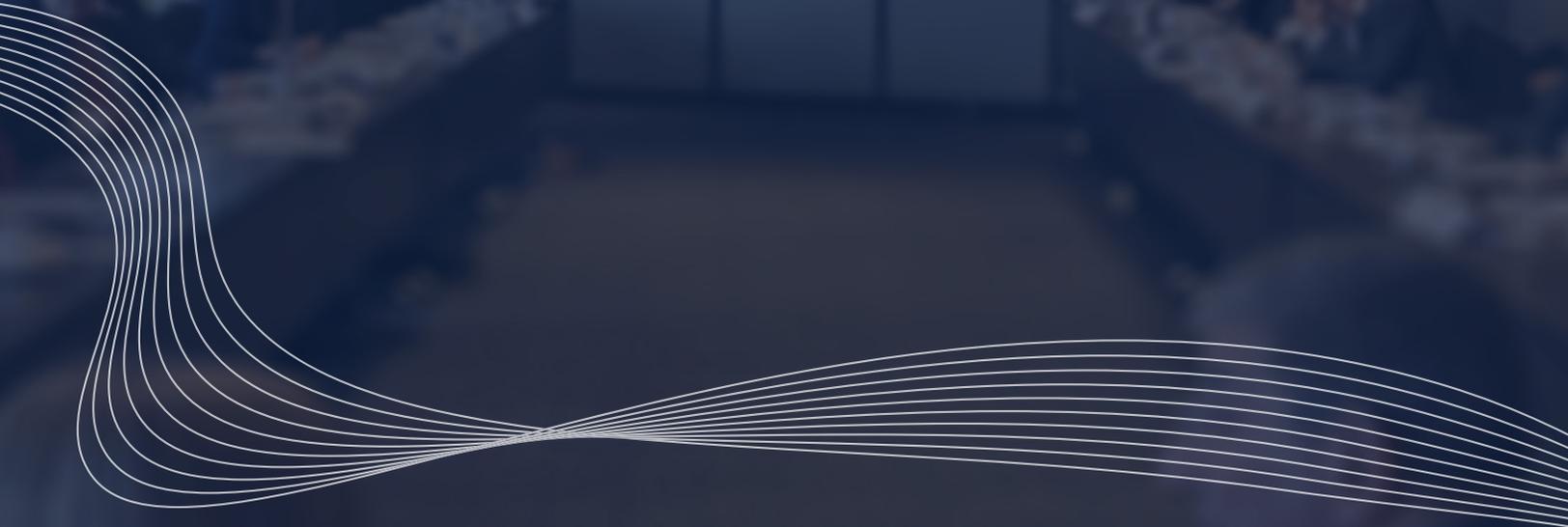


CANADA-IN-ASIA CONFERENCE 2023

# CEO Sessions



ASIA PACIFIC  
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ASIE PACIFIQUE  
DU CANADA



CANADA-IN-ASIA  
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CANADA-EN-ASIE  
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Universities  
Canada.  
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## Canada-in-Asia Conference 2023



The Asia Pacific Foundation of Canada (APF Canada) and Universities Canada partnered to deliver the Canada-in-Asia Conference 2023 (CIAC2023) to catalyze a new and transformative phase of Canada-Asia engagement. CIAC was the first-ever event of its type and scope for Canada-connected individuals, businesses, and institutions across Asia. Held from February 21 to 23, 2023, the conference brought together 532 attendees from Canada and Asia’s private sector (54%<sup>1</sup>), public sector (13%), and the academic and research community (33%). Fifty-five per cent of attendees at CIAC2023 were from Asia (17 economies in the Asia Pacific were represented), and 45 per cent were from Canada. The conference featured 26 different sessions, as well as multiple sessions organized in parallel by Canadian universities and conference partners, with nearly 100 speakers from across the globe.

Over two days, the participants discussed priority issues in the next phase of Canada’s engagement with Asia, a dynamic and growing region currently home to 55 per cent of the world’s population and responsible for 45 per cent of global consumption. Asia’s growth projections for the next decade underscore the importance and urgency for Canadian businesses, governments, and institutions to diversify and solidify their presence in a region that has become a global economic and geopolitical focal point.

As the Government of Canada begins to implement its new Indo-Pacific Strategy with funding initiatives and long-term commitments in the region of unprecedented scale and scope, CIAC2023 arrived in Singapore at an opportune time. The event gathered Asia-based alumni of Canadian universities alongside key leaders from business, government, and universities in Canada, Singapore, and across

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<sup>1</sup> This includes private sector support organizations such as EDC, Invest in Canada and other investment attraction agencies, and Canadian chambers of commerce.

