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*How PEMD
can help you
crack tough
export
markets*

Program for Export Market Development



Team Canada • Équipe Canada

PEMD Handbook



Canada

MESSAGE FROM THE MINISTER



As Minister for International Trade, I am committed to providing improved services to help Canadian businesses succeed in new markets. We are taking a co-operative approach to international business development. This Team Canada approach involves all levels of government working together with the private sector, paving the way to your international success.

The Program for Export Market Development (PEMD) is an example of how government and business can work together to reduce the risk for businesses entering new export markets. PEMD can help you develop opportunities in markets abroad by sharing the cost of export market development activities such as participation in trade shows and product demonstrations. While repayment of the assistance is required, companies need not repay until they have succeeded in making export sales.

PEMD has an impressive track record. For every dollar invested, the net benefit in sales has increased one hundred fold. In fact, sales reported by companies who have received PEMD assistance exceed \$11.5 billion.

I invite you to take advantage of PEMD financial support as well as the broad range of services offered at our offices here and in any of Canada's 125 missions around the world. Government is helping set the stage to do business abroad -- now it's up to you to realize the endless possibilities.

I wish you great success in your export pursuits.

Sergio Marchi
The Honourable Sergio Marchi

October 1997



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Program for Export Market Development

PEMD Handbook



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*Program
administered
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Goal and Objective

The overall goal of the federal government's Program for Export Market Development (PEMD) is to increase Canadian prosperity and competitiveness in the international marketplace.

PEMD is the Canadian government's cornerstone international business development program. Since its inception in 1971, PEMD has assisted over 25 000 Canadian businesses in marketing their products and services abroad. Sales stemming from PEMD supported activities have exceeded \$11.5 billion, creating an estimated 250 000 person years of employment.

Specifically, the PEMD objective is to increase export sales of Canadian goods and services by sharing the costs of activities that companies normally could not or would not undertake alone, thereby reducing risks involved in entering a foreign market.

Through a partnership-like relationship between government and business, the program encourages a long-term focus on target markets with built-in flexibility to respond to changing market conditions.

STRUCTURE

The PEMD program is comprised of four major elements: Market Development Strategies (MDS), New-to-Exporting Companies, Capital Projects Bidding and Trade Association Activities.

The key MDS element focusses on assisting companies with the implementation of a simple marketing plan designed to penetrate an international market. Intended for smaller businesses, both experienced and new to exporting, it shares the risk of the international marketing initiatives with the Canadian private sector.

PEMD also provides assistance to companies that are new to exporting to introduce them to export markets without undue financial strain.

The Capital Projects Bidding element of PEMD supports Canadian companies in bidding for major capital projects outside Canada by contributing to the costs of bid preparation or proposal preparation at the pre-contractual stage.

Trade Association Activities supports export market development strategies of national trade and industry associations meeting PEMD eligibility requirements.



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REPAYABLE CONTRIBUTION

The PEMD partnership with Canadian business is an investment in a company's commitment to develop international export markets. It is not a grant, loan or entitlement, but rather a repayable contribution. Repayment of the contribution is based on incremental sales made by the recipient company or contracts obtained.

PROGRAM RESPONSIBILITY

PEMD is managed by the Export Programs Division (TPE) of the Department of Foreign Affairs and International Trade (DFAIT), and jointly administered with Industry Canada (IC), through the regional International Trade Centres.

In Quebec, the regional offices of the Federal Office of Regional Development (Quebec) assist with the delivery of the program.

HANDBOOK

This handbook is intended to serve only as a general guide to PEMD and is subject to change.

Final decisions regarding eligibility and interpretation of criteria rest with officials responsible for delivery of the program.

Market Development Strategies

POINT OF CONTACT

Your nearest International Trade Centre, listed in the annex of this handbook.

The key element of PEMD, Market Development Strategies (MDS), recognizes the need for longer market planning horizons in an increasingly competitive international marketplace.

Instead of individual approval of a series of projects, MDS will approve a package of support for visits, trade fairs and marketing support initiatives, based on the company's one- to two-year international marketing plan.

This process reduces the administrative burden on companies, making it more streamlined and effective. MDS brings the regional International Trade Centres and trade officers in missions abroad in closer touch with their clients and enables more focussed and comprehensive applications while funding a greater range of activities.

