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Clement Keynote at Conference

I.E.Canada is honoured to confirm The Honourable Tony Clement, Minister of Health and Minister for the Federal Economic Development Initiative for Northern Ontario, as a keynote speaker at I.E.Canada's 17th Annual Conference on "Emerging Issues in Customs." The conference will be held from April 21-23, 2008 at the Hilton Toronto Airport Hotel located at 5875 Airport Road.

Recognizing the critical importance of ensuring the safety of products imported into Canada, Minister Clement's speech will address the topical and timely subject of the "Canadian Government's Action Plan for Consumer Product Safety."

Tony Clement was elected to the House of Commons in 2006, representing Parry Sound-Muskoka. He was subsequently appointed Minister of Health and Minister for the Federal Economic Development Initiative for Northern Ontario (FedNor). As Minister of Health, Mr. Clement is responsible to Parliament for some 20 health-related laws and associated regulations that govern the overall programs and policies of the Department. Mr.



Tony Clement, Minister of Health and Minister for the Federal Economic Development Initiative for Northern Ontario.

Clement is also the Chair of the Social Affairs Committee of Cabinet.

Prior to this, Mr. Clement was a member of Ontario's provincial legislature from 1995 to 2003. In 1997, Mr. Clement was appointed Minister of Transportation. In 1999, he became Minister of Environment and later, Minister of Municipal Af-

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Country Profile: Brazil

While the rest of the world seems to be facing a slow-down, a majority of the BRIC countries (Brazil, Russia, India and China) are predicting continued growth. A recent statement from the Organization for Economic Cooperation

and Development (OECD) said that data from Brazil 'pointed to steady expansion'.

Brazil is a country of tremendous

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Canada, EU Study Economic Partnership

The European Union is an increasingly important trading partner for Canadian businesses. Participation in global markets has led Canadian companies to diversify their trading patterns, resulting in a stronger focus on Europe. In 2006, Canadian exports to the EU-25 grew by 16.2 percent. More significantly, direct foreign investment between Canada and the EU increased to more than 25 percent of the Canadian total direct foreign investment. During the same time period, sales by affiliates of Canadian firms in the EU reached \$53-billion, representing just over 20 percent of overall sales.

The recent growth in Canada- EU trade reflects a change in mindset on both sides of the Atlantic. In the past, European interests focused largely on continental integration. With the EU firmly established, interest in Canada is growing. The June 2007 Canada-EU Summit saw both countries agree to cooperate on a study to examine and assess the costs and benefits of a closer economic partnership. This study will examine the existing barriers, especially non-tariff, to the flow of goods, services and capital, and es-

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Canada Open for Business

A report on Canada's progress toward the Asia Pacific Economic Cooperation (APEC) goals has recognized the country as one of the most open and liberal economies among the APEC and WTO members. The report cites tariff reductions, transparency and non-discriminatory competition policy as the reasons for Canada's high rating.

The report is the "Individual Action Plan (IAP) Study Report, Canada 2007", a paper produced by independent analysts investigating and outlining Canada's progress toward achieving the trade and investment liberalization and facilitation targets identified by APEC. The goals were established in the Bogor Declaration of 1994; they set the target of free trade and investment in the Asia-Pacific region by 2010 for developed economies and by 2020 for developing economies.

Canada has accorded high priority to transparency and information technology, competition laws are non-discriminatory and incrementally-applied statutory amendments are expected to decrease government restrictions on competition.

While restrictions on foreign ownership of acquisitions do exist, over 50% of the Canada's manufacturing industry and over 80% of its oil and gas industry are foreign owned, which demonstrates Canada's openness to foreign investment.

While tradition suggests that the U.S. is a primary trading partner, analysts point out that, "unilateral and reciprocal concessions have also been extended to non-US economies" and that "there exist multilateral potential trade gains for Canada if trade increases with the rest of the world in a significant way."

In 2007, Canada identified its APEC priorities as being:



Canada's progress towards APEC goals is lauded in Canada's IAP report

- the advancement of key Canadian trade policy interests, including support for the WTO and the current round of negotiations, support for our regional trade and investment promotion and policy objectives, and efforts to make the Asia-Pacific region more accessible to Canadian businesses, including women-owned enterprises;

- the promotion of economic policy objectives such as tackling global climate change, energy security issues and economic sustainability;

- the enhancement of security in the Asia-Pacific region by expanding adherence to counterterrorism agreements, providing counterterrorism capacity building, and enhancing health security and infectious diseases strategies.

All APEC member countries conduct IAPs at various times, to assess their efforts in achieving the Bogor Goals. The process involves visits to the country by expert analysts as well as responses on the state of the economy from the country. The report is supplemented with information from the economy's earlier IAPs and from reports issued by the

WTO, as well as studies published by academics relating to the specific economy.

