

The background of the slide is a night-time photograph of the Hamilton city skyline, with numerous skyscrapers and buildings illuminated. Overlaid on the top half of the image is a white network diagram consisting of various-sized circles connected by thin lines, resembling a molecular or digital structure. The text 'INVEST IN HAMILTON' is centered in the middle of the image. 'INVEST' is in white, 'IN' is in red with a red maple leaf icon, and 'HAMILTON' is in white.

INVEST IN HAMILTON

Hamilton Foreign Trade Zone (FTZ) Webinar

April 30th, 2021

Agenda

- **Invest in Hamilton**
- **Hamilton International Airport**
- **Hamilton-Oshawa Port Authority**
- **Canada Revenue Agency**
- **Canada Border Service Agency**
- **Federal Economic Development Agency
for Southern Ontario**
- **Export Development Canada**
- **Q & A**

What is a Foreign Trade Zone Point Anyway?

An FTZ Point refers to one of Canada's strategic locations for international trade, where an organization with a mandate to promote local trade and foreign direct investment is uniquely supported by a single-point of access to information on relevant government policies and programs

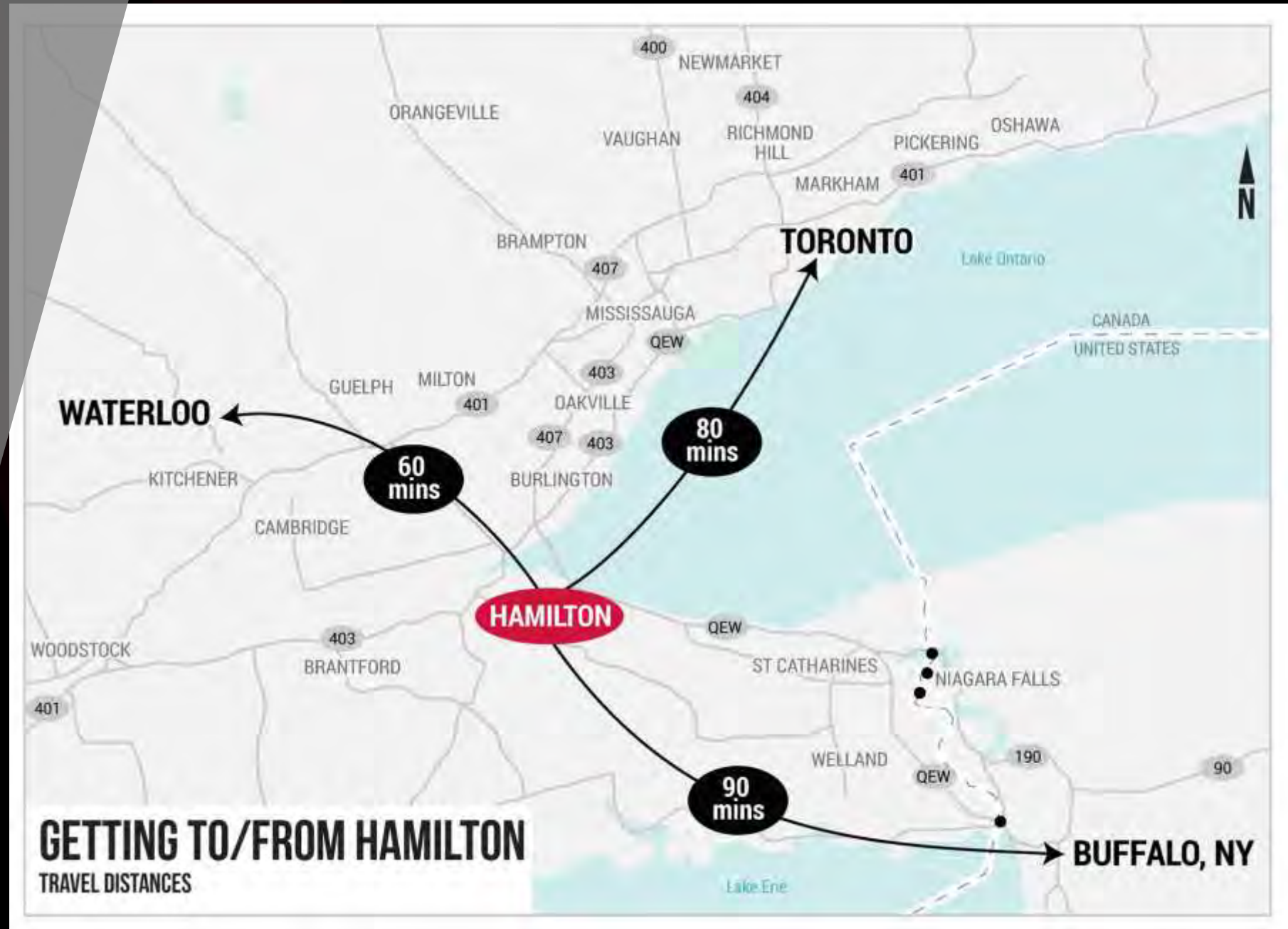


In collaboration with HOPA and HIA, Hamilton's Foreign Trade Zone offers businesses rapid and front-of-the-line services and direct access to agencies and programs that specialize in export and development.