MDS recognizes the differing and unique needs of the manufacturing, services and advanced technologies sectors and is designed to support those sectors in the realization of their export goals.

CONTRIBUTION LIMITS

- The PEMD annual contribution per application is a minimum of \$5 000 and a maximum of \$50 000.
- Companies are limited to one approved application in an April 1 to March 31 fiscal year, and one per target market. In the case of the United States up to three applications, each for a separate and distinct region, may be approved.

COMPANY ELIGIBILITY

Preference will be given to companies with annual sales greater than \$250 000 and less than \$10 million, and/or with less than 100 employees for a firm in the manufacturing sector and 50 in the service industry.

Eligible companies must:

- be incorporated (federally or provincially), or an unincorporated firm of professionals, such as architects or engineers;

- be currently established and operating in Canada;
- be registered in the Department's World Information Network (WIN Exports), or Industry Canada's Business Opportunities Sourcing System (BOSS) (registration information for these data bases is available at the International Trade Centres);
- have fulfilled reporting and repayment requirements on any and all previous Canadian government assistance.

The companies also must have:

- a demonstrated capacity to undertake the plan, with consideration being given to the requirements for ongoing domestic work as well as the incremental resources required for the proposed activities;
- the management structure and competence to undertake and bring the proposed activities to a successful conclusion;
- the financial capacity to underwrite the plan. This would include, inter alia, sufficient working capital, net worth and profit margins, to finance the market development activities;
- sufficient free production or service capacity to supply the additional demand of the market being sought;
- the marketing capacity to undertake the proposal - a sound marketing plan, proper management personnel and adequate sales personnel (or be in a position to obtain such personnel);
- a proven product or service with a history of sales, in Canada or abroad, and a Canadian content of 50 per cent (trading houses/agents must take title to the product).

INELIGIBLE APPLICANTS

Ineligible applicants include non-profit organizations, publicly funded and owned institutions, crown corporations, crown-owned companies, their subsidiaries and affiliates. For the purposes of this criterion, crown or public ownership or control is defined as "more than 50 per cent."

PROJECT ELIGIBILITY

A target market is understood to be a country or a group of countries in the same region or sectoral market or in the case of the United States only, a specific region of the country.

To be eligible for MDS assistance:

- the goals must be based on an international marketing plan, incorporating a variety of activities over the period of the application;
- the strategy/marketing plan should encompass new or incremental export marketing activities that extend beyond normal business activities of the company and should be realistic and likely to succeed;

- the marketing plan should include more than just one type of activity, e.g. visits;
- the anticipated results in terms of dollar sales at the end of the project must be indicated;
- the application must be signed by the Chief Operating Officer, or equivalent, of the company.

INTERNATIONAL MARKETING PLAN

MDS utilizes a specific application form and each application must be accompanied by a one- to two-year international marketing plan for the target market developed and provided by the company.

Since the plan will be sent for comment to the commercial section of the Canadian embassies or consulates in the target market, it should be as brief as possible, ideally not exceeding three pages.

The basic framework of the marketing plan is at the discretion of the applicant but at a minimum should include brief statements:

- outlining the company's mission statement (what the company does);
- describing the products (including Canadian content) and/or services which the company proposes to market and that level or segment of the market which is being targeted;
- estimating the target market potential for the products and/or services and the related marketing objectives of the company;
- explaining how the target market objectives will be achieved including any related overall strategy and tactics and a brief description of each of the proposed market development activities (including those for which PEMD assistance is not being sought); and
- describing possible constraints to the achievements of the objectives such as domestic and foreign competition, tariff and non-tariff barriers, consumer preferences, and economic and financial market factors.

INELIGIBLE ACTIVITIES

- Activities involving only repeated visits to a target market for market identification purposes. Travel should be directly related to the implementation of the marketing plan, such as searching for representatives and distributors, training of sales personnel, identification of capital projects bidding opportunities, etc. and should not account for all of the requested assistance.
- Activities receiving direct or indirect financial support from municipal, provincial or any federal government source including the Department of Foreign Affairs and International Trade.

ASSESSMENT

The staff of the International Trade Centres have been provided with skills training in order to effectively work with their clients when assessing the company marketing plans.

