Export to Canada





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1. General information

Political landscape

- Federal state with ten provinces and three territories
- Constitutional monarchy with King Charles III as head of state a part of the Commonwealth
- The Prime Minister of Canada is the head of the Canadian government. They are appointed by the Governor General who represents King Charles III
- Main Political Parties
 - **Liberal Party of Canada:** The Liberal Party, represented by the colour red, is a centrist party that has held power multiple times in Canadian history. It emphasizes progressive policies, social justice, and economic growth.
 - **Conservative Party of Canada**: The Conservative Party, associated with the colour blue, leans right and advocates for fiscal responsibility, free markets, and traditional values.
 - New Democratic Party (NDP): The NDP, identified by the colour orange, is a leftleaning party that champions social equality, workers' rights, and environmental sustainability.
- Powers are split between the federal and provincial governments, either on an exclusive or shared basis
 - Key Federal Jurisdictions:
 - Highways
 - Regulation of Trade/Commerce
 - Postal Service
 - Currency/Banking
 - Defence
 - Census Data
 - Sea Coast & Inland Fisheries
 - Key Provincial Jurisdictions
 - Healthcare
 - Education
 - Natural Resources
 - Property/Civil Rights
 - Prisons
 - Key Shared Powers:
 - Immigration
 - Agriculture

Economics

- Canada is the tenth largest economy and is a part of the G7.
- The Canadian economy is highly intertwined with the economy of the USA and is the biggest trading partner.
- international trade is a huge part of the economy and one third of the country's GDP.
- Four-fifths of Canadians work in the services sector.
- The primary sectors (oil, forestry, and mining) are unusually important for a developed country, Canada is unique in the sense that it has a lot of natural resources but relatively small population, leading to trade being a significant proportion of GDP.

Culture

- Canada has two official languages: English and French
 - French is the official language of Quebec, New Brunswick is the only bilingual province, all other provinces have English as their official language. Ottawa, or the federal government, is mostly bilingual for announcements, publications, and press interviews.
 - A point for emphasizing; French is not the majority language in Canada. For example, British Columbia has a bilingualism rate of 6.6% (Proportion of people speaking both English and French) with languages like Mandarin, Cantonese, and Punjabi being a more popular choice of language in the province.



- Approximately three-quarters of Canadians live fewer than 160 kilometres from the United States border.
- Canada has historically been influenced by British, French, and indigenous traditions. During the 20th century, new arrivals from Africa, the Caribbean and Asia have enriched Canadian identity and culture with an emphasis of Asian culture being influential in the Western part of Canada.

Technology

- Over CAD 1.5 billion of risk capital and CAD 500 million in public funding have been invested in the artificial intelligence sector in Montreal since 2018
- The technology industry is growing by 6% a year in British Colombia
- Global companies choose Vancouver Major players in the field have established businesses in Vancouver (primarily) such as Microsoft, Amazon, Mastercard, Electronic Arts, Intel, Samsung, and others.
- Toronto is the third largest technology cluster in North America.
- Canada is an energy superpower because of its natural resources and small population.

Environment

- Canada has the fourth-largest oil reserves in the world: 97% is held in Alberta's tar sans whose operation is causing significant environmental damage.
- Overall, Canada only harvests 69% of its annual felling quota, which means that the Canadian forestry industry is sustainable.
- Canadians produce the greatest amount of waste per inhabitant of developed countries.

Legal

- Law is federative, which means that different rules apply depending on whether the issue is federal or provincial.
- The legal system is based on two different systems: civil law (only in Quebec) and common law (everywhere else)

2. Additional indicators

Economic indicators

Find the main socio-economic indicators for this country, as well as its trade with Brussels and Belgium, in the publication "<u>Brussels and the world – Country statistics</u>" on analytics.brussels, hub.brussels' online data library.

The "<u>Brussels and the world - General statistics</u>" publication also provides data on trade between the Brussels-Capital Region and the rest of the world, by continent and by major world region. The same type of data is also available for the various regions of Belgium, as well as for Belgium as a whole.

Social and environmental indicators

If you'd like to know where your country stands in terms of social, environmental and economic issues, access a series of <u>composite indicators from the European Commission</u>, structured according to the 17 United Nations Sustainable Development Goals¹ and the European Commission's 6 priority policy areas².