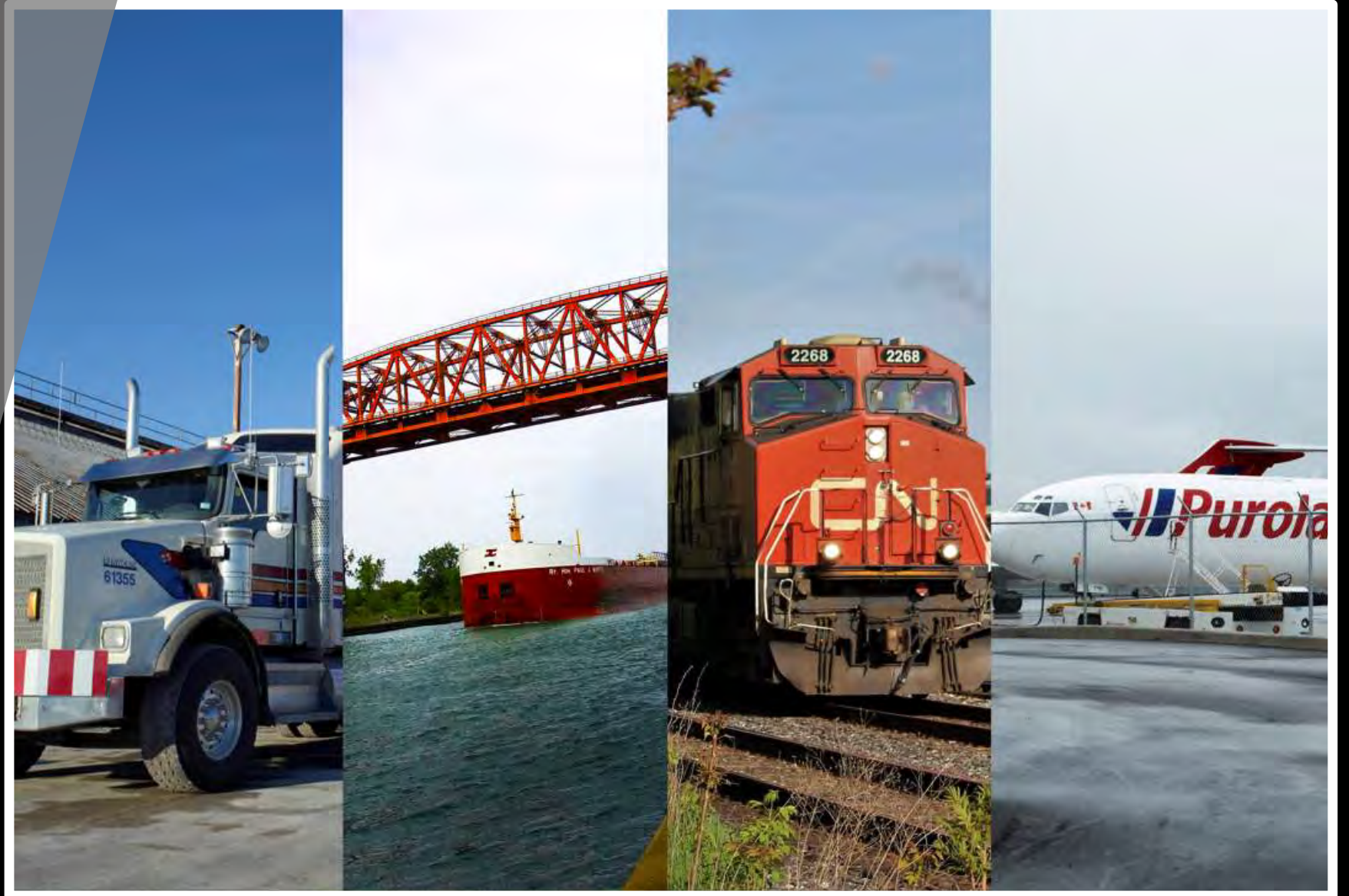


- ✓ Dedicated point of contact through Economic Development
- ✓ Task Force/Team specialized in import/export
- ✓ Incentive Programs

WHY HAMILTON?



