



**NIAGARA**  
CANADA

**NIAGARA FOREIGN TRADE ZONE**  
**YOUR LAUNCHPAD  
TO EXPORT SUCCESS**

# What is a Foreign Trade Zone

Companies are exempted from tariff and tax with respect to the local purchase or importation of raw materials, components or finished goods for exports or re-exports.

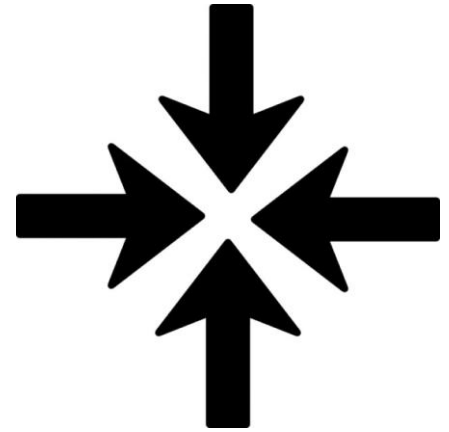
Canada's duty and tax relief is geographically flexible and can be enjoyed ***anywhere*** in the country.





# What is a Foreign Trade Zone Point

An FTZ Point refers to one of Canada's strategic locations for international trade; where an organization with a mandate to promote exports and foreign direct investments is uniquely supported by a single-point of access to information in relevant government policies and programs.

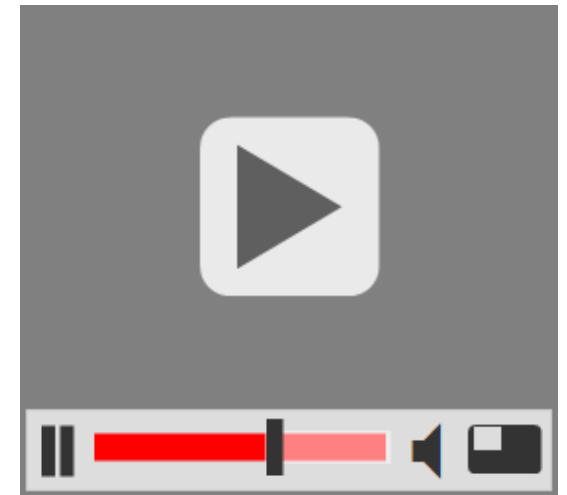


# Foreign Trade Zone Point

## Video Links

- **Niagara Foreign Trade Zone Point**

<https://vimeo.com/266544510>



# WHAT IS THE NIAGARA FOREIGN TRADE ZONE?

A SPECIAL DESIGNATION THAT OFFERS COMPANIES LOCATED IN NIAGARA'S 12 MUNICIPALITIES competitive advantages related to the export of goods, including:

- **EASY ACCESS**  
to an import/export support team
- **DUTY AND TAX**  
exemptions and deferrals
- **MENTORING AND SUPPORT**  
from industry experts



# Benefits of Foreign Trade Zone Point

- **One stop service for information**
- **Assist in your import / export activities**
- **\$\$\$ Cost Savings**
- **Improved Cash flow**
- **Reduced paper work**
- **Develop your international market and business opportunities**





# EXPORTING JUST GOT A WHOLE LOT EASIER!

The greatest benefit of the NFTZ is that all your exporting needs are addressed by **A SINGLE POINT OF CONTACT**



**ALL IT TAKES IS ONE  
PHONE CALL OR EMAIL  
TO ONE PERSON**

to access the programs  
and professional advice  
you need to improve your  
company's trade efforts.

# A TASK FORCE THAT REALLY REPRESENTS

## PUBLIC SECTOR REPRESENTATION

**THE NFTZ TASK FORCE** is a collection of public and private stakeholders with the knowledge, perspectives and connections to help Niagara keep pace with the rapid pace of change in the international trade sector.



