



Government
of Canada
Trade Commissioner
Service

Gouvernement
du Canada
Service des
délégués commerciaux

UNCLASSIFIED | NON CLASSIFIÉ

Canada

Trade Commissioner Service

Trade Diversification 101

Wood Manufacturing Cluster of Ontario
Trade Commissioner Service – Ontario Regional Office
February 27, 2026
Cheska Catilo & Rachel Gam

Trade Diversification

Trade diversification aims to expand opportunities for Canadian exporters and investors by enabling them to compete and thrive in rapidly growing global markets and sectors.

Trade diversification is essential for..



International growth



Long-term stability



Global success



New Exporters

Our Trade Commissioners at regional offices can help companies **prepare for international business**. We work with new exporters to:



Understand and access support from the global TCS network



Refine your business strategy



Identify target markets



New Exporters

Questions to consider as first-time exporters:

- What advantage does your product or service offer compared with competitors?
- Is there demand for your product in the market?
- What volume can you produce or export?
- What is your market-entry strategy?
- Who is your desired customer?
- Do you have desired partners or distributors?



Step-by-Step Guide to Exporting

The TCS' [Step-by-Step Guide to Exporting](#) will help get your business export-ready and well positioned for commercial success abroad. The Guide helps companies:

- ✓ Assess your company's export readiness
- ✓ Build an export plan
- ✓ Research and select your target market
- ✓ Realize the benefits of Free Trade Agreements
- ✓ Create an export marketing plan
- ✓ Identify delivery methods for your target market
- ✓ Develop a sound financial plan
- ✓ Understand the key legal aspects of international trade



DEMO – Trade Research Tools – Rachel

HS [94.03.30](#) - Wooden Office
Furniture: Observatory of
Economic Complexity (OEC)



What is the TCS?



The International Trade Branch of Global Affairs Canada



We help Canadian companies and organizations of all sizes grow and operate internationally



Worldwide network of 1,000 business-savvy experts in 160+ cities who help Canadian businesses trade, grow and succeed



125-year history helping thousands of Canadian companies



TCS Client Criteria

To qualify for TCS services, your Canadian business or organization must have:

- ✓ Meaningful economic ties to Canada
- ✓ Demonstrated capacity for, and commitment to, internationalization
- ✓ Potential to contribute significantly to the Canadian economy



The TCS Offers



Network

- In-market support in 160+ cities worldwide
- Market preparation & intelligence
- Connections & introductions
- Problem solving



Programs

- Trade missions and events
- Canadian Technology Accelerators
- Team Canada Trade Missions
- Inclusive Trade Business Support



Funding

- CanExport
 - SMEs
 - Innovation



TCS Key Services

1

Prepare for international markets

The TCS helps you understand what it takes to succeed in a foreign market.

2

Assess market potential

The TCS provides insights and intelligence to help you pick the right markets.

3

Connect with qualified contacts

The TCS connects you with vetted contacts.

4

Resolve business problems

The TCS helps resolve problems in foreign markets.

Canadian companies that use TCS services...

- Export to 25% more countries
- Export 11% more product varieties
- Increase export value by 20%
- Reduce risks and avoid costly mistakes