A MULTI-MODAL CITY



OUR SERVICES



Hamilton's Economic Development Office is the central point for all investment activity within the city. It's services are geared to serve new start-up companies, foreign direct investments, corporate relocations, and the expansion and retention of existing business.

THANK YOU

Brian Morris

Sr. Business Development Consultant – Investment & Trade

Brian.Morris@hamilton.ca

WWW.INVESTINHAMILTON.CA/FTZ



Foreign Trade Zone (FTZ) Webinar

April 30, 2021



AIRPORT INFRASTRUCTURE

Readily available for operations and support services

- 10,000 ft and 6,000 ft runways
- Instrument Landing System (ILS) for CATII low visibility approach
- 24/7 operations (no curfews)
- Uncongested airfield with several de-icing options
- Sufficient cargo apron space
- On-site and integrated Canada Customs
- Foreign Trade Zone (FTZ) designation
- MRO facilities
- Recently rehabilitated airside infrastructure capable of handling all types of aircraft without restriction
- Opportunities for access to additional onsite spaces, including training facilities/meeting rooms



AIRPORT INFRASTRUCTURE

Air Cargo Logistics Centre



- 70,000+ square foot common-use facility includes truck docking, cargo handling, temperature-controlled storage (5,000 square feet).
- Cargojet is the anchor tenant, occupying approximately half the space; with the remainder of the facility operated under a common-use warehouse model – bonded, cool handling area.
- Airside access and ease of groundside access to highways.

Cargo Operations

A gateway for facilitating goods movements across the country and around the globe

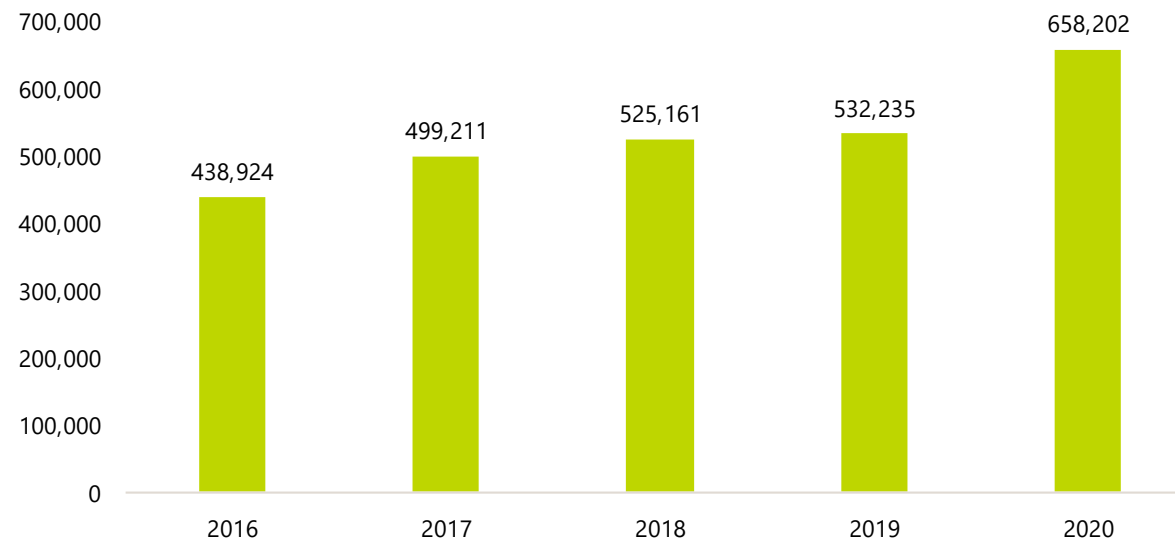
- **E-commerce sales surged** as most of the population remains at home and gravitated to new online shopping habits
- In 2020, the Airport and its cargo partners experienced **24% growth** compared to the previous year with 658,202,000 kilograms in total cargo aircraft billable weight
- This growth has resulted in **on and off airport facility and land development**