¹No poverty, Zero hunger, Good health and well-being, Quality education, Gender equality, Clean water and sanitation, Clean and affordable energy, Decent work and economic growth, Industry, innovation and infrastructure, Reduced inequalities, Sustainable cities and communities, Sustainable consumption and



Free trade agreements

European agreements have a major impact on market accessibility and trade with certain countries. The links below, published by the European Commission, will provide you with all the information you need on free trade agreements and trade barriers. Existing agreements, those that have not yet been ratified and those that are expected to be ratified, can be consulted here:

- Free trade agreements
- Trade barriers

3. On-site: a step-by-step guide

First Contacts

Prospecting

- Be extremely professional!
- Local presence is often essential.
- Ask yourself "Why Canada?" and have an answer prepared
- Maintain an up-to-date website with:
 - A clear description of your product or service
 - Your complete contact information. People are very easy to contact in Canada and often include their mobile number in their signature
 - A French and English-language version, your website will have to be bilingual FR/EN in Quebec. Read about Law 96 and its impact on doing business and providing (online) services in Quebec.
- Give access to the most complete and relevant information you can about your product/service. We need to know your company as well as you to fully understand the value of the product or service you want to export and the market we must investigate. Our work relationship with you is a true collaboration. A feasibility study based on relevant information can quickly determine whether (or not!) Canada is a good market for your product/service.
- Prepare a clear, concise pitch for your product or service. Know your added value compared to your competition (which implies that you have studied the competition).
- People get straight to the point in Canada. There is no small talk and pricing comes up quickly. Research professional trade shows and conferences in your field. Attending trade shows, combined with B2B meetings, is a very effective way to survey the market.
- Stock market activity is primarily centered in the eastern part of the country (Montreal and Toronto). The Vancouver and Calgary stock exchanges are highly focused on the energy sector (carbon) (LNG, tar sands, pipelines, oil, renewables).

² A green pact for Europe, An economy serving people, A Europe fit for the digital age, A stronger Europe on the world stage, Promoting our European way of life, A new impetus for European democracy.



production, Measures to combat climate change, Water life, Land life, Peace, justice and effective institutions, Partnerships to achieve the goals.

- Keep your LinkedIn profile up to date and read through the profiles of the people you will meet with.

What is your geographical strategy?

Investigate to be sure you are making an informed choice. There are three main business centers in Canada: East (the main city is Montreal), Centre (the main city is Toronto) and West (the main cities are Vancouver, Calgary, and Edmonton).

- Toronto is the largest Canadian city and the capital of the province of Ontario. It is a major financial and international business centre. Toronto is Canada's primary financial and economic centre and the second largest in North America. The capital of Ontario has a stock exchange called the Toronto Stock Exchange (abbreviated to TSX). Most of the major retail and luxury goods buying groups are found there.
- Ottawa is the capital of Canada. Key sectors: <u>https://www.investottawa.ca/why-ottawa/</u>
- Montreal is the largest city in Québec. The city is located on an island of 500 km2. The key sectors are artificial intelligence, aerospace, life sciences and healthcare technologies and creative industries (video games, visual effects, and animation):
- Vancouver is the largest city in British Columbia. The key sectors are mining, forestry, IT niches (quantum computing, healthtech, social media and blockchain), energy solutions other than oil (hydrogen batteries, hydro-electric power, battery manufacturing, gas engines, LNG) and film and media. Vancouver ranks third in global film production after San Francisco and New York.
- Calgary and Edmonton have a special place in Canada's economic landscape related each in, their own way, to the carbon energy field: Edmonton focuses on blue collar activities (engineering, construction, subcontracting) and Calgary on white collar activities (finance, insurance, marketing).

Arriving to Canada

There are virtually no tariff barriers thanks to <u>CETA</u>. Register with the REX database when you export goods to ensure that you will receive the preferential rate provided by CETA. The rare exceptions to duties exemptions are for certain food and automotive products.

Remember that you're in North America. Your European certificates (EC and other) are not automatically valid. An electrical device which isn't CSA or ULC certified will probably be stopped at the border. Note that CETA will eventually remove this requirement and enable dual certification. Foodstuffs must have bilingual French-English labelling and conform to the <u>regulations set by the Canadian Food Inspection Agency</u>. Note: although similar, labelling is different in Canada and the USA.

With respect to e-commerce, merchandise sent from outside of Canada benefits from a tax exemption if its value is maximum CAD 20. Your customers may have to pay federal and provincial tax and the handling fees required by Canada Post.

What are the different distribution options? Direct, via agents, distributors, or e-commerce?

You will have to travel to the country, often several times, to understand the market, meet customers, partners, distributors, etc.

