canadian service suppliers improved protection, predictability and transparency regarding barriers to trade, including quantitative and discriminatory restrictions on the services you supply, the form of legal entity or joint venture you can use, and the establishment of a representative office or residency requirement in a CPTPP country to do business. In many sectors, you'll operate under the same rules as domestic competitors.



**Increase your market presence**: CPTPP's temporary entry commitments make it easier for certain skilled businesspeople to do business in countries within the trading bloc. This opens opportunities to make contacts, connect with investors, bid on government contracts and send your personnel to work in partner countries.

<sup>&</sup>lt;sup>2</sup> Each tariff line is associated with a specific product and is based on the harmonized system (HS) of classification. Find your product's tariff line using the <u>Canada Tariff Finder</u>.

#### YOUR CPTPP TOOLKIT FOR THE INDO-PACIFIC

## Resources and guides

- The <u>CPTPP website</u> offers comprehensive information on the agreement, including chapter summaries, success stories and frequently asked questions.
- <u>How the CPTPP can help your business grow in the Indo-Pacific</u> explains the advantages of the agreement to Canadian companies like yours.
- The <u>Travel Smart app</u> provides current travel advice and advisories from the Government of Canada.
- The <u>Canada Tariff Finder</u> lets you quickly and easily find tariff information for products in your target markets.
- A number of government procurement bidding opportunities are published on the websites of CPTPP member countries that have ratified:

#### Australia

• AusTender

#### New Zealand

• Government Electronic Tenders Service (GETS)

## Singapore

• GeBIZ

## Japan

- National Printing Bureau (Japanese only)
- <u>Ministry of Foreign Affairs of Japan</u> (Japanese only)

#### Mexico

- <u>Secretariat of the Interior</u> (Spanish only)
- PEMEX (English and Spanish only)
- Federal Electricity Commission (Spanish only)

#### > Videos to help you prepare for Indo-Pacific markets

- How CPTPP helps your products compete in Asia-Pacific markets
- <u>Step 1 Identify and classify your products</u>
- <u>Step 2 Find out if your products</u> benefit from tariff reductions

- <u>Step 3 Make sure your products</u> meet the rules of origin
- <u>Step 4 Claim tariff reductions</u> for your product



#### **READY TO LEVERAGE CPTPP?**

#### Connect with a trade commissioner in the Indo-Pacific

Our network of trade commissioners in the Indo-Pacific can help you prepare for international markets, assess your potential, identify international business contacts, and troubleshoot business challenges to help you achieve your goals.

- Need to speak with a trade commissioner? Contact us today.
- You can also reach us through the following social media channels:
  - <u>Twitter (@TCS\_SDC)</u>
  - Facebook (Trade Commissioner Service)
  - in LinkedIn (Trade Commissioner Service)

## Access TCS market insights

Market entry strategies should be tailored on a country-by-country basis. Research your target market with the help of the TCS and take your business to the next level.

• Access <u>information by country</u> to explore opportunities for your business.



#### SUCCESS STORIES

## Agreement helps seafood company tell its story in the Indo-Pacific region

### Ocean Choice International

Dale Oldford, Vice President of Product Management

As an exporter of wild caught seafood from Atlantic Canada, the Asia-Pacific region is an important market for Ocean Choice International Inc. CPTPP has brought new demand as well as greater awareness of the St. John's, NL, company in CPTPP countries.

"The biggest benefit of the agreement for a company like Ocean Choice—while it's hard to put sales numbers on it—is that it's opened up many more discussions about our products," says Dale Oldford, Vice President of Product Management at Ocean Choice. "Customers are more aware about Canada and especially Canadian seafood."



Oldford says CPTPP's tariff reductions have helped the company in terms of pricing and volumes. "Duties and tariffs are no longer—or at least not as much—a negative part of the conversation," he explains. "By reducing or removing tariffs, Canadian seafood is certainly much more on a level playing field. Or at least a competitive playing field."

## Emerging markets in Indo-Pacific region bring promise for Canadian company

## **Maple Leaf Foods**

Cindy Qian, International Sales Manager

Maple Leaf Foods Inc., which is headquartered in Mississauga, ON, traces its roots back more than 100 years, with leading brands of pork, chicken and other products familiar to Canadian families for generations. The company has long had customers for its products in the major countries of Southeast Asia. Now CPTPP is prompting orders from other players in the region, which it's finding with the assistance of the TCS.



The quality of Canadian pork has always made it attractive, and CPTPP tariff reductions have the potential to take Canadian pork exports to the next level, says Cindy Qian, International Sales Manager at Maple Leaf Foods. While demand in countries such as Vietnam is not as high compared with larger customers like China or Japan, Maple Leaf is doing its part to fill that demand, with the help of the TCS and CPTPP.

Qian says it's been useful for Maple Leaf to work closely with trade commissioners throughout Southeast Asia. "We know each other quite well; whenever there are issues or questions, we just pick up the phone and call," she says. "And if we have regulation issues with local governments, the TCS can step in to help resolve them."

The Trade Commissioner Service helps Canadian businesses grow by connecting them with its funding and support programs, international opportunities, and its network of trade commissioners in more than 160 cities worldwide. Learn more at tradecommissioner.gc.ca.







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