658m kg

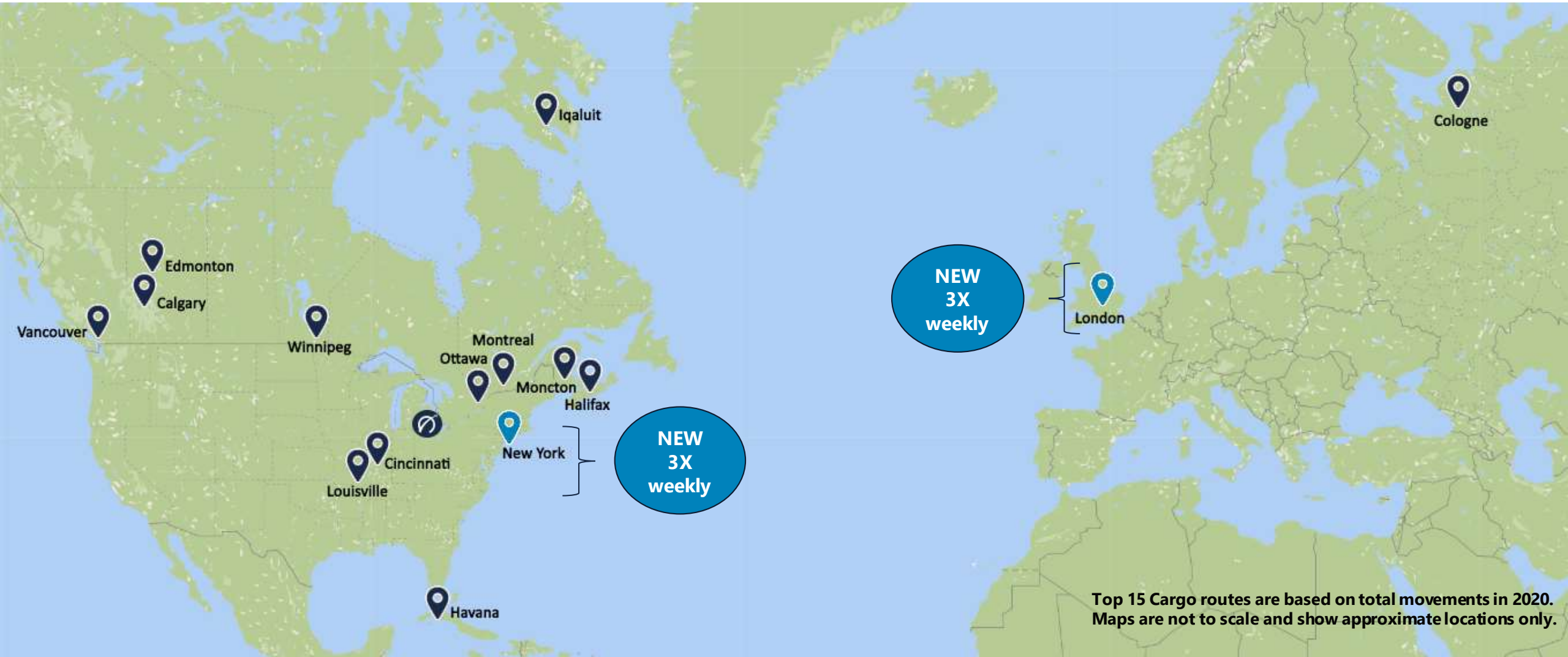
in total landed cargo
aircraft billable weight
(24% increase from 2019)

Cargo Aircraft Billable Weight (000s kg)



Cargo Operations

Growth included international route expansion to markets in Europe (London Heathrow) and the US (New York JFK)



Top 15 Cargo routes are based on total movements in 2020.
Maps are not to scale and show approximate locations only.

Cargo Operations

COVID-19 - Transporting Medical Supplies, PPE and Vaccines

Cargo activity continues to soar with increased demand for a variety of essential medical supplies and personal protective equipment (PPE) needed during the COVID-19 crisis.

- In 2020, **Cargojet** was selected by the Government of Canada to operate over **100 inbound flights from China**, carrying essential medical supplies and PPE destined for the healthcare sector
- Flight missions **financially supported by the Airport** as part of its **in-kind contributions** of over \$252,000 to the community
- December 13 marked a truly historic milestone in Canada's fight against COVID-19 as the **country's first shipment of Pfizer vaccines** arrived aboard a **UPS** flight from Louisville, Kentucky
- Included **coordinated efforts with the Canada Border Services Agency to process the shipment** and the Premier of Ontario along with the Minister of Public Services and Procurement on-site for the arrival



Land Development

Focus on driving economic growth, job creation and financial investment

- Land developments in and around the Airport continue to **drive economic benefits and contribute to workforce development in our region**
- Priorities included construction projects designed to meet region's projected demand and **expand capacity to support future growth** in goods movement, passenger air travel and aerospace including MRO operations



Mohawk College Centre for Aviation Technology

- Part of KF Aerospace's \$55m investment, featuring a 75,000 square foot purpose-built hangar, classrooms, labs, and specialized shops, including the only Boeing 737 NG Virtual Maintenance Training system in a Canadian college
- Impressive three-story facility is Canada's newest aviation training facility in an innovative learning space that brings all of Mohawk's aviation programs under one roof and with an enrolment capacity increased from 175 to 350 students

Land Development

Focus on driving economic growth, job creation and financial investment

DHL Express Gateway Facility

- Significant progress made on its \$110m investment in the construction of its new 230,000 square foot sort facility set to open in May 2021
- DHL's largest gateway facility in Canada and four times the size of its current sort facility at the Airport
- Capacity to process 15,000 packages per hour