Canada Revenue  
Agency

Agence du revenu  
du Canada



Canada Border  
Services Agency

Agence des services  
frontaliers du Canada



Transports  
Canada

Transport  
Canada



Global Affairs  
Canada

Affaires mondiales  
Canada



Innovation, Science and  
Economic Development Canada

Innovation, Sciences et  
Développement économique Canada



Niagara  Region







# WHO CAN THE NIAGARA FOREIGN TRADE ZONE HELP?

**IMPORTERS** **EXPORTERS**  
OPERATORS TRANSPORTERS  
LOGISTICS BUSINESS OWNERS  
PROVIDERS  
MANUFACTURERS PRODUCERS

# A TASK FORCE THAT REALLY REPRESENTS

PRIVATE SECTOR REPRESENTATION

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- **LOGISTICS SECTOR**
- **TRANSPORTATION SECTOR**
- **CUSTOMS BROKERAGE SECTOR**
- **MANUFACTURING SECTOR**
- **LIFE SCIENCES SECTOR**
- **GREATER NIAGARA CHAMBER OF COMMERCE**



NIAGARA FOREIGN TRADE ZONE

# INCENTIVE PROGRAMS



# WHAT INCENTIVE PROGRAMS CAN THE NFTZ HELP MY BUSINESS LEVERAGE?



**DUTIES RELIEF  
PROGRAM**



**DRAWBACK  
PROGRAM**



**CUSTOM BONDED  
WAREHOUSE PROGRAM**



**EXPORT DISTRIBUTION  
CENTRE PROGRAM**



**EXPORTERS OF PROCESSING  
SERVICES PROGRAM**

# ADDITIONAL NIAGARA FOREIGN TRADE ZONE BUSINESS SUPPORT

## Other Incentives

### Ontario's Export Support Programs

Incentives New market Development, Research, trade shows, export manager hiring

Trade Commissioner Services – market prospecting

BDC & EDC export/growth financing & insurance

Making expansion easier & going abroad safer

### Niagara Economic Gateway Plan

CIP Program - Tax Increment Based Grant and Development charges waiver

And more...



# Canada Border Services Agency

## Trade Operations Division Trade Incentives Program





## Canada's Trade Incentives Program

The Trade Incentives / Duty Deferral Program can reduce costs and improve your cash flow. The Trade Incentives team is at our Toronto Centre office at 1 Front St. West, Toronto.

- There are four program lines:
- **Duties Relief**
- **Duty Drawback**
- **Bonded Warehouse**
- **Temporary Importations**



## **Advantages of the Trade Incentives Program**

### **Reduced costs**

- The duty cost component for your imported goods is effectively reduced or eliminated allowing exporters to competitively price goods on the world market

### **Improved cash flow**

- You do not have cash tied up in up front payment of duties & taxes

### **Program portability**

- You decide where your export based business may be located

## **Advantages of the Trade Incentives Program...**

### **Program accessibility**

- The program is accessible to all enterprises, small, medium & large.

### **Program flexibility**

- A wide range of activities are permitted – from packing to full scale manufacturing depending on the program option. The duty free status is not impacted.

### **Global competitiveness**

- Helps Canadian businesses compete more effectively in the international market



## Duties Relief Program

- Duties / SIMA / Surtaxes / Excise tax are relieved at the time of importation
- GST relief via EOPS or EDC programs
- Goods may be exported in same condition or further manufactured / consumed without having to pay duties
- There are no fees or security requirements
- Improved cash flow
- Every type of manufacturing is allowed

## Duties Relief...

- Apply via form K 90 - Duties Relief Application
- CBSA Trade Services officer will be assigned to you and will conduct a site visit
- If you qualify, CBSA will issue you a unique licence number to be noted in field 26 of the B3
- Must maintain auditable records – tracking of receipts / activities & movement of goods
- Goods imported & exported with or without further processing are eligible for the program