Asia, around themes including enhancing trade and investment, agriculture and food security, clean energy transition and tackling climate change, building equitable and inclusive societies, and higher education. The conference featured a variety of engagement styles, including receptions, panels, VIP engagement meetings, and CEO sessions, and facilitated deep engagement, people-to-people connections, and institutional linkages.

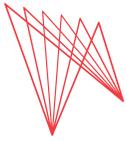
The CIAC2023 program combined keynote and inter-disciplinary plenary sessions, high-level thematic panel discussions, strategic networking opportunities, and an evening gala. Featured speakers included federal and provincial ministers, university presidents and leading academics from Canada and Asia, heads of major corporations and organizations, Canadian Nobel Prize laureate Dr. Donna Strickland, global strategy adviser and bestselling author Parag Khanna, and the renowned Canadian-educated international architect Moshe Safdie. Keynote sessions showcased the important work being done at Canadian, Singaporean, and regional post-secondary institutions, industries, and financial institutions.

CIAC2023 was presented with the assistance of the Government of Canada, the conference's Presenting Partner. The conference benefited from the support

of Major Partners, Sun Life, Invest in Canada, Export Development Canada, and Royal Bank of Canada; Supporting Partners, Gouvernement du Québec & Investissement Québec; and Associate Partners, BMO, Bombardier, CIBC, Government of Saskatchewan, Invest Alberta, McMillan LLP, Fasken, Gowling WLG, McCarthy Tétrault; and the Official Airline Partner, Air Canada.

CIAC2023 would also not have been possible without Gold University Partners, the University of Waterloo, McGill University, the University of Toronto, York University, the University of British Columbia, Western University, and the University of Alberta; Silver University Partners, The Research Universities' Council of British Columbia, the University of Ottawa, the University of Saskatchewan, and the University of Calgary; and Bronze University Partner, SFU Alumni.

The conference also benefitted from support from In-Kind Partners, Mila, C100, Toronto Centre, the Business Council of Canada, the Canada-ASEAN Business Council, CanCham Singapore, and the Canadian Alumni Network Singapore. APF Canada and Universities Canada are grateful for the support of all conference partners.



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## About the Asia Pacific Foundation of Canada:

The Asia Pacific Foundation of Canada (APF Canada) is an independent, not-for-profit organization focused on Canada's relations with Asia. Our mission is to be Canada's catalyst for engagement with Asia and Asia's bridge to Canada.

APF Canada is dedicated to strengthening ties between Canada and Asia through its research, education, and convening activities, such as the Canada-in-Asia Conference series, our Women's Business Missions to Asia, and the APEC-Canada Growing Business Partnership project fostering sustainable inclusive growth and poverty reduction in APEC developing economies. APF Canada also works with business, government, and academic stakeholders to provide Asia Competency training for Canadian organizations and students.

Our research provides high-quality, relevant, and timely information, insights, and perspectives on Canada-Asia relations. It is anchored in our signature tool, the Canada-Asia Sustainability Tracker (CAST), which provides greater situational awareness for Canadian stakeholders interested in the region's development.

Our research work also includes regular Reports, Policy Briefs, Case Studies, Dispatches, Digital Media, and a weekly Asia Watch newsletter powered by CAST and its four areas of focus: Greater China, Southeast Asia, Northeast Asia, and South Asia.

[Visit APF Canada](#)

## About Universities Canada:

Universities Canada is the voice of Canadian universities, at home and abroad. A membership organization providing university presidents with a unified voice for higher education, research, and innovation, Universities Canada advances the mission of its member institutions to transform lives, strengthen communities, and find solutions to the most pressing challenges facing our world. The organization advocates for Canadian universities at the federal level, provides a forum for university leaders to share ideas and address challenges in higher education, supports students by providing information on university study and offering scholarships on behalf of private sector companies, and fosters collaboration among universities and governments, the private sector, communities, and international partners.

[Visit Universities Canada](#)



Jeff Nankivell, President and CEO of the Asia Pacific Foundation of Canada (right), and Paul Davidson, President of Universities Canada (left), welcome participants and guests at the opening of CIAC2023 in Singapore.

On February 22, 2023, APF Canada and Universities Canada held four CEO roundtables on the themes of environment, investment, technology, and trade. These roundtables explored regional collaboration opportunities through informal, in-depth discussions among senior leaders from the corporate, government, and academic sectors. These sessions were by invitation only and focused on developing peer networking opportunities. Discussions among session participants focused on sector-specific questions around roundtable themes. Participants shared these questions before the meeting to steer the conversation. The questions all stemmed from identifying practical measures and actors that will be key to deepening and broadening Canada-Asia

engagement on either environment, investment, technology, or trade.