APEC is an intergovernmental forum dedicated to promoting free trade and investment, economic growth and development, and cooperation in the Asia-Pacific region. It operates on the basis of non-binding commitments and open dialogue. APEC's year-round activities culminate in the annual APEC Economic Leaders' Meeting, which is the largest of its kind in the region. World leaders and ministers meet to focus on a results-oriented dialogue on trade and investment liberalization and facilitation, economic and technical cooperation, and security. APEC has grown to 21 members spanning four continents, representing the most economically dynamic region in the world and accounting for approximately 50 percent of the world's population, trade and GDP.

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fairs and Housing. In 2001, he was appointed Minister of Health and Long Term Care. As Health Minister, he was responsible for a ministry with a 28 billion dollar budget. He initiated primary care reform, created the successful Telehealth system, oversaw the expansion of the hospitals system and provided leadership for the country during the SARS crisis.

Prior to his election, Mr. Clement was counsel to a national law firm, a Visiting Fellow at the University of Toronto Faculty Of Law and was a small business owner.

On 3 February, 2007, Tony Clement was awarded the Courage in Public Award from the Canadian Cancer Society and the National Cancer Institute of Canada. The award was given to Mr. Clement to recognize his leadership in supporting the Ca-

Clement, cont'd on pg. 4

Shipping and Trade Horizons



Leo Ryan

Shipping and Trade Horizons, a Tradeweek column, is produced by Leo Ryan. The column addresses Canadian industry issues and trade developments of interest to our members.

The Reisman Legacy

If one were to single out an individual from any country who embodied free trade in all its aspects, the first name that could come to mind would be Simon Reisman, who passed away in Ottawa on March 8 at the age of 88. During more than four decades, he was the key negotiator of every major trade pact signed by Canada, especially with the United States.

Reisman was not widely known in the general public. But he was a legend in trade circles, government departments, corporate boardrooms and in the specialized press. It was in the latter capacity, notably in the 1980s, that as Canada Bureau Chief of the Journal of Commerce of New York I had the privilege of contacting him and deputy trade negotiator Gordon Ritchie regularly during the U.S.-Canada free trade talks that had their explosive moments.

Who can forget the style of the man? A veritable street fighter who could also show the human touch. Broad shouldered. A jutting chin. In-

cisive sense of humour. The occasional stiff grin that appeared to challenge another negotiator "not to cross me." Above all, the omnipresent cigar, billowing a cloud of smoke into another party's face to underline a non-negotiable point!

In short, a rather intimidating force - as his red-haired, youthful U.S. counterpart, Peter Murphy, was to witness on no doubt too many occasions.

Born in Montreal in 1919, Reisman graduated from McGill University and the London School of Economics.

He negotiated on Canada's behalf at the creation of the General Agreement on Tariffs Trade (GATT) in Geneva in 1947. This was the first great international trade liberalization pact, following on the heels of the Second World War.

Reisman played a crucial role in the 1965 Canada-U.S. Auto Pact which helped to establish a substantial automobile industry in southern Ontario and Quebec. He held various positions within the federal public service, including deputy minister in the departments of industry and finance.

As mentioned earlier, Reisman was the chief architect of the 1987 Canada-U.S. Free Trade Agreement (FTA), as a result of which Canadian exports south of the border have tripled. Now, nearly \$2 billion worth of goods and services cross the 49th Parallel every single day.

Canada's deal-breaker in the talks was unquestionably a dispute-settlement mechanism which set guidelines for domestic trade laws to be fairly applied under the FTA, and later under the 1994 North American Free Trade Agreement (NAFTA) encompassing Mexico.

Indeed, with the approval of Prime

Minister Brian Mulroney, Reisman was to dramatically walk out on the free trade talks shortly before a negotiating deadline in October 1986. The Washington administration, thus, discovered that some Canadians, too, could play hardball.

It worked, although, as we have seen from the softwood lumber dispute, certain bilateral issues may require a drawn-out process to be resolved to mutual satisfaction.

In his recently-published memoirs, Mulroney acknowledged that the FTA "negotiations would not have been successful without him."

Ironically enough, Reisman has departed just as the Democratic contenders for the White House, Barack Obama and Hillary Clinton, have threatened to withdraw from NAFTA unless proposed re-negotiations meet U.S. demands.

The tens of thousands of lost manufacturing jobs in the U.S. rust belt cannot be blamed on Canada or Mexico. Under the impact of economic globalization, many have gone to China and India. A similar pattern has been seen in Canada and in other industrial nations.

Among other things, the Democratic front-runners are vividly under-estimating the guaranteed access of the United States to Canada's energy resources, not to mention the overall economic benefits of NAFTA to the three amigos.