Amazon Fulfillment Centre

- Construction commenced on new 855,000 square foot fulfillment centre in Hamilton adjacent to the Airport
- Anticipated to open in late 2021 and will create more than 1,500 new fulltime jobs and the need for public transit improvements
- Expansion expected to drive increase in both aeronautical activity and ground transportation needs with an expected 30 daily truck trips



John C. Munro

HAMILTON

INTERNATIONAL AIRPORT

JOHN C. MUNRO HAMILTON INTERNATIONAL AIRPORT

9300 Airport Road, Suite 2206

Mount Hope ON L0R 1W0

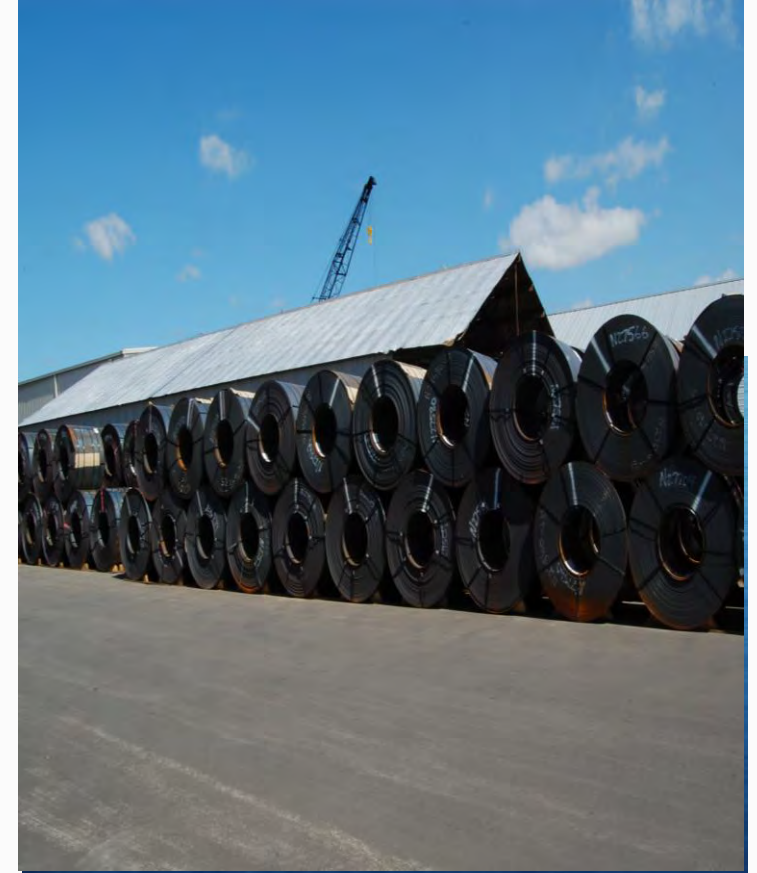
www.flyhamilton.ca



HOPA
PORTS

HAMILTON
OSHAWA
PORT
AUTHORITY





Hamilton's FTZ is supporting regional supply chains.



Foreign Trade Zone (FTZ) Initiatives



Canada Revenue
Agency

Agence du revenu
du Canada

Canada



GST/HST Programs

The following programs are available to GST/HST registrants nationwide;

1. Export Trading House Program (ETH)
2. Export Distribution Centre Program (EDCP)
3. Exporters of Processing Services Program (EOPS)



Export Trading House

Who: Businesses that sell goods, 90% of which are exported in the same condition as they were purchased.

Impact: Can purchase goods for resale without paying the GST/HST – provide certificate to suppliers in order to not pay the sales tax.

Reference: <https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/4-5-2/exports-tangible-personal-property.html>



Export Distribution Centre

Who: Businesses that sell goods, 90% of which are exported with only minor modifications to the condition in which they were purchased.

Impact: Can purchase goods for resale without paying the GST/HST.

Reference: <https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/gst-hst-businesses/charge-collect-imports-exports.html>



Exporters of Processing Services

Who: Businesses that temporarily import goods of others in order to perform certain processing/alteration services before re-exporting.

Impact: Can take possession at the border without paying the GST/HST.

Reference: <https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/gst-hst-businesses/charge-collect-imports-exports.html>



Contact

London-Windsor Tax Services Office

Low Volume Workload

GST/HST Audit, Compliance Programs

451 Talbot Street – 4th Floor

London, ON N6A 5E5

Canada Border Services Agency

Trade Operations Division Trade Incentives Program



Canada's Trade Incentives Program

The CBSA Trade Incentives Program can reduce costs and improve your cash flow. The Trade Incentives team is at our Toronto Centre office at 1 Front St. West, Toronto.