While the discussion was robust, none of the sessions came to a conclusive agreement on the course of action. Therefore, the summaries of the CEO sessions only capture the discussion points, which by no means present a unified consensus. The summary documents below identify points raised during the discussion by individual participants or groups of participants. The discussion points included in this report, along with the pre-discussion questions raised by the participants in advance of the CEO sessions, present a variety of views of Canada-Asia engagement and are meant to stimulate further discussion.

## Pre-session Questions:

Participants shared questions before the meeting to stimulate the conversation. The discussion was robust, and the preliminary questions served as a general guide. We include these questions here to provide background and to offer food for thought for future discussions.

### ENVIRONMENTAL CHALLENGES IN ASIA:

- What are Canadian priorities in Asia?
- What environmental issues or themes lend themselves to optimal collaboration between Canada and Asia?

### ENVIRONMENTAL CHALLENGES IN CANADA:

- Is Canada doing enough to minimize its per capita carbon footprint?
- What policy choices can Canada make to minimize its impact on the global carbon budget as we approach a net-zero world and lighten the cost of the energy transition on emerging economy trading partners?

### CANADIAN EXPERTISE:

- Which industries offer the most opportunities for Canadian environmental engagement with Asia?
- Who are the stakeholders that can drive positive change, and how can they be mobilized and funded?
- Where can stakeholders and policymakers maximize impacts for the two regions using available resources?

### DELIVERING CANADA'S MESSAGE IN ASIA:

- What is the unique role of governments in Canada and Asia?

- How can the Canadian government harness the power of Canadian professionals based in Asia and assist Asian companies in achieving environmental goals?
- What knowledge gaps exist in environmental, social, and governance (ESG) standards, and how can Canada help bridge the gap between Canadian investors and Asian companies?

### SPECIALIZED TOPICS OF INTEREST:

- How can Canada help reduce methane emissions from Asia's energy sector?
- How can Canada collaborate with Asia to maximize the economic and social value output of domestic raw materials, such as nickel, aluminum, lithium, and rare earth minerals, to create higher-value opportunities and move up the value chain?
- What is the role of food and/or agriculture in addressing environmental challenges in Asia, and how can Canada engage in this area?

### AREAS OF POTENTIAL COLLABORATION:

- What practical measures may be taken to turn ideas into consequential action and broaden Canada-Asia engagement on the environment?
- What can businesses and governments do to support closer environmental collaboration between Canada and Asia Pacific economies?

## Discussion Session:

Canada and Asia face similar risks regarding climate change and environmental degradation. Yet, despite complementary strengths and needs, which signal multiple opportunities to work closely on environmental issues, several challenges impede closer collaboration. The roundtable discussed these challenges, identified a narrowed-down number of areas of potential collaboration, and noted practical measures that Canadian stakeholders may take to improve the conditions for successful collaboration with Asian counterparts on environmental issues.

### IDENTIFYING ENVIRONMENTAL CHALLENGES FACING CANADA AND ASIA:

Canada shares a mix of common but asymmetric environmental challenges with several Asian jurisdictions. These challenges are exacerbated in Canada by growing dichotomies between large cities and rural areas and divided public opinion regarding the seriousness of climate change. In Asia, critical environmental challenges include water management, deforestation and land degradation, air pollution, and climate change. These challenges are often exacerbated by weaknesses in governance, lack of financial capacity, constraints in human capital, and rapid growth in cities, among other factors.

### BUSINESS CHALLENGES FOR CANADIAN ENVIRONMENT COMPANIES INTERESTED IN ASIA:

In Canada, participants identified access to funding as a major hurdle for companies to expand abroad, especially for new technologies that have not demonstrated their potential. Although companies that graduated from tech funds and accelerator programs find it easier to get funding, participants noted gaps in Canada's funding ecosystem. Participants also noted challenges related to the lack of resources for companies (especially for small and medium enterprises, or SMEs) to navigate Canadian government procurement and market entry issues. In terms of market entry, participants noted that companies find it challenging to fit into Asia's business climate and culture due to the highly competitive environment with the presence of conglomerates.