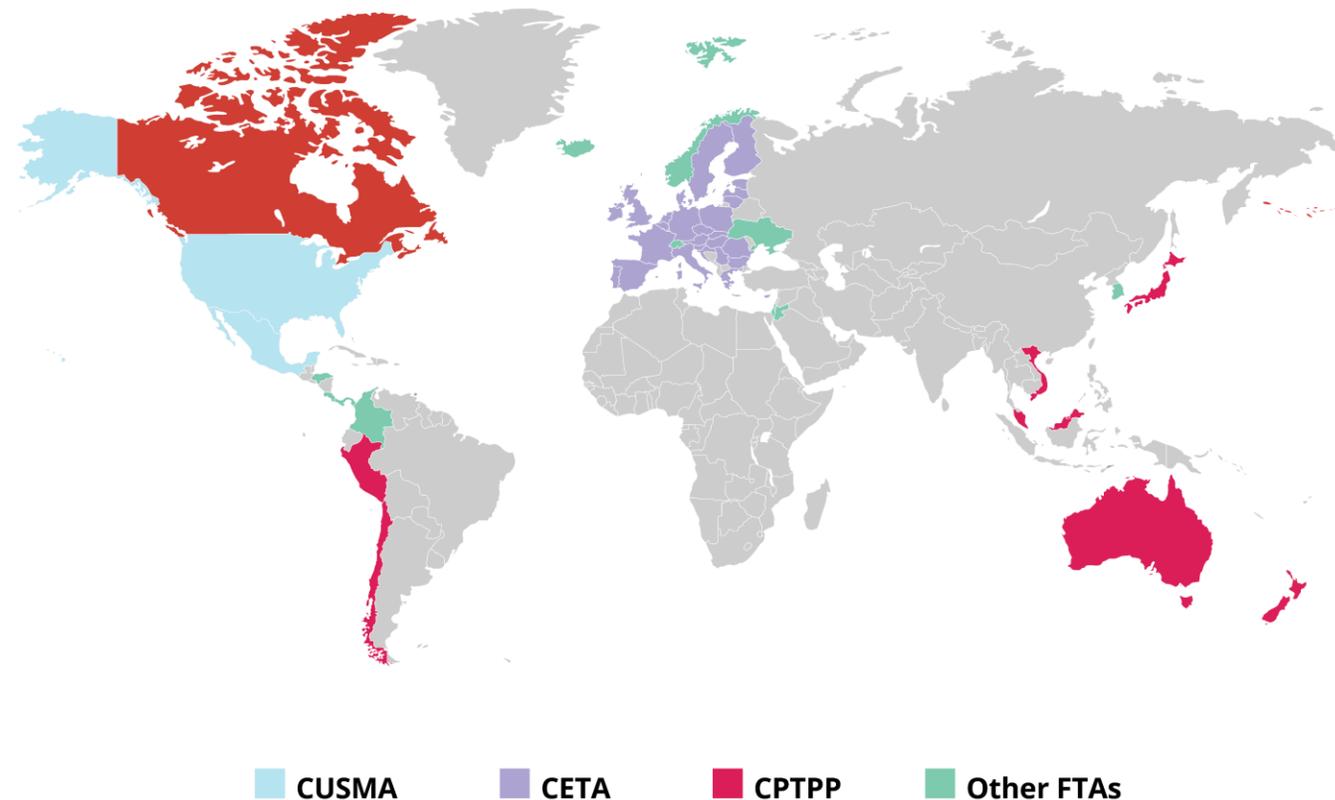


Canada's Free Trade Agreements

Canada's 15 free trade agreements give Canadian companies access to 1.5 billion consumers in 51 countries – covering 60% of global GDP and unlocking new growth opportunities.

Free Trade Agreements:

- CPTPP
- CUSMA
- CETA
- EFTA
- Canada-Chile
- Canada-Colombia
- Canada-Costa Rica
- Canada-Panama
- Canada-Peru
- Canada-Honduras
- Canada-Republic of Korea
- Canada-Ukraine
- Canada-UK TCA
- Canada-Israel
- Canada-Jordan



Benefits of using FTAs

FTAs offer key benefits for Canadian businesses, including:

- **Lower costs** – Reduced or eliminated tariffs
- **Market access** – Reach new customers, including foreign governments
- **Competitive edge** – Preferential treatment in partner countries
- **Reduced risk** – Clearer, more predictable rules for service providers and investors.
- **Faster trade** – Easing border delays and business travel to partner countries
- **Stronger supply chains** – Easier sourcing and exporting
- **Less red tape** – Harmonizing technical and product standards
- **Diversification** – Less reliance on a single market



Step-by-Step Guide to Take Advantage of FTAs

1. Identify Relevant FTAs

Determine which Free Trade Agreements apply to your target export markets to maximize benefits.