There are four program lines:

- **Duties Relief**
- **Duty Drawback**
- **Bonded Warehouse**
- **Temporary Importations & Remissions**



Advantages of the Trade Incentives Program

- The program exists to help Canadian importers, exporters & manufacturers by relieving, deferring or refunding customs duties & other taxes for goods that are destined for export
- Accessible to all types of businesses with a wide range of activities permitted & no geographic restriction

Duties Relief Program

- Customs duty as well as Excise tax & SIMA (if you qualify) are relieved at the time of importation
- Goods may be exported in same condition or further manufactured without having to pay import duties
- There are no fees or security requirements
- Improved cash flow & every type of manufacturing is allowed
- Apply via the K90 form & one officer will have your file

Drawbacks – The Refund Option

- A drawback is the refund of duties paid on imported goods that are subsequently exported
- Importers, exporters or manufacturers can take advantage of the drawback program
- Exporters can claim a drawback on imported goods that were sourced from a supplier in the domestic market
- Apply via form K 32 & send to CBSA Trade Incentives
- May claim a drawback up to 4 years from the date of importation

Customs Bonded Warehouse (CBW) Program The Storage Option

- Allows for the deferral of all customs duties as well as GST
- The CBW program allows clients to purchase goods when the time is right.
- Security posted with CBSA (60% of max duties/taxes)
- Duties & taxes paid when goods enter the Canadian market
- Apply via form E 401 & send to CBSA Trade Incentives

Temporary Importations

The Temporary Importations Program can provide relief from the payment of duties and taxes, including GST/HST in some cases, for goods entering Canada on a temporary basis.

The program includes:

- Tariff Item 9993.00.00 (Temporary Importation) regulations
- International Events & Conventions Services Program
- E29B: Temporary Admission Permit
- Canadian Goods Abroad Program
- Container Banks
- Provisional Entries

Remission Orders

Remission orders allow the relief of customs duty for eligible goods. There are a wide variety of remission orders that may be applicable to your business.

One example is the Certain Goods Remission Order (Covid 19) issued on May 6, 2020.

- Refer to Customs Notice 20-19 for the list of tariff items eligible for duties relief
- Dutiable goods impacted are noted in Appendix A
- Apply special authorization code 20-304 in field 26 of B3

FTZ Point Benefits

- Strategic locations across Canada to promote international trade and foreign direct investment
- Uniquely supported by a single-point of access to information on relevant government policies and programs coordinated by Fed Dev Ontario to help streamline the process
- CBSA is proud to be a member of the Hamilton region FTZ Point Task Force

CBSA Trade Services Foreign Trade Zone Point Contact:

Matthew Lawford

Senior Officer Trade Compliance, CBSA Trade Incentives

1 Front St. West, 3rd floor, Toronto, Ont.,

416-973-1792 / Matthew.Lawford@cbsa.gc.ca



Federal Economic Development
Agency for Southern Ontario

Innovation, Science and
Economic Development Canada

Agence fédérale de développement
économique pour le Sud de l'Ontario

Innovation, Sciences et
Développement économique Canada







FedDev Ontario

Towards a Stronger Southern Ontario



About FedDev Ontario

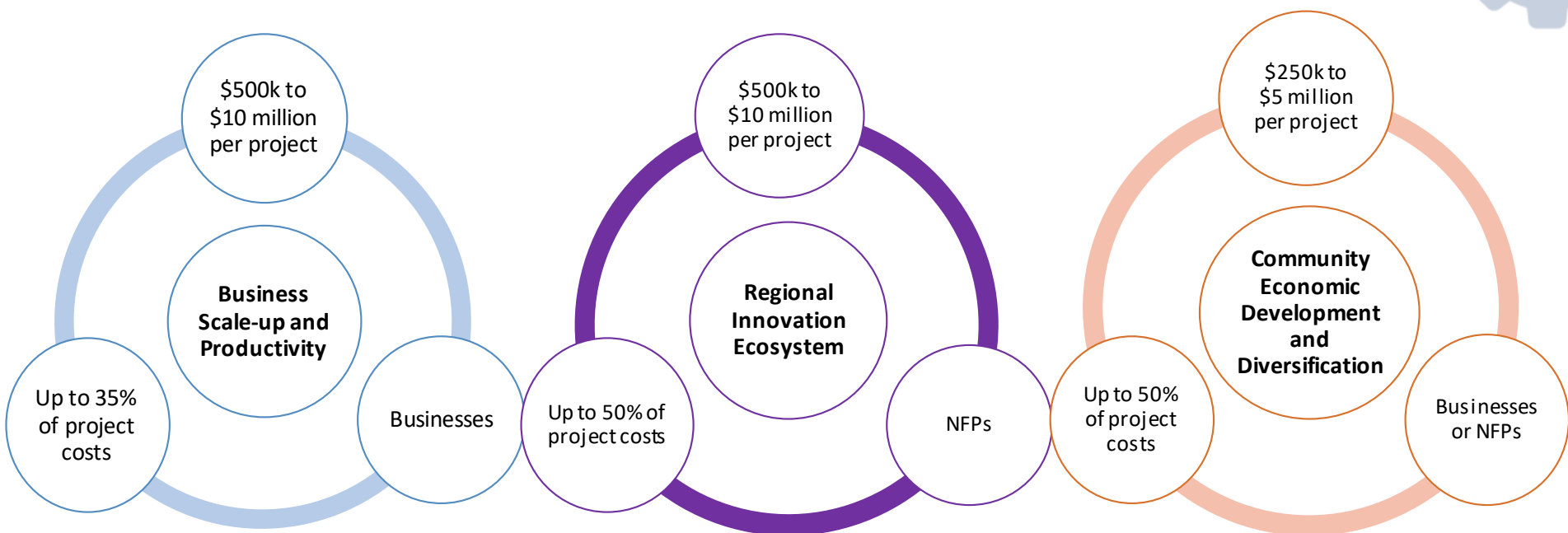
- FedDev Ontario works to advance and diversify the southern Ontario economy through funding opportunities and business services that support innovation and growth in Canada's most populous region.
- This is achieved through FedDev Ontario's roles as:

			
Convenor	Co-investor	Pathfinder	Champion
Bring together key stakeholders to explore collaborations that will advance Canada's Innovation and Skills Plan	Invest funding in targeted projects along with other partners and investors to stimulate the economy	Refer applicants to other available funding partners if not a match for FedDev Ontario	Promote the assets of the region to raise the profile of southern Ontario nationally and internationally; and work to fulfill federal government priorities in the region



FedDev Ontario Programs

Three core funding streams:





Regional Relief and Recovery Fund

- The RRRF provides liquidity support to businesses and organizations affected by the economic impacts of COVID-19, that are unable to access other federal relief measures, or require additional support.
- **Option 1:** Funding of \$60,000 or less. Conditionally repayable contribution (interest-free loan).
- **Option 2:** Funding up to \$1,000,000. Unconditionally repayable contribution (interest-free loan).



Business Services

Small Business Services

- Provides information on federal and provincial programs and services that help entrepreneurs start and grow their businesses.

Accelerated Growth Service

- Helps established, high-growth firms grow and expand more rapidly, both domestically and globally.

Industrial Technological Benefits

- Supports the region's aerospace and defence sectors by facilitating participation in Canadian defence and security procurement.

Global Skills Strategy

- Helps Canadian businesses attract the global talent they need to scale-up and succeed in the global marketplace, and to promote global investment in Canada by high value foreign/multinational investors.



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Innovation, Sciences et
Développement économique Canada



Contact Us:

www.feddevontario.gc.ca
1-866-593-5505



@FedDevOntario



FedDevOntario



Federal Economic Development Agency for Southern Ontario

Canada

ABOUT EXPORT DEVELOPMENT CANADA

Lazar Radakovic
January 6th, 2021

Canada

EDC



Export Development Canada is
Canada's export credit agency.

**OUR MISSION:
HELP COMPANIES
GO, GROW AND
SUCCEED IN MARKETS
ACROSS THE WORLD.**



Our customers can take a leap of faith,

**KNOWING
WE WILL
BE HERE TO
SUPPORT
THEM.**



WE SUPPORT CANADIAN COMPANIES OF ALL SIZES, INDUSTRIES AND SECTORS:

- traditional exports, service-based exports and companies selling into global supply chains;
- regardless of their knowledge and experience with international trade;
- that want to grow and make their mark in global markets;
- and non-exporting companies selling within Canada until the end of 2021.

WE ARE THE INTERNATIONAL RISK EXPERTS.

At the core of our mission is our unique ability to use our knowledge of international trade and global buyers to enable us to take on and manage significant levels of risk.

OUR SOLUTIONS

FINANCING

We help Canadian companies get access to capital.

INSURANCE

We offer protection that lowers the risk for Canadian companies doing business beyond our borders.