### AREAS OF POTENTIAL COLLABORATION:

Participants emphasized that Canada possesses relevant knowledge and expertise to help Asia address

its environmental issues. Methane reduction, for example, is an area in which Canada has substantial experience. Participants noted that methane reduction could significantly reduce emissions while progress is made on energy transitions. Participants generally noted that Asian economies are open for business and welcome resources, technology, and know-how to contribute to their energy transitions. This openness to doing business is not seen everywhere, and Canadian businesses must act fast if they are to seize these opportunities. Participants also noted that Canadian provinces and cities are important actors with ample experience and expertise in implementing policies to address climate change, and that they could share this knowledge with counterparts in Asia.

Canadian expertise in cleantech allows for new or enhanced collaboration in multiple sectors. The Canadian cleantech ecosystem is a highly dynamic and rapidly growing space, accounting for three per cent of Canada's total GDP. Canada possesses diverse expertise in various subsectors, with champions spread across Canada. In clean technologies, our expertise includes clean energy (nuclear, hydropower, and hydrogen fuel), carbon capture and storage, bioproducts, and water technologies. Collaboration to reduce methane emissions or sustainable agriculture are low-hanging fruits. The government is also increasing spending to further environmental innovation and grow Canadian expertise in the field, but challenges remain for companies to grow and export internationally. Most Canadian cleantech exports go to the U.S., with many companies too often ignoring Asia's growing and important markets.

## Taking Action:

Participants proposed several actions that Canadian governments and companies can take to improve their competitiveness in the region.

### 1. STEPPING UP GOVERNMENT SUPPORT

The Canadian government's international climate finance commitments comprise C\$5.3 billion for 2021-26 and support various regional initiatives. The participants highlighted that Canada has also committed significant funds to implement its Indo-Pacific Strategy. Canada needs to “put its money where its mouth is” and align its environmental goals, commitments, and financial contributions. Participants also noted that collaboration with Asia Pacific counterparts, such as Japan and India, has increased through intergovernmental memoranda of understanding and financial commitments in recent years. Yet, they also acknowledged that more can be done on that front. For example, Canada could support the Association of Southeast Asian Nations (ASEAN) members with technical assistance to help them harmonize their policy frameworks. The Canadian government should also invest in fostering talent and skills. Several participants noted that a specialized visa program targeting Canada-ASEAN two-way flows of talent could also increase collaboration and help with market access.

### 2. DEVELOPING CONSISTENT MESSAGING AND FIGURING OUT CANADA-CHINA COLLABORATION ON THE ENVIRONMENT

While the Government of Canada has shown its commitment to solving global environmental issues, Canada must adjust its messaging to express its deep commitment to environmental collaboration in Asia. The release of Canada's Indo-Pacific Strategy is a step forward in displaying Canada's engagement with Asia. Participants also noted that environmental collaboration with China is particularly important and should continue. Canada-China environmental collaboration is well-established through

multilateral organizations and initiatives such as the China Council for International Cooperation on Environment and Development (CCICED). Canada's involvement in the CCICED showed results with Canada successfully co-hosting the UN Biodiversity Conference in Montreal in December 2022, when China, originally identified as the meeting's host, was unable to do so due to its COVID-19-related public health policies. Several participants observed their preference for university collaborations between Canada and China, despite enduring controversy over collaboration with Chinese military-linked entities. These collaborations should continue, some participants said, but with caution. Co-operation with China on several global issues, such as the environment, is key; China is, for example, the largest polluter, responsible for 27 per cent of global greenhouse gases (GHGs) and 50 per cent of global coal power consumption. The country is also a major source of plastic and marine litter pollution and the largest producer of renewable energy.

### 3. HELPING CANADIAN COMPANIES ENTER THE MARKET

Several participants noted that companies often fear things they cannot see and control, which is the case with markets in Asia that lack compliance and regulations. They noted that government agencies focused on the region can help to demystify the various Asian markets to Canadian entrepreneurs and innovators and encourage Canadians to take calculated risks. Engagement can be increased not only through government initiatives but also, for example, by having big companies go into Asia, paving the way for smaller companies to follow. The National Bank of Canada's success in Cambodia is a prime example. Further leveraging private sector contributions should be encouraged.

### Pre-session Questions:

Participants shared questions before the meeting to stimulate the conversation. The discussion was robust, and the preliminary questions served as a general guide. We include these questions here to provide background and to offer food for thought for future discussions.

#### CANADA'S COMPETITIVE ADVANTAGE AND LESSONS FROM OTHER COUNTRIES:

- What is Canada's competitive advantage in attracting investment from the Asia Pacific region compared to other Western nations?
- What lessons can the Canadian government learn from Singapore regarding long-term investments in strategic industries?
- What can we do differently and fast?
- How do we regain our position as a trading and investment nation internationally?
- How does Canada use its competitive advantage in agriculture and agriculture technology to promote investment between Canada and Southeast Asian nations?