2. Understand Benefits

Leverage tariff reductions, improved market access, and stronger intellectual property protections.

3. Ensure Product Eligibility

Assess if products meet rules of origin and compliance for export requirements.

Accurate classification of goods using Harmonized System (HS) codes is essential for tariff determination.

4. Engage Support Services

Work with Trade Commissioner Service and customs experts for guidance and market intelligence.



CanExport Funding Programs

International Business Development

SMEs

\$10,000 to \$50,000



Associations

\$10,000 to \$250,000



Investment into Canada

Community Investments

\$3,000 to \$500,000



R&D Partnerships

Innovation

Up to \$75,000



canada.ca/canexport



CanExport SMEs



Allow 60 business days for a decision!

Funding to help Canadian small-and-medium sized enterprises (SMEs) pursue export opportunities for their products or services in international markets where they have little or no sales.



Funding cycle: Multi-year project (April 1 to March 31 fiscal year)

Project budget: \$20,000-\$100,000

Cost-share: 50:50, for \$10,000-\$50,000 in funding

Application process: **Now accepting applications until May 29 at 12:00 PM ET** - One active project at a time.

For Details: [Applicant's Guide](#)

For General Inquiries: CanExportSMEs@international.gc.ca

CanExport SMEs is delivered in collaboration with the National Research Council Industrial Research Assistance Program (NRC-IRAP).



CanExport SMEs

ELIGIBILITY

Small and medium enterprises that...

- ✓ Are for-profit
- ✓ Are incorporated or a limited-liability partnership or a cooperative
- ✓ Have a valid CRA business number
- ✓ Have between 3 and 500 full-time employees
- ✓ Have between \$300,000 and \$100 million in annual revenue declared in Canada during their last complete tax reporting year

*Applications that do not clearly demonstrate that your project has strong economic ties to Canada may be declined.



CanExport SMEs

TARGET MARKETS

- Applicants may identify up to 5 target markets per CanExport SMEs project.
- Projects that target the **U.S.** may **not** include any other target market. Alternatively, projects that target **any country other than the U.S.** may **not** include the U.S. as a target market.
- Sales in each chosen target market must be less than \$100,000 or less than 10% of total combined domestic and international sales.



CanExport SMEs

Eligible Activities: Categories A-H

- A. Travel for meetings or events with key contacts
- B. Participation in trade events (non-travel related)
- C. Adaptation of marketing tools for target markets
- D. Interpretation services
- E. Contractual agreements and supplier diversity certification
- F. Consultants – business, tax, and legal advice
- G. Consultants – market research, feasibility studies, identification of key contacts, business-to-business (B2B) facilitation
- H. Intellectual property (IP) protection



CanExport SMEs

1. Review the [Applicant's Guide](#)
2. Keep it simple – avoid jargon or technical terms
3. Provide clear descriptions in each section:
 - Clearly describe your **business case**;
 - Explain how the **activities** support your international business development goals. (For trade events, indicate the name, dates and the main objectives for attending);
 - Provide a **rationale** for selecting your target market(s);
 - Provide a **detailed budget with a breakdown of costs** - obtain quotes, research the internet to support your ask.



CanExport Resources

CanExport SMEs

- [Applicant's Guide](#)
- [Assessment criteria](#)
- [Tips on how to submit a strong application](#)
- CanExportSMEs@international.gc.ca (general inquiries)
- For questions related to funding agreements, reports, claims, and reimbursement, please contact NRC.CanExport.CNRC@nrc-cnrc.gc.ca.
- For questions related to technical difficulties with the online application system or technical problems related to an applicant's account, please contact NRC.CanExport-Help-Aide-CanExport.CNRC@nrc-cnrc.gc.ca.



CONNECT WITH THE TCS

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