Exporting

Payments

Invoices are paid under 60 days via international wire transfer, a deposit in a local bank or by cheque.



Company Types

- Canadian-Controlled Private Corporation (CCPC): A private corporation that is resident in Canada and meets certain conditions.
- **Other Private Corporation**: A corporation that is resident in Canada, is not a public corporation, and is not controlled by one or more public corporations.
- Public Corporation: A corporation that is resident in Canada and has a class of shares listed on a designated Canadian stock exchange.
- Corporation Controlled by a Public Corporation: A corporation that is controlled by a public corporation.
- Sole Proprietorships: A business owned and operated by a single person.
- Partnerships: Like sole proprietorships but involve two or more people.

Support and Subsidies

Discover all subsidies for Brussels businesses on the Brussels Economy and Employment website.

Interesting markets for a first export

Green Building

The Canada Green Building Council (CAGBC) champions this cause, providing the building sector with innovative standards, verification services, education, and training. The Government of Canada has committed to reducing greenhouse gas emissions and developing climate-resilient buildings, with the buildings sector being a key area of focus.

Film/Post-Production/VFX

The industry offers hundreds of jobs, from camera work to production management. Canada's screenbased media production industry has seen significant activity and growth. The country is also home to many film festivals that showcase local and international talent.

Green Energy

Green energy in Canada includes wind, small-scale hydro, wood-waste biomass, and biogas. The country is reducing emissions, phasing out coal-fired power plants, and investing in renewable energy and clean technologies to achieve net-zero by 2050.

Smart City Solutions

Smart cities in Canada use digital technologies to enhance the quality and efficiency of municipal services. They collect and analyze data from connected sensors and devices to improve service delivery and user experience. The Government of Canada launched the Smart Cities Challenge in 2017 to encourage communities to adopt a smart cities approach to improve the lives of their residents.

Technology

Canada's tech industry is a rapidly growing sector, primarily composed of small companies. It outperforms the overall Canadian economy in terms of output, employment, and innovation growth. The sector is known for its world-class talent and research & development in emerging fields.

For any trade show inquiries regarding your specific industry please reach out to either the Montreal or Vancouver office for our team to assist you.



4. Business culture

Communication

Emails and telephone calls are the preferred means of communications, and all the contact information will be contained within an email signature or on the company website. However, take note of the anti-spam law, which prohibits the sending of commercial electronic messages (CEM) without the prior consent of the recipient.

Canadians are punctual, there is occasionally at quarter-hour grace period but being on time is expected, a phone-call to notify a late arrival is appreciated. The typical business hours you can expect are in the ranges of 8am to 6pm depending on the individual industry.

Negotiations are also more direct in North America; the expectation is that the business is knowninside and out there is little, small-talk and everything is "down-to-business" rather quickly in business discussions.

Using a lawyer to validate each step of the process is more common than in Europe. In addition, never let a distributor believe they will cover the entire country for you. It is very rare given the size of the country and the differences between east and west. Note that there are three main business centres: East (the main city is Montreal), Centre (the main city is Toronto) and West (the main cities are Vancouver, Calgary, and Edmonton).

Networking is particularly important due to the Canada's size and special demographics in the sense it is a small world in a very large country, but well-targeted networking events can be very productive. It can be worthwhile to travel to specific events. However, the networking landscape is a jungle, and we recommend contacting the hub.brussels office in Montreal or Vancouver to find the best-suited events or to get advice on specific networking opportunities.

Attire

As far as attire, suits and ties are dropping in popularity in Canada outside of legal firms, consultancies, and banks. However, professional attire

How to prepare a visit

In western Canada, the culture as an immigrant country is still very much alive. People are very open to foreign companies. Canadians are friendly and approachable, but value business professionalism above all else. Be punctual and keep (initial) conversations businesslike.

There were 38 million inhabitants in Canada in 2021 (compared to 11 million in Belgium) living in 10 million km2 (compared to 30,000 km2 in Belgium). There are roughly three times more inhabitants in Canada, but it is 333 times larger! This means that it is a small, very spread-out market, which leads companies to diversify their activities. This is why you can do your grocery shopping in a pharmacy or buy medicines without a prescription in a supermarket, go to the post-office at a gas station, etc.

The distances between populated areas are very large and large areas of Canada remain unpopulated and untouched.

Negotiating

Making initial contact is easy, but negotiations can take a long time, even when the amounts involved are not particularly large. However, it's hard to make generalisations.