#### IMPROVING COLLABORATION:

- What resources might be available when we try to spark interest and awareness from corporate partners and investors regarding opportunities in Canada?
- How do we cultivate bilateral bonding and understanding before more investments occur?
- What role should elected officials (i.e. mayors) of major Canadian cities play in deepening and broadening Canada-Asia engagement on investment?
- The idea that countries provide preferential treatment to investment/business from friends can be a controversial topic. However, as a business looks at investing and bringing in foreign direct investment (FDI), how much does that factor into decision-making, especially in strategic sectors?

#### BUILDING ON CANADA'S COMPETITIVE ADVANTAGES AND ATTRACTING FDI:

- How do we leverage Canada's strengths and improve our weaknesses as an investment destination?
- In which sector(s) can Asian investments increase Canada's productivity or alleviate the labour shortage?
- As the Canadian government and businesses shift their emphasis to critical minerals, electric vehicles (EVs), and related industries, Canada could potentially be the leading player in these industries globally. How can we capitalize on this? What do we need to do to attract more FDI in these sectors?
- What are the top thematic areas in agri-food that are attractive to foreign investors in Canada?
- In what sectors within cleantech, agri-food, and advanced manufacturing does Canada attract the most investment?

#### ENGAGING WITH OTHER COUNTRIES:

- How, if at all, has the Canadian investment community evolved in how it engages with Hong Kong?
- Is Canada becoming more open or less open to foreign investment?
- In today's politically charged world, are there any sectors, such as those where we share common interests (i.e. cleantech, renewables, agri-tech, decarbonization), that will be obvious areas for Canada-Asia Pacific investment collaboration?

#### THE ROLE OF SMES IN FDI:

- How does one upscale, upskill, and professionalize SME owners/operations? And how do we prepare them for investing overseas?

## Discussion Session:

Two-way investment between Canada and Asia presents challenges and opportunities for businesses and policymakers stemming from the drive to expand Canada's economic footprint in Asia and diversify from China. Shifting geopolitics in Asia increase uncertainty for firms operating in the region, making it imperative to act quickly and develop resolute responses with long-term investment commitments.

### CANADA IN THE ASIA PACIFIC: UNIFYING CHARACTERISTICS, THREATS, AND THE FUTURE OF CHINA:

Canadian political and corporate activities in the Asia Pacific region will be shaped by geopolitical realities. One participant identified that both Canada and Southeast Asia are located next to two economic and political powerhouses, China and the United States. Participants also noted that globalization and free trade are under assault as trade patterns, rules, and infrastructure are being redefined due to the paralysis of international organizations and rising national security concerns. In this environment, shifting geopolitics and uncertainty impact businesses on the ground, with impacts ranging from supply chain disruptions to sanctions and prohibitions on technology exchange.

Despite geopolitical shifts underway in the region, several participants acknowledged the important role of China and noted that there is no other country like it. One of the participants indicated that Canada's Indo-Pacific Strategy supports diversification away from China. The Strategy, backed by policy changes in the Investment Canada Act, restricts investment by state-owned enterprises in critical minerals, further supporting the diversification of Canada's investment partners. Yet, it is challenging to diversify away from China, especially for Canadian businesses seeking to engage in the Asia Pacific, as China is a key part of this region. Some participants observed that the Asia Pacific comprises diverse countries that do not act in silos as they are highly economically integrated. Other observers pointed out that once the political tone on China changes, Canadian companies will likely head back there, as China's economic significance will

remain, despite attempts to diversify. Thus, China will remain important for businesses interested in operating in the region despite attempts to diversify as part of companies adopting the "China + 1" strategy, which suggests that companies should avoid investing only in China by setting up operations in other Asian countries.

### OPPORTUNITIES TO ENGAGE IN THE REGION:

Several participants noted that the Canadian government and Canadian businesses have a weak presence in Southeast Asia and have the potential to grow and expand beyond their traditional regional partners (i.e. Japan and China). To do so, Canadian policymakers and executives can leverage and replicate their experiences entering the Japanese and Chinese economies. Some participants, however, questioned which corporate players would be able to invest in the region. It was noted that big players, such as pension funds, will find it easier to invest in the region than small to medium-sized companies. Several participants agreed that Canadian governments should act quickly – "at the speed of business" – to advance relationships in Southeast Asia. Citing examples of personal protective equipment (PPE), the COVID-19 vaccine, the EV battery sector, and critical minerals, discussants noted that quick government-led decision-making is possible and can lead to the rapid development of business relationships. Participants identified several areas for future collaboration, including quantum, artificial intelligence (AI), services, EVs, hydrogen, energy, and other natural resources. Noting these areas, participants suggested it would also be important to explore areas of collaboration around energy, food, and mineral security.