In assessing each application, the officers will take into consideration the following factors:

- company and project eligibility criteria;
- incrementality and market focus of the activities and commitment of the applicant;
- reality and logic of the company's marketing plan;
- degree of risk and cost sharing embodied in the marketing plan activities;
- indication of chance of success and ability to repay the contribution, as estimated from various sources such as Canadian trade representatives at posts abroad and country/sector specialists in the Department of Foreign Affairs and International Trade and Industry Canada, both in Ottawa and in the region where the application is being assessed.;
- an evaluation of the benefits for Canada as a whole, i.e., amount of direct exports of goods and services, potential for subcontracting, etc.;
- any other factor which, in the opinion of the officer, may have a significant impact on the plan.

ELIGIBLE COSTS

Reasonable arms-length costs incurred as a result of the implementation of the international marketing plan may be eligible for support providing they are consistent with acceptable marketing practices. Costs are to be itemized in the contribution agreement.

Shared eligible costs (50 per cent) will include such costs as:

- the cost of return economy international airfare or equivalent transportation costs to visit the target market;
- costs of participating at trade fairs in the target market;
- the cost of return economy international airfare or equivalent transportation costs for foreign buyers to visit the company's Canadian facilities;
- product testing by foreign standards agencies for market certification;
- legal fees for marketing agreements abroad;
- labelling/label compliance;
- return economy international airfare or equivalent transportation costs to Canada for offshore company trainees;
- product demonstration or solo show costs;
- production of a video, literature, brochure or promotional material specifically designed for a target market.

Applicants are responsible for all other costs.

INELIGIBLE COSTS

PEMD will not cover:

- the cost of goods (including samples);
- normal cost of transportation of goods to the target market except for trade fair participation or product demonstration;
- the cost of translation in either official language of Canada;
- salaries and commissions;
- preparation cost of the international marketing plan including market identification studies;
- entertainment and hospitality costs;
- accommodation and meals;
- VAT (as applied by foreign governments);
- GST.

PROJECT REVIEW

Approved projects must be reviewed with the International Trade Centre officer every six months in order to accommodate proposed adjustments or changes to the legal agreement and the marketing plan and to assess progress with respect to the implementation of the plan.

Modifications are acceptable providing they respect the original purpose of the agreement and are requested and approved in writing before being undertaken. This includes changes to the original marketing plan to respond to changing market conditions.

WHERE/WHEN TO APPLY

Applications must be submitted to your nearest International Trade Centre, at the address listed in the annex of this handbook, at least six weeks prior to the proposed date of the first of the planned activities to be supported. In Quebec, apply to your nearest regional office of the Federal Office of Regional Development (Quebec).

Current financial statements and the international marketing plan must accompany the application.

ACTIVITY PERIOD

The activity period established for each application is the allowable time frame within which to carry out the approved activities of the marketing plan and to claim reimbursement.

It begins on the effective date, which is the date of approval of the application, and ends on the agreed expiry date, 12 to 24 months later.

Eligible costs must be incurred during that activity period.

REVENUE/SALES REPORTING REQUIREMENTS

Revenue/Sales Reports (RSRs) are used to determine the success of assisted marketing activities and whether there is a requirement for repayment of the PEMD contribution. As well the RSRs are used to evaluate future requests for assistance and to assess the overall performance of the program.

RSRs must be submitted on the due dates specified in the PEMD legal agreement and must report all revenue received and sales made by the company in the target market.

Four reports are required. The first is due at the end of the activity period or on the expiry date and the remaining three reports at 12 month intervals.

Even if no revenue has been received or sales made, a "nil" RSR is required under the legal agreement.

REPAYMENT TERMS

The repayment clause of the PEMD legal agreement stipulates that repayment of the PEMD contribution is based on 4 per cent of incremental revenue/sales made in the specified target market. Incremental sales are total sales in the target market less any base of sales (i.e., existing sales level at the time of application) declared in the application form.

Repayment is due with each of the four Revenue/Sales Reports.

Companies are only required to repay up to the amount of the approved PEMD contribution.

In the case of the United States, up to three applications may be approved, provided the assistance is for different regions of the U.S. However, for the purposes of repayment of the PEMD contribution, all sales in the total U.S. market must be reported with respect to each application, and each legal agreement.

