


A man in a grey work shirt is sitting at a desk, writing on a document with a blue pen. A laptop is open to his right. The background is a blurred industrial or warehouse setting. The text "Canadian Export Development Programs!" is overlaid on the left side of the image.

Canadian Export Development Programs!

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CONSULTING



You may qualify – Farrow can help!

Canadian companies have faced critical challenges in recent months. Farrow is here to help with expert advice! Just email compliance.consulting@farrow.com.

The Canadian Government has various international trade programs available to importers which may remove the need to pay duties and taxes at time of clearance should you qualify.

Following is a list of, and a brief explanation of, some of these programs.



Export Distribution Centre Program (EDCP)

The EDCP Program allows qualifying companies to import goods into Canada, or acquire goods from Canada, without paying the Goods and Services Tax/Harmonized Sales Tax (GST/HST) on purchases worth \$1,000 or more, provided these goods are to be exported.

This program may be relevant to companies if:

Your business is registered for GST/HST purposes;

- 90% or more of the revenue is generated from exports (no production or manufacturing);
- 90% or more of business operations in a tax year are commercial activities;
- There is no substantial alteration to property of goods; and
- Limited value is added to goods, either 10% or less in non-basic services or 20% or less in total.



Exporters of Processing Services (EOPS) Program

The EOPS Program relieves participants of the obligation to pay GST/HST on the importation of non-resident goods, as long as these goods are imported for processing, distribution, or storage and are subsequently exported. Compared to EDCP, the EOPS program does not impose a minimum amount of export sales for eligibility.

- This program may be relevant to companies if:
- The business is registered for GST/HST purposes;
- The business is able to post financial security if needed;
- Goods-in-possession were never transferred to another Canadian business except for storage or transportation;
- Goods are owned by non-related non-resident(s);
- The goods are not consumed or used in Canada; and
- The goods will be exported within four years of accounting for them.



Export Distribution Centre Program (EDCP)

The DDP Program is administered by the Canada Border Services Agency. It enables qualified companies to import goods without paying duty fees as long as they eventually export the goods. This reduces the total cost and provides a competitive advantage to your business. Companies are eligible for duty relief if any of the following requirements are met:

- The company stores goods before releasing them for sale into the Canadian marketplace.
- The company imports goods for the purpose of re-export, without substantially altering them.
- The company uses imported goods in the production of other goods for export.

Application for a trade program can be a very complex process. You can contact Farrow (compliance.consulting@farrow.com) for guidance on how to apply for a trade program, and guidance on how to maintain the required paperwork and audit trail.

Get in Touch!

For more information on making use of Canadian Export Development Programs, please contact:

Farrow Consulting or Business Development

 compliance.consulting@farrow.com, or sales@farrow.com

 519.252.4415