## Drawbacks – The Refund Option

- A drawback is the return (refund) of duties paid on imported goods that are exported or incorporated / consumed in goods that are subsequently exported
- Allows companies to compete in foreign markets without the handicap of including the import duty paid in the sales price.
- Importers, exporters or manufacturers of the imported goods can take advantage of the drawback option
- Goods may be imported and exported as is or subject to a full range of manufacturing processes in Canada
- Exporters can claim a drawback on imported goods that were sourced from a supplier in the domestic market
- Apply via form K 32 & send to CBSA Trade Incentives



## Customs Bonded Warehouse (CBW) Program The Storage Option

- Allows for the deferral of all import levies including the GST and HST.
- The CBW program allows clients to purchase goods when the time is right.
- Bonded storage allows clients to take advantage of just-in-time inventory practices.
- Clients have control over the use of money until the duty and tax is paid.
- Apply via form E 401 & send to CBSA Trade Incentives

## Temporary Importations

The Temporary Importations Program can provide relief from the payment of duties and taxes, including GST/HST in some cases, for goods entering Canada on a temporary basis.

The program includes:

- Tariff Item 9993.00.00 (Temporary Importation) regulations
- International Events & Conventions Services Program
- E29B, Temporary Admission Permit
- Canadian Goods Abroad Program
- Remission Orders / Provisional Entries
- Container Banks / Performance Evaluation Program

## Impact of new surtax

- Refer to CBSA Customs Notice 18-08 & Dept. of Finance 'Countermeasures...to Unjustified Tariffs' doc.
- Surtax at 25% or 10% applies to US origin goods noted in Schedule 1 & 2 of Surtax Order
- Report surtax code '51' in field 32 (SIMA) & amount owing is noted in field 39 of B3-3
- Chapter 99 & most Chapter 98 end use provisions are subject to the new surtax
- Duty Drawback & Relief programs are available

## New: Dept. of Finance Remission

- Remission of surtax requests considered by a federal inter-departmental committee
- Subject to consultation by domestic producers, etc.
- May apply to any company impacted by surtax
- Remission via an Order in Council (OIC)
- Refer to handout for required content template
- Email to: [fin.remissions-remises.fin@Canada.ca](mailto:fin.remissions-remises.fin@Canada.ca)
- <https://www.fin.gc.ca/access/remis-eng.asp>



## FTZ Point Benefits

- Strategic locations across Canada to promote international trade and foreign direct investment
- Uniquely supported by a single-point of access to information on relevant government policies and programs coordinated by Fed Dev Ontario to help streamline the process
- CBSA is proud to be a member of the Niagara region FTZ Task Force

CBSA Trade Services Foreign Trade Zone Contact:

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**Senior Officer Trade Compliance, CBSA Trade Incentives**

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**416-973-1792 / [Matthew.Lawford@cbsa.gc.ca](mailto:Matthew.Lawford@cbsa.gc.ca)**

# HOW CAN THE NFTZ HELP MY BUSINESS?



Our **ONE-WINDOW APPROACH** means your business doesn't have to connect with multiple offices or people to get the importing / exporting support you need to improve your business.

**ONE CALL OR EMAIL CONNECTS YOU WITH INFORMATION AND SUPPORT** for all of the municipal, provincial and federal government programs and policies related to importing and exporting that can be accessed in Niagara.



If your business is physically located in Niagara and imports or exports goods, it's worth a call or an email:  
**905.908.6000 ext. 3440 • [jayesh.menon@niagararegion.ca](mailto:jayesh.menon@niagararegion.ca)**

# JOIN THE GROWING LIST

**COMPANIES THAT ARE GROWING THEIR BOTTOM LINE  
THROUGH SUPPORT FROM NIAGARA FREE TRADE ZONE**





# TAKE THE NEXT STEP: GET STARTED ON YOUR PATHWAY TO WORLD MARKETS



## Contact Details



Jayesh Menon, Foreign Trade Zone Coordinator



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