

THE WORLD'S MOST COMPREHENSIVE TRADE NETWORK

ACCESS TO THE WORLD

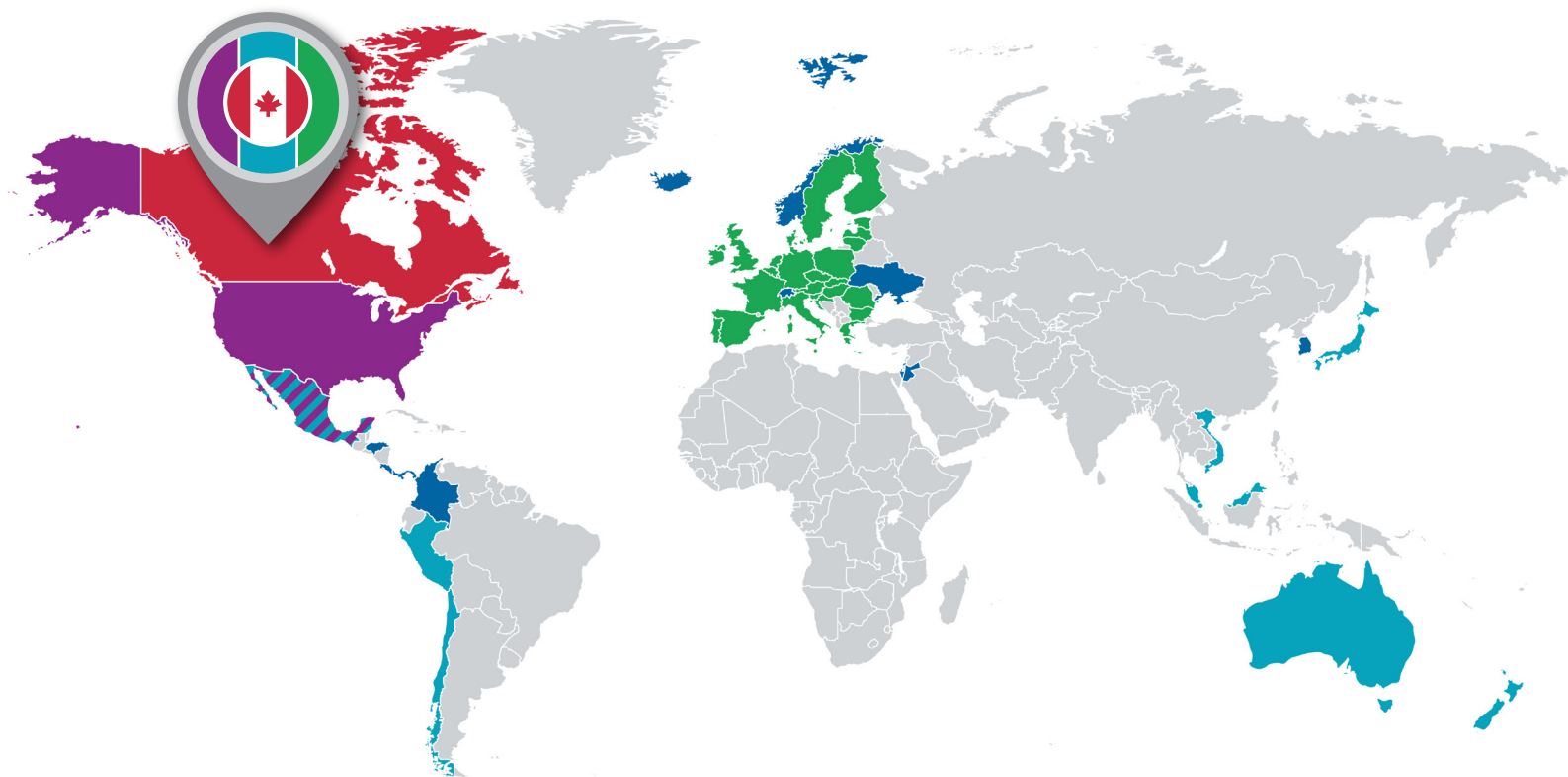
Trade agreements provide a significant advantage to businesses looking to expand their reach and profits.

Canada is #1 in trade connections to G7 countries. That means it has a stronger trade network than Japan, the United States and the entire European Union. It's no surprise that businesses located in Canada have a competitive trade advantage in virtually every sector.

