



ACTIVITY BRIEF

SEPTEMBER 14–21, 2016, OTTAWA, TORONTO,
AND MONTRÉAL



CANADA-INDONESIA TRADE AND
PRIVATE SECTOR ASSISTANCE PROJECT

TPSA Project Sponsors Indonesian Business Associations Delegation to Canada

The TPSA project sponsored delegates from Indonesian business associations to meet with key Canadian institutions in sectors with high trade potential. The goal was to link Indonesian and Canadian business associations and to share knowledge on Canadian business associations' best practices in providing services to its members, including coordination with various levels of governments in Canada.

A delegation of 12 officials from five Indonesian business associations and the Ministry of Trade of Indonesia had the opportunity to travel to Ottawa, Montréal, and Toronto to meet with various stakeholders in the Canadian footwear, apparel, and coffee sectors.

Indonesian Footwear Association (APRISINDO)

- Mr. Binsar Marpaung, Secretary General
- Ms. Betty Wardani Nurbaety, Second Secretary General

Indonesian Textile Association (API)

- Mr. Liem Liliek Setiawan, Vice Chairperson
- Mr. Budiman H. Wiryaatmaja, Head of the Education, Training, and Certification Committee

Indonesian Specialty Coffee Association (AKSI)

- Mr. Syafrudin, Chairperson

Indonesian Coffee Exporters and Industries (AEKI)

- Mr. Pranoto Soenarto, Vice Chairperson

Indonesian Business Women Association (IWAPI)

- Ms. Ida Farida, Chairperson of South Sulawesi chapter
- Ms. Rosi Malia, Chairperson of Aceh chapter



Briefing the Indonesian business association delegation on how to export to Canada.

- Ms. Masrura Ramidjal, Chairperson of West Java chapter
- Ms. Shintamie Nastiti Surya Putri, Chairperson of Yogyakarta chapter

Canada

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IN PARTNERSHIP WITH



MINISTRY OF TRADE



Ministry of Trade of Indonesia

- Mr. Marolop Nainggolan, Head of Sub-Directorate for America and Europe, Directorate for Export Development and Cooperation, Directorate General for National Export Development (DGNED)
- Ms. Meita Fitrianti Omar, Head of Section for American Market Development, Directorate for Market Development and Export Information, DGNED

The objectives of the Indonesian business associations' delegation to Canada were to build links between Indonesian and Canadian business associations, particularly those focusing on small and medium-sized enterprises (SMEs) in the three sectors, and to share knowledge on Canadian business associations' best practices in providing services to its members, including coordination with various levels of governments in Canada.

The delegation visit was organized into two parts. The first part took place in Ottawa from September 14–16, where all delegates participated in mostly non-sector-specific meetings and received technical training on cross-cutting issues such as gender equality and environmental sustainability. The second part of the visit was dedicated to sector-specific meetings, which were held in Toronto and Montréal from September 17–20.

Part 1: Non-Sector-Specific Meetings in Ottawa

The meetings began in Ottawa at The Conference Board of Canada offices, where delegates were provided with an overview of the TPSA project and how the delegation visit fits within the project and its goal of increasing exports from Indonesia to Canada.

The introductory session was immediately followed by a presentation by officials from the Trade Facilitation Office (TFO) Canada. The presentation focused on answering three questions:

- What are the market and consumer trends in Canada—focused on factors that matter the most to Canadian consumers, including the

importance of corporate social responsibility (CSR), environmental considerations, and supporting women-owned businesses.

- What is the nature and structure of the Canada–Indonesia trade relationship—covered existing export opportunities for Indonesia in the Canadian market and how Indonesia's top export products perform in the Canadian market.
- How do exporters access the Canadian market—highlighted what steps exporters need to take in order to get their products into Canada.

Delegates had the opportunity to learn directly from high-level officials of Global Affairs Canada on how the Government of Canada supports and works with Canadian businesses and non-governmental organizations in making trade policy. Four trade-related topics were discussed by the following senior officials:

- The Canada-ASEAN trade relationship.
- The importance of consulting with various stakeholders in every trade negotiation process in order to better understand the challenges and benefits for Canadian businesses and Canadians in general.
- Why and how the government engages with industry.
- How the government supports Canadian business women to succeed in international trade.

The delegation then heard from two speakers about initiatives dedicated to supporting women entrepreneurs in business networking and in accessing international markets.

A webinar on sustainability initiatives in the global apparel and footwear sectors was held and delegates learned of initiatives to improve the sustainability aspects of apparel and footwear global value chains.

On the last day of the delegation's visit to Ottawa, TPSA organized a full-day workshop on corporate social responsibility (CSR) and how CSR can be a powerful way to improve a business's profitability and social and environmental performance.



Part 2: Sector-Specific Meetings in Toronto and Montréal

The TPSA project organized a series of meetings for each of the three group of delegates in order to conduct sector-specific discussions and build links with their industry counterparts in Canada. A few of these meetings were held in Ottawa on September 15, 2016, while the majority of them took place from September 19 to 20 in Toronto for the footwear and coffee groups and in Montréal for the apparel group.

