

50 Questions You Need to Ask Yourself to Be Ready for Canada

Canada has concluded free trade agreements (FTA) with 53 countries. Canada has also concluded foreign investment promotion and protection agreements (FIPA) with 38 countries. Here are the questions businesses wanting to take advantage of these FTAs and FIPAs need to ask themselves in order to do business in Canada.

Tax Planning

- ☐ Do you have a tax plan?
- ☐ Does your member state have a tax treaty with Canada?
- ☐ If yes, what are the tax rules applicable to your business operating in Canada and the province where you intend to do business?
- ☐ What are the tax rates in Canada and the province where you intend to do business?
- ☐ Are there any particular rules applicable to the free flow of capital between Canada and your member state?
- ☐ Are there any strategies that can be put in place to minimize the negative impact of any particular rules?

Business Strategy

- ☐ Do you have a business plan?
- ☐ How do you intend to do business in Canada?
- ☐ Do you require a special permit or license for your undertaking in Canada or in the province where you intend to do business?

Talent Recruitment

- ☐ Will you hire a local employee to promote your business in Canada?
- ☐ Are you aware of the requirements of the employment laws of the province in Canada where you hire the employee?
- ☐ Are you aware of the requirements of the employment laws of the province when terminating an employee?

Partnerships

- ☐ Would you prefer to enter into a distribution agreement with a business in Canada already in your line of business?
- ☐ What rules will govern that relationship?
- ☐ When and how will you be paid, and in what currency?
- ☐ Will you want the protection of a non-competition or non-solicitation clause?
- ☐ Are those type of clauses enforceable in the province where you are entering into these commercial agreements and in what type of circumstances?
- ☐ What laws will govern your business relationship?
- ☐ Will you go before the civil courts or settle your disputes by arbitration, and in what location?
- ☐ Which language will be used to settle the dispute?



Business Requirements

- ☐ Would you prefer to acquire a business in Canada?
- ☐ If yes, what are the critical questions that you need to answer in your due diligence?
- ☐ Are there any special rules or authorizations that will apply to your business in Canada?
- ☐ Does the business require an environmental permit to do business?
- ☐ Are there any director liability issues affecting the business you seek to purchase?
- ☐ Should you buy the assets or should you buy the shares?

Corporate Structure

- ☐ Would you prefer to set up your own new business in Canada?
- ☐ How easy is it to incorporate a subsidiary in Canada?
- ☐ Does a director of such a subsidiary need to be a resident of Canada?
- ☐ What potential liabilities does a corporate director have in Canada and can such liability be covered by director's insurance?

Customer Management

- ☐ Would you prefer to do business in Canada from your electronic platform?
- ☐ Does your website comply with Canadian laws and that of the province where you have customers?
- ☐ Does your website comply with applicable consumer protection, confidentiality and sales tax legislation in Canada and in the province where you have customers?
- ☐ Your strategy will depend on your objectives. Have you defined them?

Intellectual Property Protection

- ☐ Do you have an intellectual property plan?
- ☐ Are your trademarks and patents registered in Canada?
- ☐ Do the licenses that you hold on third party intellectual property grant you the rights you need to do business in Canada?
- ☐ Do your products violate the intellectual property rights of another party already registered in Canada?
- ☐ For that part of your intellectual property that is not protected by trademarks and patents, do you have confidentiality agreements in place with your Canadian business correspondent and are such agreements enforceable in Canada and in the province where you are conducting business?

Customs and Duties

- ☐ Do you have a rule of origin plan?
- ☐ Rules of origin determine if your product is eligible for duty-free access to Canada. Are your goods made in the country with a free trade agreement with Canada?
- ☐ Are all the components of your products made in that country?
- ☐ Are the raw materials of the components incorporated in your products sourced in that country?
- ☐ Do they come from Canada?
- ☐ Do they come from a country that has a free trade agreement with Canada?

Business Immigration

- ☐ Do you have a personnel mobility plan?
- ☐ Do you intend to send employees to Canada to raise business?
- ☐ Do those employees require a visa, a work permit, or both?
- ☐ How do the immigration rules apply to short-term business trips versus long-term stays?
- ☐ Do you intend to attract skilled workers from Canada to your business in your country?

These are but a few of the questions you need to address when you seek to expand your market to Canada.

At BCF we are uniquely positioned to assist you in developing your plans be they to take advantage of the FTAs and FIPAs or in any other part of the world where your products and services have a market that you wish to enter.



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