In total, Canada has trade agreements with more than 40 countries, representing 1.6 billion customers and more than 60% of the global economy. Canada is also negotiating or discussing agreements that would provide access to another 25% of the world's economy and another 3.5 billion people.

TRADE AGREEMENTS

- United States-Mexico-Canada Agreement (USMCA)
- Comprehensive Economic Trade Agreement (CETA)
- Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)
- Other Free Trade Agreements



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Canada's trade agreements provide businesses with the ability to engage in global trade with fewer barriers to entry, reduced costs and improved labour movement. What does each agreement include? It's complicated, but we've worked out the basics for Canada's three largest trade agreements.

UNITED STATES-MEXICO-CANADA AGREEMENT (USMCA)

Finalized in 2020, the United States-Mexico-Canada Agreement (USMCA) – referred to as CUSMA in Canada and T-MEC in Mexico – follows in the long tradition of free trade between Canada, Mexico and the United States. USMCA replaced the North American Free Trade Agreement (NAFTA) and, as of 2020, represented a GDP of \$24.2 trillion USD. As the United States is Canada's largest trade partner, USMCA represents a particularly valuable opportunity to Canadian exporters.

2020 exports from Canada to the United States: \$258 billion

COMPREHENSIVE ECONOMIC TRADE AGREEMENT (CETA)

Established in 2017, the Comprehensive Economic and Trade Agreement is Canada's trade deal with the European Union (EU). The EU's 27 member countries represent a market of 450 million consumers and the world's second largest economy.

Under CETA, 98% of EU tariff lines are duty-free for Canadian goods and services, enabling businesses to reach a large market without relinquishing profit or adding red tape. Companies in Canada can also bid on opportunities at all levels of the EU government procurement markets, estimated to be worth \$3.3 trillion per annum.

2020 exports from Canada to the European Union: \$26.4 billion

COMPREHENSIVE AND PROGRESSIVE AGREEMENT FOR TRANS-PACIFIC PARTNERSHIP (CPTPP)

The Comprehensive and Progressive Agreement for Trans-Pacific Partnership is Canada's free trade agreement with 10 other countries in the Asia-Pacific – Australia, Brunei, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam.

CPTPP is an especially lucrative opportunity for Canadian businesses, as Asia-Pacific is the world's leading region of economic growth with 500 million consumers and 13.5% of global GDP.

This agreement provides Canadian businesses with a competitive trade advantage by eliminating barriers for 99% of current Canadian exports to CPTPP countries. Canadian businesses are also treated as domestic suppliers when they bid on government procurement opportunities in other CPTPP member countries.

2019 exports from Canada to the CETA members: \$34.6 billion

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THE OPPORTUNITY FOR BUSINESSES

Trade deals are well-known for helping manufacturers – they remove barriers on goods. Manufacturers will find that Canada's trade network enables them to establish a central operation that will allow access to the world's biggest economies, often tariff-free. There is no other country in the world with this type of privileged access.

For tech companies, each trade agreement includes more flexible rules for labour movement, helping companies move highly-skilled professionals between countries with minimal barriers. Paired with Canada's Global Talent Stream immigration program, this makes Canada a unique option for establishing a hub for international talent.

Expanding your operations to Canada is a great way to access a world of export possibilities. If your company is looking to grow its sales, there's no better place to access the global market than Waterloo, Canada.

WHY WATERLOO?

Waterloo is home to Canada's largest robotics and automation cluster, largest automotive manufacturer – Toyota – and the 4th largest manufacturing workforce. The University of Waterloo is Canada's premier tech and engineering school, ranked in the top-25 globally for computer science. We're directly on Canada's largest superhighway – the 401 – and major rail lines and we're less than an hour from Toronto Pearson International Airport and Canada's largest consumer market, Toronto. Our community is within a one-day drive of New York City, Detroit, Boston, Pittsburgh, Chicago and Columbus. For companies looking to reach markets globally while relying on the stability of a strong local customer base, there are few places more strategically valuable than Waterloo.



WE CAN HELP

Waterloo EDC is a free one-stop concierge service for expanding your business to Waterloo, Canada. We'll connect you with export experts to investigate potential benefits for your company and, if you decide to locate here, we'll help you with everything from talent acquisition to real estate to government grants and loans.

519.747.2541

1.866.233.5133

info@waterlootedc.ca