Footwear Group: Lessons From Footwear Importers and Distributors

The footwear group meetings began with a presentation on Canada's footwear landscape and the group toured several retail stores and malls to get an understanding of the market. On the second day, the group met with three organizations:

- The Indeka Group, one of Canada's largest importers of global footwear brands in every category, including men's and women's fashion, athletic, cold weather, safety, comfort, and slippers.
- Trend Marketing, a footwear distributor with the largest portfolio of international brands in Canada.
- Northern Royalty Distribution, which sells a major U.S. brand as a distributor and has developed its own Canadian brands, as well as private labels for national accounts.

Coffee Group: From Policies to Logistics, Roasting, and Retailing

During the coffee group's time in Ottawa, they had the opportunity to meet with Fairtrade Canada and two local coffee roasters and retailers—Bridgehead and Happy Goat Coffee Company.

In Toronto, the group met with two local coffee (micro) roasters and retailers—Green Beanery and Hale Coffee Company. Similar to the Ottawa roasters and retailers, these companies have their own approaches to sourcing their coffee beans.

The group also learned about issues that are dealt with at the industry-association level. The group met with an official from the Coffee Association of Canada and learned how the

association promotes and protects the interests of its membership.

The coffee group met with the owner of Kencaf Importing and Distributing, a company with long experience importing diverse types of Indonesian coffee into Canada. The group also had the opportunity to learn about the technical challenges of importing Indonesian coffee from the perspective of a third-party logistics company in Canada—Eland Inc.

Apparel Group: Lessons From Retailers, Distributors, and Research Centres

The Montréal meetings began with a presentation on Canada's apparel landscape. This was followed by an overview of Canada's latest apparel retail market trends by the director of sourcing for Mark Edwards Apparel, who noted the of low-cost and fast fashion, pioneered by retailers like Zara, Forever 21, and H&M.

The group visited three retailers: one focused on the low-price segment (Joe Fresh), a second with a niche market position selling Islamic clothing (Boutique Fatima), and a third selling locally produced hats (Mod-Atout Inc.).

In order to identify best practices, the group met with the Executive Director of mmode. Mmode is an organization that unites Quebec designers, manufacturers, retailers, and government to improve the competitiveness of Quebec's fashion industry. Mmode is funded by both the Quebec government and private sector.

To get a better sense of Montréal's role and importance in North America's apparel industry, the group visited the Montréal Fashion Mart, or *Centre International de Mode de Montréal* (CIMM), in the heart of the Chabanel area. The CIMM building houses Canadian fashion collections and resources including designers, manufacturers, agents, and importers.

The delegates were also exposed to the newest local innovation initiatives in the textile and apparel industry. They visited the facilities and met with the staff of the non-profit Vestechpro, an apparel research and innovation centre that is affiliated



Indonesian business association delegation in front of The Conference Board of Canada office in Ottawa.

with Cégep Marie-Victorin and its fashion school. Vestechpro partners with companies and organizations in Quebec and other parts of North America to help them advance their position in the global apparel industry.

Another initiative contributing to the transformation of the local textile industry is being led by the CTT Group, which is affiliated with Cégep de Saint-Hyacinthe. The CTT Group is the leading R&D laboratory in Canada focused on technical textiles, geo-synthetics, and advanced textile-based materials.

Participant Feedback

The delegate feedback forms revealed that 92 per cent felt their skills and knowledge increased significantly as a result of the tour activities. All delegates rated the activity either very good or excellent.

Conclusions

The activity successfully established links between selected Indonesian business associations in the three priority sectors and their counterpart industry associations in Canada. The activity also connected the Indonesian business

associations with various stakeholders in Canada in each sector's value chain, which allowed the delegates to better understand the opportunities and challenges in the Canadian marketplace from different perspectives. Meetings with Canadian government officials highlighted the benefits of collaboration between business associations and government.

About the TPSA Project

TPSA is a five-year C\$12-million project funded by the Government of Canada through Global Affairs Canada. The project is executed by The Conference Board of Canada, and the primary implementation partner is the Directorate General for National Export Development, Ministry of Trade.

TPSA is designed to provide training, research, and technical assistance to Indonesian government agencies, the private sector—particularly small and medium-sized enterprises (SMEs)—academics, and civil society organizations on trade-related information, trade policy analysis, regulatory reforms, and trade and investment promotion by Canadian, Indonesian, and other experts from public and private organizations.



The overall objective of TPSA is to support higher sustainable economic growth and reduce poverty in Indonesia through increased trade and trade-enabling investment between Indonesia and Canada. TPSA is intended to increase sustainable and gender-responsive trade and investment opportunities, particularly for Indonesian SMEs, and to increase the use of trade and investment analysis by Indonesian stakeholders for expanded trade and investment partnerships between Indonesia and Canada.

The expected immediate outcomes of TPSA are:

- improved trade and investment information flows between Indonesia and Canada, particularly for the private sector, SMEs, and women entrepreneurs, including trade-related environmental risks and opportunities;
- enhanced private sector business links between Indonesia and Canada, particularly for SMEs;

- strengthened analytical skills and knowledge of Indonesian stakeholders on how to increase trade and investment between Indonesia and Canada;
- improved understanding of regulatory rules and best practices for trade and investment.

For further information, please contact the Project Office in Jakarta, Indonesia:

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