Re-opening NAFTA could, as well, threaten the existence of what is arguably the world's longest-surviving protectionist legislation: the 1920 Jones Act, which stipulates that the transport of cargo between U.S. ports must be carried out only by ships that are U.S.-built, U.S.-registered and crewed by U.S. nationals on purported national security grounds. Canadian Great Lakes car-

Reisman, cont'd on pg. 5

Brazil, cont'd from pg. 1

opportunity. The country's economy ranks 10th globally and is the largest in South America. With a population of almost 190 million, Brazil boasts a highly educated middle-class, representing an expanding consumer market. Strong industrial sectors include mining and agriculture, manufacturing and an expanding technology industry.

Export Development Canada (EDC) reports that Brazil's economy grew 4.6% in 2007. The EDC report predicts strong growth to persist through 2008-2009 due to solid income growth, a supportive monetary environment, and a solid real (Brazilian currency) continue to encourage domestic demand. Inflation will be kept in check with the EDC forecasting GDP growth of about 4.5% in 2008 and 4.1% in 2009.

In terms of Canadian activities in Brazil, statistics from Foreign Affairs and International Trade Canada show that for November 2007, Canadian exports to Brazil were C\$1.4 billion ytd, a 15.3% increase compared to 2006 figures. Canadian imports from Brazil were C\$3.0 billion ytd, a 3.8% decrease over 2006. Brazil is Canada's 8th largest foreign investor.

Following the 2006 election in Brazil, the country committed to fiscal responsibility, focusing on a floating exchange rate, an inflation-targeting regime, and a tight fiscal policy. Current economic reforms focus on reducing taxes and increasing investment in infrastructure.

In the spring of 2007, recognizing Brazil's growing importance in the global economy, The Organization for Economic Cooperation and Development (OECD) offered enhanced engagement to Brazil, with a view to possible membership. This was the first time the OECD had considered the admission of new member countries since Slovakia joined in 2000.



The OECD was established in 1961 to help member country governments foster prosperity and fight poverty through economic growth, financial stability, trade and investment, technology, innovation, entrepreneurship and development cooperation. OECD provides a forum for member countries to share best practices, develop international and domestic policies and generate information. Of the 30 current members, only Mexico is located in Latin America.

The invitation to Brazil would also serve the interests of the OECD. Historically, OECD members represented 80 percent of global production; that figure has fallen to closer to 60 percent. Including emerging economies in the organization is important for the OECD to maintain its relevance. The BRIC countries alone accounted for 27 percent of global production in 2005.

Canadian companies looking for trade and growth opportunities in Brazil will find them in various sectors including environmental and engineering services, oil and gas services, mining equipment and services, information and communication technologies, arts and cultural industries and health. Brazil's economy is characterized by large, established agricultural, mining, manufacturing and service sectors.

While there are opportunities, caution is warranted. The Brazilian marketplace features strong foreign competition, high import tariffs, complex tax and regulatory systems, a tight skilled labour market and infrastructure challenges.

BCCC Launches Portal

The Brazil-Canada Chamber of Commerce (BCCC) has launched www.brazcan.org, a unique, online business tool providing users with resources to assist them in planning their international sales strategies to succeed in the Canada-Brazil marketplace.

Through www.brazcan.org, users looking for resources related to Canada-Brazil trade will have access to directories of consultants, accountants, customs brokers, transportation and packaging, lawyers, translators and interpreters, media and government agencies, and industry associations. The portal also links to market research sources for both Canada and Brazil, and showcases tradeshow opportunities. Visit www.brazcan.org!

Clement, cont'd from pg. 2

nadian Partnership Against Cancer Corporation.

Mr. Clement is a powerful addition to I.E.Canada's "Emerging Issues in Customs" strong conference agenda. For a complete copy of the agenda and the list of available sponsorship opportunities, please visit <http://www.iecanada.com/events.html#customs>.

For further information on the program and/or speaker opportunities, please contact Ms. Fée Kiessling at (416) 223-7072 or by email at fkiesling@iecanada.com. For details regarding the trade show, please contact Jason Butkus at 416-595-5333 ext. 37 or by email at conference@iecanada.com.

Food & Drugs Act Liaison Office Opens

As part of an ongoing effort to increase the accountability, fairness and transparency of its decision-making and regulatory processes, Health Canada has launched a Food and Drugs Act Liaison Office (FDALO). The FDALO will deal with issues concerning the Food and Drugs Act.

Building on the Food and Consumer Safety Action Plan announced by the government on December 17, 2007, the FDALO is part of a series of initiatives designed to modernize and strengthen Canada's safety for food, health and consumer products. "Like the Food and Consumer Safety Action Plan announced on December 17, 2007, the new office will also serve to fulfil our Government's commitment to continuously improve its accountability mechanisms when it comes to matters pertaining to the Food and Drugs Act," said Minister of Health, Tony Clement.