The market is still protectionist. You will have to be convincing and come often to demonstrate that you really want to do business and, ideally, create a company and hire local staff. If you offer technology services and solutions, expect your customers to want a local contact, not a Belgian telephone number, a Skype address, or an email address. They will want immediate assistance, without a time difference, for defective products, software failures, unclear instructions, and installation issues.



What are the public holidays?

that there are federal and provincial holidays. They can be different depending on the province. (There are ten provinces and three territories in Canada). Below are the holidays (federal and provincial) in Canada:

Holiday	Day Observed	Region Observed
New Year's Day	Jan 1 st	Nationwide
Islander Day	3 rd Monday in Feb	PE
Family Day	3 rd Monday in Feb	AB,BC,MB,NB,ON,SK
Heritage Day	3 rd Monday in Feb (3 rd Friday in Feb in YK)	NS, YK
Louis Riel Day	3 rd Monday in Feb	MB
St.Patrick's Day	March 17 th	NL
Good Friday	Friday Before Easter Sunday	Nationwide (excluding QC)
Easter Monday	Monday After Easter Sunday	QC
St. George's Day	Closest Monday to April 23 rd	NL
Victoria Day	Monday Prior to May 25 th	Nationwide (excluding NB, NL,NS,PE)
National Aboriginal Day	June 21 st	NT
St. Jean Baptiste Day	June 24 th	QC
Discovery Day	Closest Monday to June 24 th	NL
Canada Day	July 1 st	Nationwide
Nunavut Day	July 9 th	NU
Civic Holiday	1 st Monday in August	AB,BC,NB,NU,ON,SK
Labour Day	1 st Mondy in September	Nationwide
National Day for Truth and Reconciliation	September 30	BC, NB, NT, NU, PEI, YU
Thanksgiving Day	2 nd Monday in October	Nationwide (excluding NB, NL, NS, PE)
Remembrance Day	Nov 11 th	Nationwide (excluding NL, NS, ON, QC)
Christmas Day	Dec 25 th	Nationwide
Boxing Day	Dec 26 th	ON



5. What can we do for you?

Local contact points

The General Delegates and Local Representatives of the Region employed by hub.brussels are official representatives of the Brussels Government abroad, they support Brussels companies that want to export, and search and prospect for new investors.

They have the information, expertise and in-depth knowledge about the specifics of different foreign markets. Based on that knowledge, they help to refine and fine-tune your export plans, with advice on regulations, competition, market entry conditions, permits, etc. Furthermore, they can support you with your questions regarding exports, certain sectors within the jurisdiction, contacts with intermediaries, business culture, and much more.



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Key Addresses

Belgian Embassy in Ottawa 360 Albert Street, #820 Ottawa, ON K1R 7X7 T. +1 613 236-7267 ottawa@diplobel.fed.be https://canada.diplomatie.belgium.be/language_select ion

Consulate General of Belgium in Montreal 1000 Sherbrooke Street West, # 1400 H3A 3G4, QC Montreal T: +1 514 849-7394 montreal@diplobel.fed.be https://canada.diplomatie.belgium.be/language_select ion

AWEX/hub.brussels Toronto

Mr Christophe Van Overstraeten 2 Bloor Street West, #2508 Toronto, ON M4W 3E2 T. +1 416 515-7777 toronto@awex-wallonia.com <u>vancouver@hub.brussels</u>

Delegation of the French Community and Walloon Region Mr Yann Gall 43, Rue de Buade, #520 T. +1 418 692-4148 walbru.quebec@dwb.qc.ca www.dwb.qc.ca

Belgian Canadian Business Chamber

PO Box 508 161 Bay St., 27th Fl. Toronto, ON M5J 2S1 T. +1 416 816-9154 info@belgiumconnect.com www.belgiumconnect.com

Belgian Business Club (Vancouver)

www.linkedin.com/company/belgian-business-club-Vancouver

Québec Government Office in Brussels 32, rue du Châtelain 1050 Brussels T. +32 2 512 00 36 qc.bruxelles@mri.gouv.qc.ca www.international.gouv.qc.ca/fr/bruxelles

Chamber of Commerce Canada-Belgium-Luxembourg

Avenue Louise 500 1050 Brussels T. +32(0)2 644 90 44 office@cccbl.org www.canchambelux.or

Useful websites to delve into

Quebec, QC GIR 4A2

Canada-Belgium relations (international.gc.ca) International trade statistics (statcan.gc.ca) Canada-European Union Comprehensive Economic and Trade Agreement (CETA) (international.gc.ca) Starting a business - Canada.ca

