

THE TRADE CONNECTION

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E-Discussion on Canada – EU Relations

The Department of Foreign Affairs is encouraging Canadians to provide views on Canada-EU relations. The online discussion is to further Canada's relations with the EU as it relates to trade agreements, international security and cooperation on climate control. The input provided will help the Department of Foreign Affairs to better negotiate and work with the EU on these issues. Canada meets with the EU every year, the last meeting being in May of 2009. The major result of that meeting was the launching of negotiations of a treaty for a Comprehensive Economic and Trade Relations between Canada and the EU. Canada is the EU's second largest trading partner, and is a strong partner in democracy building and crisis management. The forum is open for comments from Sep 21/2009 and closes Nov 27 2009. More details at the link below. <http://www.international.gc.ca/cip-pic/discussions/eu-ue/index.aspx?lang=eng>



Trade Tips

CBSA 2009-2010 AUDIT PRIORITIES

Value for duty:
Plastic household goods

Tariff Classification:
Magnesium sulphates
Cotton yarn
Copper and articles thereof
Stone vs. articles of Stone
Reclaimed rubber
Furniture Parts
Gloves
Soap

Origin:
Vegetable fats and oils
Articles of bedding and similar furnishings
Perfume and toilet water industry.
Mattress upholstery
Electric generators

Importers should be self auditing at all times and especially those who import any of these products. Contact Tracon for assistance in conducting these audits.

Elimination of Tariffs on Machinery

The government's Economic Action Plan is to support businesses facing economic challenges. These measures include the elimination of tariffs applied on a wide range of machinery and materials. Preliminary discussion with industry stakeholders revealed an interest in helping Canadian businesses lower their production costs, enhance their productivity and improve their overall competitiveness. The government intends to reduce to "free" the MFN rate of duty on tariff items listed in Table 1 of the article below. Complete information on this article can be found in the latest consolidated version of the Customs Tariff available on line www.cbsa.gc.ca/trade-commerce/tarif/menu-eng-html. Interested parties wishing to comment on the proposed MFN tariff elimination should submit their views in writing by November 6, 2009 to MFN Tariff Elimination, Tariffs and Market Access Section, International Trade Policy Division, Department of (continued on page 2)

U.S. to raise duty on Chinese Tires for passenger cars and light trucks

On September 11th, U.S. President Obama signed a proclamation raising the duties for Chinese tires and rubber for cars, light trucks, and sport utilities by 35%. This proclamation is in effect for 3 years. It will begin for all goods imported into the United States or withdrawn from bonded warehouses on or after September 26, 2009. For more details please see the link below

http://www.cbp.gov/xp/cgov/trade/trade_programs/duty_rates/advan_chinese_tires.xml

Minister Day Announces Free Trade talks with Ukraine

Minister of International Trade for the Asia Pacific Gateway announced the launch of talks between Canada and Ukraine on a Free Trade Agreement. Free trade negotiation could help to extend our deepening partnership.

Ukraine is the largest country in Europe and is home to a highly educated population of 46 million. It has a diversified industrial base and substantial natural resources. Agriculture, aerospace, and machinery topped the list of Canadian exports. More details about Minister Day's trip to Ukraine can be found at the following link:

http://w01.international.gc.ca/minpub/publication.aspx?publication_id=387593&lang=eng&docnum=267

Reinvestigation on Stainless Steel Fasteners

The CBSA has initiated a re-investigation of the normal values and export prices of certain carbon steel fasteners originating in or exported from the Peoples republic of China and the normal values and export prices of certain carbon steel and stainless steel fasteners originating in or exported from Chinese Taipei. CBSA is asking exporters of these products to complete and submit an Exporter Request for Information by November 2, 2009. The purpose of the requests for information is to determine specific normal values and provide verification of this information. Exporters and manufacturers who do not provide sufficient information will have normal values determined by advancing the export price of the goods by 170%. For further information please visit the following website. www.cbsa-asfc.gc.ca/sima-lmsi/menu-eng.html

Waterproof footwear from China and Vietnam

In the matter of an inquiry under section 43 (1) of the *Special Import Measures Act* The Canadian International trade Tribunal has found that the dumping of the above mentioned goods has not caused injury or retardation and is not threatening to cause injury.

CBSA duty deferral program

The Canada Border Services Agency has good news for Canadian entrepreneurs who have imported goods into Canada within the last four years, or are planning to import goods into Canada. You should be aware of the Duty Deferral Program as it can reduce your costs and improve your cash flow. Duty deferral is a program where you can import goods and defer paying the import duties in certain circumstances. This program has 3 options: Customs bonded warehouse, Duties relief, or Drawback. Flexibility allows for the use of one option or all 3 of them in combination. Check each option and its unique advantages which best suits your business needs. The complete article can be found on the following link.

<http://cbsa-asfc.gc.ca/publications/pub/bsf5042-eng.html>

Elimination of Tariffs on Machinery *(continued from page 1)*

Finance 140 O'Connor Street, 14th Floor, Ottawa, Ontario K1A 0G5. For complete details visit the following website.

<http://gazette.gc.ca/rp-pr/p1/2009/2009-09-19/pdf/g1-14338.pdf#page=4>