The Food and Drugs Act Liaison Office is a resource for members of the public to access when they are experiencing problems with the regulatory process or with the application of Food and Drugs Act policies or procedures. The office will receive complaints, concerns or enquiries about alleged acts, omissions, improprieties and/or broader systemic problems on matters pertaining to the Food and Drugs Act and will listen, offer options, facilitate resolution, make recommendations, investigate or examine the issues independently and impartially.

The Food and Drugs Act Liaison Office hopes that by working with departmental and public stakeholders to facilitate early resolution of disputes, future disputes that are similar in nature will be prevented. For more information, please visit the Food and Drug Act Liaison Office website at: http://www.hc-sc.gc.ca/ahc-asc/activit/fdalo-bllad/index_e.html

Food Safety Workbook

Imported food and product safety seems to be top of mind for business, government and consumers alike. For those involved in the importing of food and food products, there is a tremendous resource available. The Importer Food Safety Workbook is a "best practices" document providing detailed regulatory compliance information about Canada's food safety regulations as well as supplier food safety system audit tools. It is intended for company officials and senior managers who are responsible for ensuring the safety of imported products throughout the product life cycle from manufacturing through distribution to retail.

To view a sample copy of the Table of Contents or to purchase please link to: <http://www.iecanada.com/publications/publications.html>

Canada-EU, cont'd from pg. 1

estimate the potential benefits of removing such barriers. The study will also identify how such a partnership could complement ongoing efforts to enhance bilateral cooperation in areas such as science and technology, energy and the environment. Leaders will review the results of this study at the 2008 Canada-EU Summit with a view to pursuing balanced and closer future EU-Canada economic integration.

To undertake this study the Canada-European Union Economic Partnership Study Steering Committee was formed. Mary Anderson, president of I.E.Canada, is a member of the committee, which is chaired by Marie-Lucie Morin, Deputy Minister of International Trade. The Steering Committee oversees and guides Canada's contributions to the Canada-European Union (EU) Economic Partnership Study and is composed of senior representatives from private sector associations, the

academic and research communities, the provinces and territories, and the Government of Canada and other federal agencies.

The study will investigate the factors affecting trade and investment between Canada and the EU in both goods and services. In addition to tariffs, non-tariff measures (e.g. technical barriers to trade, sanitary and phytosanitary measures and regulatory regimes) factors such as customs procedures and border security and rules of origin will be investigated. The study will look at investment with respect to government procurement, intellectual property, competition, labour mobility, telecommunications services and electronic commerce.

An important part of the study is a chapter on "Private Sector Views". I.E.Canada is looking for input from member companies doing business in the EU (a similar survey is being conducted with businesses in the EU and will be finalized by March 28). If you are active in the EU, please take a moment to link to the Canada-EU Economic Partnership Study Survey on the I.E.Canada website and share your knowledge with the Steering Committee. The survey can be accessed at: http://www.iecanada.com/ietoday/mar_08/doc/03_13_08_EU_questionnaire.pdf

Reisman, cont' d from pg. 3

riers have deplored that their interests in this regard were sacrificed in the continental free trade negotiations. In recent years, Japan, Australia and the European Union have joined Canada in calling for the virtual dismantling of the Jones Act during multilateral trade discussions. Just another item for the file of any future Democratic administration that may get less than what it wishes...

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Canadian Association of
Importers and Exporters

Association canadienne des
importateurs et exportateurs

17th Annual Conference & Trade Show Emerging Issues in Customs

Ensuring Compliance in Your Supply Chain

ie canada

Keynote speakers:

Global Economic Outlook

*Craig Wright, Senior Vice-President & Chief Economist,
Royal Bank of Canada (invited)*

Future of U.S. Customs, Trade & Homeland Security

*Ralph Basham, Commissioner, U.S. Customs and Border
Protection, Department of Homeland Security (invited)*

Canada's Action Plan for Consumer Product Safety

*The Honourable Tony Clement, Minister of Health and the
Minister for the Federal Economic Development Initiative
for Northern Ontario*

Status Report on Canada Border Services Agency's Commercial Vision

*Greg Goatbe, Vice-President, Admissibility, Canada
Border Services Agency (CBSA)*

Program highlights:

- World economic outlook and forecast for the Canadian dollar
- The Asia Pacific Gateway: Building a sustainable supply chain
- Future of global supply chain security initiatives
- Direction of U.S. Customs, trade and Homeland Security
- How to minimize risks in importing products from emerging markets
- ACI/e-Manifest and mandatory EDI
- PIP update, C-TPAT convergence and mutual recognition
- Cargo security - lessons from the air cargo industry
- Global best practices in customs compliance
- How to get ready for the new PIP
- How to simplify your dealings with customs
- How to prepare for upcoming changes to AMPS
- Export controls: Canadian & U.S. perspectives and case study
- How to accurately classify your imported product
- How to accurately complete a NAFTA certificate of origin

April 21-23, 2008

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