OTHER ADMINISTRATIVE REQUIREMENTS

- | | |
|----------------------------------|-------------|
| ■ APPLICATION PROCEDURES | See page 19 |
| ■ HOW APPLICATIONS ARE PROCESSED | See page 19 |
| ■ LEGAL AGREEMENT | See page 19 |
| ■ CLAIMS | See page 20 |
| ■ PROJECT ACTIVITY/MARKET REPORT | See page 20 |
| ■ AUDIT PROVISIONS | See page 20 |

New-to-Exporting Companies

POINT OF CONTACT

Your nearest International Trade Centre, listed in the annex of this handbook.

PEMD recognizes that a significant number of Canadian businesses do not have substantial active export experience and may even lack a consistent capability to export or to undertake the market research required to develop a focussed international marketing plan. This is generally a result of an insufficient corporate knowledge of exporting or a lack of in-house financial or human resources.

This element of the program will assist such companies, which in the judgement of the International Trade Centres nevertheless warranted assistance for one market visit or trade fair participation to decide if they should develop an export capability, or whether their product or service was exportable to a particular new market.

CONTRIBUTION LIMITS

- The PEMD contribution per application is a maximum of \$7 500.
- Companies are limited to one approved application in an April 1 to March 31 fiscal year, and to an overall maximum per company of three approvals.
- Each of these three approved applications must be in a different market which is new to the company.

COMPANY ELIGIBILITY

Preference will be given to companies with annual sales greater than \$250 000 and less than \$10 million, and/or with less than 100 employees for a firm in the manufacturing sector and 50 in the service industry.

Eligible companies must:

- be incorporated (federally or provincially), or an unincorporated firm of professionals, such as architects or engineers;
- be currently established and operating in Canada;
- be registered in the Department's World Information Network (WIN Exports), or Industry Canada's Business Opportunities Sourcing System (BOSS) (registration information for these data bases is available at the International Trade Centres);
- demonstrate the capability to undertake the activity;

- be financially able to successfully complete the activity;
- have an exportable product or service that meets Canadian content criteria of 50 per cent (trading houses/agents must take title to the product);
- have fulfilled reporting and repayment requirements on any and all previous Canadian Government assistance.

INELIGIBLE APPLICANTS

Ineligible applicants include non-profit organizations, publicly funded and owned institutions, crown corporations, crown-owned companies, their subsidiaries and affiliates. For the purposes of this criterion, crown or public ownership or control is defined as "more than 50 per cent."

INELIGIBLE ACTIVITIES

Activities receiving direct or indirect financial support from municipal, provincial or any federal government source including the Department of Foreign Affairs and International Trade.

ELIGIBLE COSTS

PEMD will share up to 50 per cent of:

- return economy international airfare or equivalent transportation costs for an approved market identification visit;
- or
- the cost of participation in an international trade fair outside Canada.

INELIGIBLE COSTS

PEMD will not cover:

- the cost of goods (including samples);
- the cost of translation in either official language of Canada;
- staff salaries and commissions;
- entertainment or hospitality costs;
- accommodation and meals;
- VAT (as applied by foreign governments);
- GST.

WHERE/WHEN TO APPLY

Applications must be submitted to your nearest International Trade Centre, at the address listed in the annex of this handbook, at least six weeks prior to the date of the proposed visit or trade fair. In Quebec, apply to your nearest regional office of the Federal Office of Regional Development (Quebec).

Current financial statements must accompany the application.

ACTIVITY PERIOD

The activity period established for each application is the allowable time frame within which to carry out the planned activity and to claim reimbursement.

It begins on the effective date, which is the date of approval of the application, and ends on the expiry date, six months later.

Eligible costs must be incurred during that activity period.

REVENUE/SALES REPORTING REQUIREMENTS

Revenue/Sales Reports (RSRs) are used to determine the success of assisted marketing activities and whether there is a requirement for repayment of the PEMD contribution. As well the RSRs are used to evaluate future requests for assistance and to assess overall performance of the program.

RSRs must be submitted on the due dates specified in the PEMD legal agreement and must report all revenue received and sales made by the company in the target market.

Two reports are required. The first is due one year from the date of approval and the second report is due 12 months later.

