

## **Summary of AAFC Information Call on Trade and Tariffs - March 6th**

The following information summarizes the AAFC information call on tariffs and trade that occurred on March 6th:

**To support Canadian businesses and ensure they have the liquidity they need through this turbulent time, the Government of Canada [announced](#) the following measures:**

1. Launching the Trade Impact Program through [Export Development Canada](#). The program will deploy \$5 billion over two years, starting this year, to help exporters reach new markets for Canadian products and help companies navigate the economic challenges imposed by the tariffs, including losses from non-payment, currency fluctuations, lack of access to cash flows, and barriers to expansion.
2. Making \$500 million in favourably priced loans available through the [Business Development Bank of Canada](#) to support impacted businesses in sectors directly targeted by tariffs, as well as companies in their supply chains. Businesses will also benefit from advisory services in areas such as financial management and market diversification.
3. Providing \$1 billion in new financing through [Farm Credit Canada](#) to reduce financial barriers for the Canadian agriculture and food industry. This lending offer will help address cash flow challenges so that businesses can adjust to a new operating environment and continue to supply the high-quality agricultural and food products that Canadians rely on.
4. The Honourable Lawrence MacAulay, Minister of Agriculture and Agri-Food, announced that the Government of Canada will set the interest-free limit of the Advance Payments Program at \$250,000 for the 2025 program year. A link to the announcement can be found [here](#).

### **Information on U.S tariffs**

- Based on our current understanding, as of March 7 at 12:01 AM, Canadian exports to the U.S. that can enter duty-free under CUSMA (i.e., meet CUSMA's rules of origin under Chapter 4 and for which duty-free concessions under the U.S. Tariff Schedule have been provided) are exempt from the International

Emergency Economic Powers Act (IEEPA) tariffs of 25% or 10% (the “CUSMA exemption”).

- The Executive Order also lowers IEEPA tariffs on non-originating Canadian potash from 25% to 10%.
- The Executive order does not specify an end date for the CUSMA exemption. Separately, Section 232 tariffs on Canadian aluminum and steel are scheduled to enter into effect on March 12, 2025, and the U.S. administration is considering additional tariffs, including reciprocal tariffs, starting April 2, 2025.
- In terms of Canada’s response, tariffs on \$30 billion worth of U.S. goods remain in effect, and public consultations on a second round of potential tariffs are ongoing. The deadline for stakeholder input has been extended to April 2, 2025. [Notice of Intent to Impose Countermeasures in Response to United States Tariffs on Canadian Goods - Canada.ca](#)
- To ensure that Finance Canada receives all comments on retaliatory tariffs, sector representatives are encouraged to provide input directly to Finance at this [site](#).
- For specific inquiries, Canadian traders should consult a trade professional, such as a licensed customs broker, or contact Canada Border Services Agency for Canadian imports and the U.S. Customs and Border Protection for U.S. imports.

#### **Single window contact regarding U.S tariff communications**

- Sector representatives are asked to send all correspondence related to the U.S tariff situation to the [Roundtable account](#) so that information can be collected and coordinated.