## Taking Action:

Participants proposed several steps that Canadian governments and companies can take to improve their competitiveness in the region.

### 1. UTILIZING TALENT, DIASPORA, AND LOCATION

Several participants noted that an educated and talented workforce is among Canada's competitive advantages. Canada also benefits from multiculturalism and significant diaspora communities, both in Canada and abroad. Diasporas may help build bridges into Asian economies as many have existing business, personal, and family connections and networks in the region. Another competitive advantage identified by several participants is Canada's role as a gateway to the U.S. market, even though the U.S. is becoming increasingly protectionist.

### 2. BUILDING 'BRAND CANADA'

Several participants asked how countries in the region viewed Canada and contemplated strategies for turning Canada into an attractive investment destination. Some highlighted that Canada is not as well-known as the U.S., but that Canada possesses talent, education, global skills, and a supportive immigration system. A big problem, acknowledged by several participants, is competition among Canadian jurisdictions, which can make branding difficult; competition among multiple levels of government may harm the Canadian brand. Other issues for branding may emerge from duplication in environmental and regulatory processes, inter-provincial competition for funding, immigration backlogs, and high costs of living. Indigenous issues may also make branding difficult.

Multiple participants identified the significance of collaboration between sub-national jurisdictions in Canada to attract Asia-based investment to Canada. Two participants, residing in different provinces, noted that provinces should work together to attract investment into Canada by advertising Canada as a single destination and helping investors to decide about the location within specific provinces and cities at the later stages. In doing so, interprovincial competition for investment is reduced between

provinces during the early stages of investment decisions. After the investor expresses interest in Canada, the provinces should bring unique value propositions that showcase the diversity of Canada. Supporting the efforts, Invest in Canada, a relatively new organization, is actively promoting Canada to investors around the globe.

### 3. SPEED, PRESENCE, AND PERSISTENCE

One participant stated that speed, presence, and staying in the region will be critical factors in determining the success of Canadian businesses in the Asia Pacific. Several participants agreed that the speed of engagement is important to the success of Canadian firms in the region and noted that Canada should expand corporate and institutional representation in the region faster. To accelerate the speed of Canadian engagement, some recommended streamlining domestic regulation in Canada as Asia "is looking for things to happen." The presence in the region was also noted by some participants as key, given that Asia is a region in which relationships are frequently the basis for business. One participant noted, "Unless we are fully involved and stay in the region during difficult times, it is better not to do anything as it will damage our reputation."

As trade and investment come hand in hand, the participants discussed the best strategies for firms to export to and invest in Asian markets. Some participants noted that Canadian governments should support SMEs interested in entering and staying in the region and help them navigate "the ice rink," while acknowledging multiple Canadian organizations are already active in this "rink," such as Export Development Canada, the Trade Commissioner Service, delegations, and FinDev Canada. Canada needs to help firms navigate and work with these players by learning from other countries, such as Japan, France, and Singapore, in their trade and investment promotion agencies. Canada should also take advantage of trade agreements and regulations to enter the region.

# CEO Session: Technology

## Pre-Session Questions:

Participants shared questions before the meeting to stimulate the conversation. The discussion was robust, and the preliminary questions served as a general guide. We include these questions here to provide background and to offer food for thought for future discussions.

### BUILDING SYNERGIES AND PARTNERSHIPS FOR INNOVATION:

- Governments, businesses, and universities can all play different roles in deepening the relationship between Canada and Asian jurisdictions. How can those efforts be coordinated and streamlined so that those efforts can be additive with each other and create synergies?
- How do we accelerate the power of collaborative innovation where organizations across sectors, geographies, and industries work together to jointly develop technologies with shared benefits to all (compared to primary benefits to a few)?
- Can the private sector and consultants help Universities Canada with recruiting efforts? If so, how?

### COLLABORATION IN TECH SECTORS:

- What are the top opportunities and sectors in technology where Canada could take the lead?

Are there any opportunities that are currently underappreciated?

- What thought leadership could Canada provide in working with Asian countries to regulate AI and the use of AI technology?

### ENGAGEMENT THROUGH CANADA'S INDO-PACIFIC STRATEGY:

- Given the federal government's Indo-Pacific Strategy, how can independent companies and consultants inform themselves of new opportunities in Asia? Can they approach Global Affairs Canada (GAC) representatives in Canada, or must they liaise with GAC officers in Canadian embassies abroad?
- From the Indo-Pacific Strategy, it appears that ASEAN countries and India are higher priorities than China. Is this likely to continue?