Even if no revenue has been received or sales made, a "nil" RSR is required under the legal agreement.

REPAYMENT TERMS

The repayment clause of the PEMD legal agreement stipulates that repayment of the PEMD contribution is based on 4 per cent of revenue/sales made in the specified target market.

Repayment is due with each of the two Revenue/Sales Reports.

Companies are only required to repay up to the amount of the approved PEMD contribution.

OTHER ADMINISTRATIVE REQUIREMENTS

- APPLICATION PROCEDURES See page 19
- HOW APPLICATIONS ARE PROCESSED See page 19
- LEGAL AGREEMENT See page 19
- CLAIMS See page 20
- PROJECT ACTIVITY/MARKET REPORT See page 20
- AUDIT PROVISIONS See page 20

Capital Projects Bidding

POINT OF CONTACT

Your nearest International Trade Centre, listed in the annex of this handbook.

PEMD support for capital projects bidding or proposal preparation at the pre-contractual stage is designed to assist Canadian firms in bidding for major capital projects outside Canada, against foreign competition.

Also eligible is proposal preparation for projects in, for example, countries with centrally planned economies, where there may not be a formal tendering procedure but there is still foreign competition for the project.

The bid or proposal would be for the supply of Canadian goods and services such as engineering, construction, architecture and management consulting.

This element of PEMD is not designed for the establishment of foreign joint ventures, nor is it intended for unsolicited proposals, or bids/proposals where there are no competing foreign companies either bidding on a project or being considered for a project.

CONTRIBUTION LIMITS

- The PEMD contribution per application is a minimum of \$5 000 and a maximum of \$50 000.
- Companies are limited to two approved applications in an April 1 to March 31 fiscal year; however, the maximum contribution in a year may not exceed \$50 000.
- The maximum PEMD contribution per capital project is \$50 000; the exception is \$100 000 where an ad hoc consortium of Canadian companies is involved.

COMPANY ELIGIBILITY

Preference will be given to companies with annual sales greater than \$250 000 and less than \$10 million, and/or with less than 100 employees for a firm in the manufacturing sector and 50 in the service industry.

Eligible companies must:

- be incorporated (federally or provincially), or an unincorporated firm of professionals, such as architects or engineers;
- be currently established and operating in Canada;

- be registered in the Department's World Information Network (WIN Exports), or Industry Canada's Business Opportunities Sourcing System (BOSS) (registration information for these data bases is available at the International Trade Centres);
- clearly demonstrate the capability to undertake the project;
- be financially able to successfully complete the project;
- have an exportable product or service that meets Canadian content criteria of 50 per cent (trading houses/agents must take title to the product);
- have fulfilled reporting and repayment requirements on any and all previous Canadian government assistance.

A subcontractor bidding to a Canadian or foreign prime contractor on a foreign project may be eligible for PEMD assistance. However, the subcontractor's potential involvement in the project must be more than just the delivery of products or services in Canada to the prime contractor.

INELIGIBLE APPLICANTS

Ineligible applicants include non-profit organizations, publicly funded and owned institutions, crown corporations, crown-owned companies, their subsidiaries and affiliates. For the purposes of this criterion, crown or public ownership or control is defined as "more than 50 per cent."

PROJECT ELIGIBILITY

The bid value to the applicant must be greater than \$1 million.

As well, assistance cannot be provided when:

- more than one Canadian firm is competing for the same contract, or the same portion of the contract;
- the bid or proposal is for the supply of "off-the-shelf" products to traditional purchasers;
- funding is being requested or received by the applicant for costs related to the preparation of the bid or proposal from other government sources.

ASSESSMENT

Assessment of an application takes into consideration, inter alia:

- whether the bid is substantially larger and involves more risk than one that the firm would or could normally undertake;
- incrementality of the project and the capability of the applicant to successfully compete for and undertake the project;
- whether the bid has a reasonable probability of success;
- the evaluation of each member firm's individual application against program eligibility criteria for cases involving ad hoc consortia.

