

Background

Under the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP), Canada opened its dairy market to CPTPP partners. By 2028, 10 years after the CPTPP entered into force, Canada will provide 104,000 megatonnes (MT) of CPTPP-wide access (approximately 3.3% of its market). New Zealand exporters are eligible to take advantage of this new market.

To facilitate immediate access to this market, Canada applied interim administration measures. It is now consulting on its long-term allocation and administration policies for supply-managed (dairy, poultry and egg products) Tariff Rate Quotas (TRQs) which will replace the interim policies from 1 September 2020.

Summary

- The Canadian Government has launched [Phase II of the Comprehensive Review of the Allocation of Administration of Tariff Rate Quotas \(TRQ\) for Dairy, Poultry and Egg Products](#). The consultation is open until 11:59pm Pacific Time on 3 April 2020 (NZT 7:59pm 4 April)
- Allocation and administration policies for each TRQ will be published on 1 September 2020 and will apply from 1 January 2021 (CPTPP Calendar Year 3) and 1 August 2021 (CPTPP Dairy Year 4).
- CPTPP dairy quota is current in Year Two for the dairy year, ending 31 July 2020, and Year Three for the Calendar Year, ending 31 December 2020.
- The existing interim administration arrangements will remain in place for CPTPP Dairy Year 3 TRQs (opening for application 1 May 2020). We outline below two options for applying for this quota.
- If you have questions, please contact Rachel Spencer: rachel.spencer@mfat.govt.nz

Report

Phase II of Canada's comprehensive review of Tariff Rate Quotas (TRQ) for Dairy, Poultry and Egg Products is open for comment until 11:59pm Pacific Time on 3 April 2020 (NZT 7:59pm 4 April).

The Canadian Government is consulting on new long-term policies to ensure the continued efficiency and effectiveness of its TRQs for dairy, poultry and egg products.

The summary report of Phase I of the consultations held between May and August 2019 can be found [here](#).

In Phase 1, the New Zealand Government encouraged Canada to take active steps to ensure administration of TRQs is:

- transparent, equitable, commercially viable, and minimally burdensome on trade
- responsive to market conditions
- accessible to new entrants; and
- supportive of full utilisation

Phase II of the consultation is now open for comment until 11:59pm Pacific Time on 3 April 2020 (NZT 7:59pm 4 April). The long-term allocation and administration policies for each TRQ will be published on 1 September 2020 and will apply from 1 January 2021 (CPTPP Calendar Year 3) and 1 August 2021 (CPTPP Dairy Year 4).

Read the consultation documents here:

- [Policy Options for the Allocation of Supply Managed TRQs](#)
- [Policy Options for the Administration of Supply-Managed TRQs](#)

Send your comments to: TRQConsultation.ConsultationCT@international.gc.ca

HOW TO APPLY FOR CANADA'S CPTPP DAIRY TRQ UNDER THE INTERIM ARRANGEMENTS

There are two interim options for applying for Canada's CPTPP dairy quota. New administration and allocation measures will be published on 1 September 2020.

Option One: To apply directly for CPTPP quota (in either the processor or distributor category) an applicant/company must be:

- [Resident in Canada](#); and
- Must demonstrate [monthly activity](#) in the Canadian market over a 12-month period in the reference period immediately preceding the allocation year.
- The timelines for applying for CPTPP dairy quota are as follows:
 - **CPTPP TRQ Year Three Dairy Year:** applications will open on 1 May 2020 and will close on 15 June 2020. The notice to importers will be available [here](#).
 - **CPTPP TRQ Year Four Calendar Year:** applications will open on 1 October 2020 and will close on 15 November 2020. These TRQs will be subject to the new administration and allocation system. The notice to importers will be available [here](#).

If an applicant does not meet the Option One criteria there are two further options for accessing the CPTPP quota:

Option Two: Partner with an existing TRQ holder to assist in filling their quota. The list of current quota holders is available [here](#) (under the Quota Holders List).

Option Three: Consider whether the dairy product falls within the “scarce supply” category:

- A good which is deemed not available in Canada in sufficient supply to satisfy demand.
- If deemed “scarce supply”, up to 10% of the quota can be allocated as a priority for importation.
- Under this category an applicant would **not** need to be a resident of Canada or prove monthly activity over a 12 month period in the Canadian market.
- If you think you may be eligible under this category contact: CPTPP_Quotas-PTPGP_Quotas@international.gc.ca

Disclaimer

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