## Discussion Session:

There are significant opportunities for Canada and Asia to collaborate in technology sectors such as AI and cleantech. Yet despite complementary strengths and needs, several challenges impede closer Canada-Asia collaboration on technology issues.

### BUILDING A SUPPORTIVE ECOSYSTEM FOR TECHNOLOGY, INNOVATION, AND STARTUPS:

The roundtable noted that government, universities, and the private sector all play important and distinct roles in fostering a supportive environment for technology collaborations. Participants agreed that governments help establish trust, provide capital, and develop regulatory requirements, while universities

are key in incentivizing innovation, sending and receiving talent, and creating people-to-people ties. Participants noted that collaboration among these actors is vital for success in the technology and innovation sectors. APF Canada was highlighted as a well-positioned institution for facilitating connections between these various actors. Some participants also noted the role of investment agencies in establishing

connections between and among accelerators, universities, governments, and ecosystems abroad to build awareness of and bring investment into Canadian provinces.

Several participants noted that there are opportunities to learn from Asian economies, such as Singapore and South Korea, how governments and private sectors build ecosystems that encourage innovation, support the creation of start-ups, and promote their expansion to markets abroad. To keep up with technological change, participants suggested governments share best practices with each other and the private sector on effective regulations. As one participant noted, key privacy, innovation, and security regulations are often housed in different government departments and ministries and developed in isolation from one another, despite the reality that these areas are interlinked. This can result in unclear or confusing regulations for technology companies and their partners. Thus, there is a need to facilitate conversation between the departments and ministries responsible and link regulations across these three areas to understand how each contributes to the overall priority of fostering a supportive ecosystem for technology and innovation.

#### GOVERNMENT-LED SUPPORT FOR CANADIAN COMPANIES TO EXPAND OVERSEAS:

The roundtable noted that comprehensive government support through funding and other initiatives creates a competitive advantage for Canadian companies. Some participants highlighted the “hidden opportunities” for Canadian companies, including services and funding from Export Development

Canada and the Trade Commissioner Service and new opportunities through the Indo-Pacific Strategy. They emphasized that the Trade Commissioner Service and trade missions are a fantastic way for companies to find new business ideas, learn how to adapt to new markets and build connections with potential regional partners. However, participants noted that much of this funding goes unused due to a lack of awareness of these resources. Some participants also questioned whether the abundance of resources for Canadian companies at home hinders their ability to innovate and expand to new markets like Singapore.

#### OPPORTUNITIES IN THE ASIA PACIFIC REGION:

Several participants noted that Canadian technology in the agricultural and medical sectors is well-trusted in the Asia Pacific region. Leveraging this comparative advantage will help Canadian companies succeed in Asia. One participant also emphasized the need to understand the expected outbound and inbound flows resulting from the Indo-Pacific Strategy for Canada and its partners in Asia. Outbound flows involve understanding what is wanted and needed by Asian economies from Canada, and inbound flows involve understanding what Canada wants to see coming from the region back home. For example, participants highlighted that opportunities for innovation are based on the needs of the Asia Pacific economies; these needs are not in big infrastructure but through startups, contrary to assumptions. Several participants also emphasized that partnerships with local companies, such as big family corporations that occupy significant roles in Asian economies, are a key ingredient of success for Canadian companies in the Asia Pacific.

## Taking Action:

Participants proposed several actions that Canadian businesses and governments can take to foster technology collaborations and become more competitive in the region.

### 1. INVEST IN 'BRAND CANADA'

Many participants agreed that 'Brand Canada' is strong in terms of technology and innovation. Technology produced in Canada in sectors including agriculture, medicine, and cleantech is already trusted and respected in the Asia Pacific, which creates a competitive advantage for Canadian firms looking to set up or grow their business in the region. Several participants noted that Canadian SMEs developing innovative solutions at home could find a great use for their products in Southeast Asia, further establishing the Canadian brand in the region. Challenges include finding the right partners, local demand, and local venture capital sources. Participants highlighted the support that Canadian SMEs could obtain from organizations like Export Development Canada in these efforts. Overall, most participants emphasized the need for Canadian firms to 'show up' in the region by leveraging the existing trust in Canadian technology and assessing the demand and opportunities for innovation in Asia Pacific markets.