ELIGIBLE COSTS

The following costs are eligible if they are incurred during the activity period and directly related to the project bid:

- a per diem allowance, in lieu of expenses, of \$150 while on travel status outside Canada (\$250 in Japan and \$200 in Taiwan, South Korea, Hong Kong and Singapore), for the applicant's professional-level employees working on the bid preparation and other aspects of the project. This excludes support and administrative personnel such as secretarial, clerical staff and junior draftspersons.
- PEMD will pay 50 per cent of the cost of:
 - return economy international airfare or equivalent transportation costs for company officials or incoming potential clients to Canada or to another approved location;
 - the following, if incurred at arms-length to the applicant:
 - printing, computer and word processing;
 - legal and translation services;
 - international courier, freight and shipping of project documents and supporting material;
 - costs of obtaining bid or performance bonds;
 - purchase of bid or tender documents;
 - consultants' fees and expenses (up to a maximum of 25 per cent of the total PEMD contribution).

Applicants are responsible for all other costs.

INELIGIBLE COSTS

PEMD will not cover:

- costs not identified above;
- the cost of translation in either official language of Canada;
- costs related to the preparation of PEMD application documentation;
- VAT (as applied by foreign governments);
- GST.

WHERE/WHEN TO APPLY

Applications, or a notice of intent to apply, must be submitted to your nearest International Trade Centre, at the address listed in the annex of this handbook, prior to incurring eligible costs on the proposed activity.

Current financial statements must accompany the application.

NOTICE OF INTENT TO APPLY

Due to the short lead time common in the international capital projects bidding process, a written notice of intent to submit an application (via letter, telex or fax) is acceptable to establish an effective date for eligible expenses.

Full documentation is due within three weeks of that date.

ACTIVITY PERIOD

The activity period established for each application is the allowable time frame within which to carry out the bid/proposal and to claim reimbursement.

It begins on the effective date, which is the date of receipt of a fully completed application or a notice of intent to apply, and ends on the expiry date, 24 months later.

Eligible costs must be incurred during that activity period.

REVENUE/SALES REPORTING REQUIREMENTS

Revenue/Sales Reports (RSRs) are used to determine the success of assisted marketing activities and whether there is a requirement for repayment of the PEMD contribution. As well the RSRs are used to evaluate future requests for assistance and to assess the overall performance of the program.

RSRs must be submitted on the due dates specified in the PEMD legal agreement and must report all contracts obtained by the company in the specified target market.

Four reports are required. The first is due at the end of the activity period or on the expiry date and the remaining three at 12 month intervals.

Even if no contract was obtained, a "nil" RSR is required under the legal agreement.

REPAYMENT TERMS

The repayment clause of the PEMD legal agreement stipulates that repayment of the full amount of the PEMD contribution is required if the applicant company is successful in obtaining any contract in the specified target market deemed to be related to the supported activity.

However, in cases where the contract obtained is less than 10 per cent of that anticipated, the program administrator may agree to a reduced repayment where circumstances warrant.

Repayment is due within six months of the date of the contract signing.

Companies are only required to repay up to the amount of the approved PEMD contribution.

OTHER ADMINISTRATIVE REQUIREMENTS

- APPLICATION PROCEDURES See page 19
- HOW APPLICATIONS ARE PROCESSED See page 19
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Trade Association Activities

Special Activities assistance for National Trade or Industry Associations

POINT OF CONTACT

Department of Foreign Affairs and International Trade (DFAIT)
Sectoral Liaison Secretariat (TOS)
Tel.: (613) 996-0550
Fax: (613) 943-8820

or

Service Industries and Transportation (TPS)
Tel.: (613) 996-2964
Fax: (613) 996-1225

or

Cultural and Educational Goods and Services Promotion (ACP)
Tel.: (613) 944-1608
Fax: (613) 943-2058

ELIGIBILITY

A Trade Association Activities brochure describing application procedures, etc. is available from your nearest International Trade Centre, or the DFAIT InfoCentre in Ottawa, at 1-800-267-8376. Before actually applying for assistance, the proposal should be reviewed with a project officer. Trade Association Activities is intended for national or major trade or industry associations of a non-sales and a sector-specific or horizontal nature. Activities undertaken by the association must be part of a long-term international business plan and must be for the benefit of the association members and the industry. The long-term strategy or plan may include activities relating to the generic promotion of the industry association's products or services, improved market access, or the generation of market intelligence/information for the benefit of the industry.