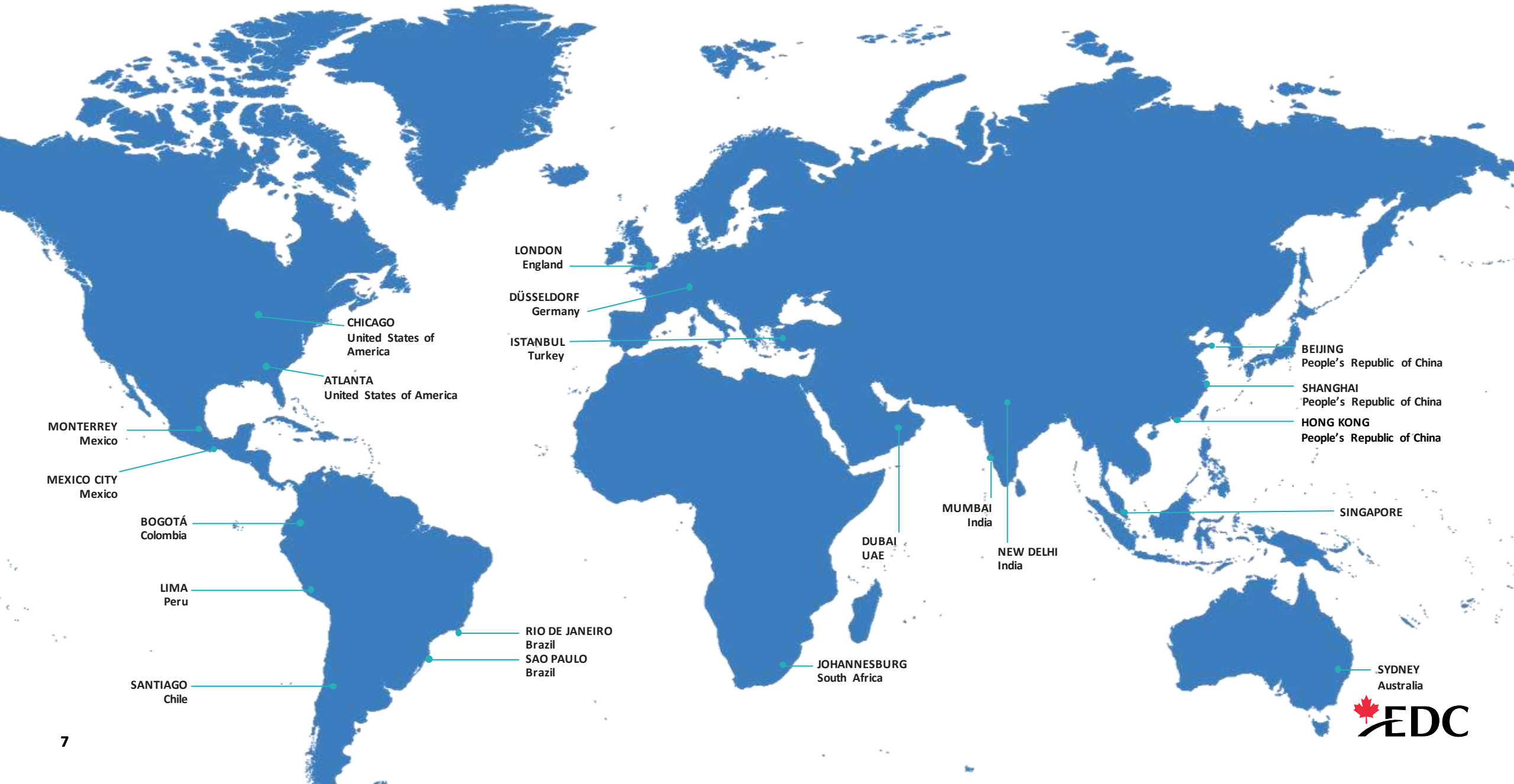
KNOWLEDGE

We provide expertise that enables our customers to make informed decisions and learn more about international markets.

CONNECTIONS

We connect Canadian and international companies to help both parties grow.

FEET ON THE GROUND WORLDWIDE



QUESTIONS AND WRAP-UP



Lazar Radakovic
Senior Account Manager - Hamilton
(416)-433-0634
lradakovic@edc.ca



Nicole Latour
District Manager – GTA West
(905) 615-6497
nlatour@edc.ca

TAKE ON **THE WORLD**



CONTACT INFORMATION

BRIAN MORRIS

City of Hamilton
brian.morris@hamilton.ca

IAN HAMILTON

Hamilton Oshawa Port Authority
ihamilton@hopaports.ca

MATTHEW LAWFORD

Canada Border Services Agency
matthew.lawford@cbsa-asfc.gc.ca

DINA CARLUCCI

Hamilton International Airport
dcarlucci@flyhamilton.ca

SANDRA HICKEY

Canada Revenue Agency
sandra.hickey@cra-arc.gc.ca

TODD STEWART

FedDev Ontario
todd.stewart@canada.ca

LAZAR RADAKOVIC

Export Development Canada
LRadakovic@edc.ca

