Preparing your business for tariffs: A checklist for exporters

As the global trade landscape evolves, Canadian exporters face new challenges.

At Export Development Canada (EDC), we understand the concerns of Canadian businesses and are committed to providing the **support and information** needed to navigate these uncertainties.

Tariffs can disrupt your business, but with preparation, you may be able to minimize their impact. The risks can be complex, so we recommend that you work with your team of tax experts, legal counsel and customs brokers to evaluate your specific situation.

Use the checklist on the other side of this page to guide your discussions and ensure you're prepared for potential changes in the business environment.

How EDC can help

As international risk experts, we can support your growth beyond Canada's borders.

Our solutions include:

- Access to **working capital** and financing
- **Insurance** that reduces the risk of doing business abroad, allowing you to diversify your export markets
- **Expertise** to help companies make informed decisions_
- Global relationships that connect Canadian and international companies

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Tariff risk mitigation checklist for Canadian businesses

Conduct a thorough risk review of your supply chain

- Identify potential risks beyond immediate suppliers, covering all links in the chain.
- Consider diversifying your suppliers and source countries to mitigate exposure.
- Understand the cost of your inputs in Canadian dollars, particularly for components priced in foreign currencies.

Mitigate contract risk

- Review your contracts for clauses that could expose you to price volatility if tariffs are enacted, such as fixed price contracts.
- Consult expert advisers to determine how to best protect yourself in your current and future contracts.
- Tip: **Investigate setting up an automated clearing house (ACH) account with the U.S. Customs and Border Protection ahead of time to streamline possible tariff payments.**

Review your trade credit insurance policies

- Unanticipated tariffs may cause importers to repudiate contracts. In some cases, trade credit (receivables) insurance policies may cover this risk.
- Tip: EDC Portfolio Credit Insurance **allows you to offer longer payment terms and can cover contract repudiation in some cases.**

Consider foreign exchange rate hedging strategies

- Anticipate possible exchange rate volatility and take steps to protect your business.
- Consider forward contracts or currency options to lock in future exchange rates.
- Stay competitive by knowing how much you'll pay in Canadian dollars for purchases (or receive for sales) when quoting new business in foreign currencies.
- Tip: EDC Foreign Exchange Facility Guarantee (FXG) **can cover your collateral requirements on FX contracts.**

Start planning ahead to make your business more resilient

- Once you've resolved any immediate challenges in your market, consider expanding into new markets to de-risk your global market exposure.
- Tip: **EDC offers a range of financing solutions to support your growth in new markets.**

Discover how EDC helps Canadian businesses navigate uncertainty

Questions?

Reach out to your EDC relationship manager or call **1-800-229-0575**.

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