As with other PEMD elements, the focus must be on the development or increase of sales of Canadian goods or services in foreign markets.

AGRI-FOOD ASSOCIATIONS

The Trade Association Activities element contains a separate component, PEMD Agri-food, to deliver assistance to national or major agri-food associations as a joint initiative between Agriculture and Agri-food Canada and DFAIT. Information on this component is available from the Agri-food Fisheries and Resource Division (TOSA) of DFAIT, Ottawa, Tel.: (613) 995-1712, Fax: (613) 943-1103.

Other Administrative Requirements

APPLICATION PROCEDURES

Before submitting a PEMD application for consideration, companies are strongly advised to obtain adequate information on their target market. A Trade Commissioner or other specialist with the Canadian embassy or consulate in the target market can provide current information and advice on the merits of the proposal from the market viewpoint. A Directory of the Canadian Trade Commissioner Service is available from the International Trade Centres, or from DFAIT's InfoCentre. Companies should also contact or visit their nearest International Trade Centre to discuss their proposal before actually submitting an application.

HOW APPLICATIONS ARE PROCESSED

Completed applications are assigned to a project officer who evaluates the proposal/marketing plan against the eligibility criteria and the program principles such as incrementality and market focus. The project officer will also obtain comments on the activity, market or other relevant considerations from missions abroad and other federal and provincial departments, as applicable.

Applicants will be notified, as soon as possible, of the results or, in the case of an incomplete application, any additional information requirements.

Companies cannot presume support until written approval is obtained through the signed legal agreement.

No verbal assurances of approval can be provided at any time.

LEGAL AGREEMENT

Each approved PEMD application will have a legal agreement signed by the applicant company and the Government of Canada which will specify the assisted activities, the activity period with the effective and expiry dates, the eligible costs, the target market, the revenue/sales reporting requirements, the terms of repayment and other conditions.

If a company has separate legal agreements covering the same target market area, all revenue/sales in that area must be reported with respect to each legal agreement and repayment made accordingly.

CLAIMS

- Applicants are urged to submit their claim for payment (with a summary of the activity) as early as possible after the activity has taken place.
- Claims received later than 30 days after the activity period expiry date will not be accepted.
- Only the specific costs covered in the PEMD legal agreement, and incurred during the activity period, can be claimed.
- Original receipts must be provided for all travel and other costs, or if this is not possible, copies, with a letter certifying that they are copies of the originals, will be acceptable.
- With respect to Capital Projects Bidding, if the applicant cannot provide hotel bills or receipts to substantiate the per diem allowance claimed outside Canada, evidence acceptable to the program administrator must be provided for the number of eligible days.
- Interim or progress claims are to be submitted, for all activities, at a minimum of every six months during the activity period.

PROJECT ACTIVITY/MARKET REPORT

At the conclusion of the activity period, coincidentally with the submission of the final claim for payment, the recipient of assistance must also complete and submit a project activity/market report. The report form will be provided by the International Trade Centre with the expense claim form. The claim will not be processed until a completed project activity/market report is also submitted.

AUDIT PROVISIONS

All company revenue/sales/contracts and all expenditures claimed under PEMD are subject to audit at the discretion of the program administrator.

The right to audit is established in the contribution legal agreement, signed by the recipient and the Government of Canada.

ANNEX: Program Contacts

INTERNATIONAL TRADE CENTRES

ALBERTA

Canada Place, 9700 Jasper Ave., Suite 540
Edmonton, Alberta T5J 4C3
Tel.: (403) 495-2944 / Fax: (403) 495-4507

510-5th St. S.W., 11th Floor
Calgary, Alberta T2P 3S2
Tel.: (403) 292-6660 / Fax: (403) 292-4578

BRITISH COLUMBIA

300 West Georgia St., Suite 2000
Vancouver, British Columbia V6B 6E1
Tel.: (604) 666-0434 / Fax: (604) 666-8330

MANITOBA

330 Portage Ave., 8th Floor, P.O. Box 981
Winnipeg, Manitoba R3C 2V2
Tel.: (204) 983-4540 / Fax: (204) 983-2187

NEW BRUNSWICK

1045 Main St., Unit 103
Moncton, New Brunswick E1C 1H1
Tel.: (506) 851-6452 / Fax: (506) 851-6429

NEWFOUNDLAND

Atlantic Place, 215 Water St., Suite 504
P.O. Box 8950
St. John's, Newfoundland A1B 3R9
Tel.: (709) 772-5511 / Fax: (709) 772-2373

NOVA SCOTIA

1801 Hollis St., P.O. Box 940, Stn. M,
Halifax, Nova Scotia B3J 2V9
Tel.: (902) 426-7540 / Fax: (902) 426-2624

ONTARIO

Dominion Public Building, 1 Front St. West, 4th Floor
Toronto, Ontario M5J 1A4
Tel.: (416) 973-5053 / Fax: (416) 973-8161

PRINCE EDWARD ISLAND

Confederation Court Mall, 134 Kent St., Suite 400
P.O. Box 1115, Charlottetown, PEI C1A 7M8
Tel.: (902) 566-7443 / Fax: (902) 566-7450

QUEBEC

5, Place Ville-Marie, 7th Floor, Suite 700
Montreal, Quebec, H3B 2G2
Tel.: (514) 496-INFO / Fax: (514) 283-8794

or

FEDERAL OFFICE OF REGIONAL DEVELOPMENT (QUEBEC)

Abitibi-Témiscamingue Region

906-5th Avenue
Val d'Or, Quebec J9P 1B9
Tel.: (819) 825-5260 / Fax: (819) 825-3245

Bas-Saint-Laurent/Gaspésie/Îles-de-la Madeleine Region

212 Belzile St., 2nd Floor
Rimouski, Quebec G5L 3C3
Tel.: (418) 722-3282 / Fax: (418) 722-3285

North Shore Region

701 Laure Boulevard, P.O. Box 698, Suite 202B
Sept-Iles, Quebec G4R 4K9
Tel.: (418) 968-3426 / Fax: (418) 968-0806

Estrie Region

1335 King Street West, Suite 303
Sherbrooke, Quebec J1J 2B8
Tel.: (819) 564-5905 / Fax: (819) 564-5912

Laval/Laurentides/Lanaudière Region

2540 Daniel-Johnson Blvd., Suite 204
Laval, Quebec H7T 2F3
Tel.: (514) 973-6844 / Fax: (514) 973-6851

Mauricie/Bois-Francs Region

Place du Centre
150 Marchand St., Suite 502
Drummondville, Quebec J2C 4N1
Tel.: (819) 478-4664 / Fax: (819) 478-4666

Mauricie/Bois-Francs Region

Le Bourg du Fleuve
25 des Forges St., 4th Floor
Trois-Rivières, Quebec G9A 2G4
Tel.: (819) 371-5182 / Fax: (819) 371-5186

Montérégie Region

1111 St-Charles St. West, Suite 411
Longueuil, Quebec J4K 5G4
Tel.: (514) 928-4088 / Fax: (514) 928-4097

Montréal Region

800 Square Victoria, Suite 3800, P.O. Box 247
Montreal, Quebec H4Z 1E8
Tel.: (514) 283-2500 / Fax: (514) 283-3302

Outaouais Region

259 St-Joseph Blvd., 2nd Floor
Hull, Quebec J8Y 6T1
Tel.: (819) 994-7442 / Fax: (819) 994-7846

Québec/Chaudière-Appalaches Region

905 Dufferin St., 2nd Floor
Quebec, Quebec G1R 5M6
Tel.: (418) 648-4726 / Fax: (418) 648-7291

Saguenay/Lac-Saint-Jean Region

170 St-Joseph St. South, Suite 203
Alma, Quebec G8B 3E8
Tel.: (418) 668-3084 / Fax: (418) 668-7584

SASKATCHEWAN

119-4th Avenue South, Suite 401
Saskatoon, Saskatchewan S7K 5X2
Tel.: (306) 975-5315 / Fax: (306) 975-5334

6th Floor, 1919 Saskatchewan Drive
Regina, Saskatchewan S4P 3V7
Tel.: (306) 780-6325 / Fax: (306) 780-6679

INFOCENTRE

For program application forms, or for general trade inquiries,
call toll-free: 1-800-267-8376,
Ottawa area: (613) 944-4000,
Fax: (613) 996-9709,
FaxLink: (613) 944-4500.