### 2. PICK WINNERS

The roundtable emphasized the need to pick 'winners' among Canadian companies that can scale up and expand. These companies should receive targeted funding for their expansion into the Asia Pacific market. Some participants suggested that government funding could be more effectively used if it was focused on Canadian firms that have demonstrated their ability to succeed. One participant cited South Korea's example of a partnership model, where funding capital is given to Korean companies to

expand abroad if they have demonstrated domestic success and a readiness to be successful in a tougher environment. For Canada, participants also highlighted the success of Canadian companies in sectors such as AI, cleantech, and natural resources, which showcase Canadian talent and are in demand in the Asia Pacific. Participants noted that giving targeted funding to 'winners' in successful sectors could establish a robust Canadian presence in the Asia Pacific.

### 3. FOSTER COLLABORATIVE INNOVATION

After picking 'winners' among Canadian companies, participants emphasized the importance of working on the basis of demand to meet technology and innovation needs in the region. A key idea proposed by one of the participants is a model of collaborative innovation. Collaborative innovation works on the premise of demand-based innovation, whereby there is a collaboration with partners that do not normally sit at the table together. It is based on the principle that better solutions are delivered together rather than alone. This model requires partners to co-invest in a project, such as in the case of joint funding from both the public and private sectors. One potential risk raised by participants with collaborative innovation is intellectual property (IP) and the question of who ultimately owns the product IP. Many participants emphasized that trusted partnerships are needed to share IP to bring technology out of Canada to new markets. Participants also highlighted the need to standardize IP assessments that ascribe the value of IP among the private sector, universities, and government.

### Pre-Session Questions:

Participants shared questions before the meeting to stimulate the conversation. The discussion was robust, and the preliminary questions served as a general guide. We include these questions here to provide background and to offer food for thought for future discussions.

#### ENGAGEMENT BETWEEN CANADA AND ASIA:

- What practical measures, and by whom, are needed to deepen and broaden Canada-Asia trade engagement?
- To what extent does Canada, in business and government, have sufficient understanding to analyze and exploit the various options?
- Is the Canadian pivot away from China towards Southeast Asia real? If so, what is some evidence of this pivot?
- How can we increase the profile of ASEAN in Canada as a business destination, considering it has mostly been an afterthought to markets in East Asia?
- Are there aspects of the Government of Canada's Indo-Pacific Strategy that you see influencing your engagement strategy (with the region or Canada, depending on the stakeholder)?

#### STRENGTHENING TRADE RELATIONS:

- Singapore's investment numbers, including direct, portfolio, and other investments, into Australia and Canada are widely different. In 2021, the former is north of C\$100 billion, and the latter is C\$1.5 billion. How can we bridge this disparity?
- What can businesses and governments do to mitigate trade-related risks and support stronger trade between Canada and Asia Pacific economies?
- What are the top opportunities for trade? Are there any opportunities that are currently underappreciated?

#### IDENTIFYING STRATEGIC OPPORTUNITIES:

- What should the priority investments be in infrastructure, be it roads, rail, air, pipelines, ports, or connectivity on both sides of the Pacific? How can a business be a more effective voice in support?
- How can a business equip itself to navigate and capitalize on trade agreement rules, and how can government more actively champion greater harmonization of the rules among trading partners?
- If trade promotion is a priority, how does Canada see itself pursuing a digital trade agreement with the Asia Pacific?
- How can government planning be more strategic to have more impact? This would include a more detailed analysis of the emerging realities on the ground in Asia and the shifting priorities of people in the region.
- What are the most pressing trade needs in the region where Canada can take the lead?

#### ACADEMIC OPPORTUNITIES AND TRADE:

- How can the international education sector and Canadian enterprises better collaborate to support Asia Pacific trade strategies and address Canada's labour shortage?
- What barriers or challenges need to be addressed to ensure Canada remains a top destination for international study?

## Discussion Session:

As governments and businesses in Canada continue to have an active two-way trade agenda with Asia, there is an increasing need to improve the conditions for successful trade in both directions. Considering shifting geopolitics, Canada's public and private sectors must consider how to bolster and enhance their ties to the region for sustained business growth.

### OPPORTUNITIES IN ASIA FOR CANADIAN SMES:

Canadian SMEs, particularly those in agri-food, energy transition, and automotive sectors, have significant opportunities in the Asia Pacific market. Participants noted that Canadian SMEs need better awareness of existing tools and resources, certification, partnerships, and government support to maximize market growth opportunities in Asia. Many participants acknowledged that Canadian SMEs need support and functional infrastructure at home to help them succeed in Asian markets, as their engagement with Asia starts from the growth and expansion of their business in Canada. Some elaborated that Canadian infrastructure challenges need to be addressed by deploying strategic resources and funding. For example, one participant suggested that Canadian transportation infrastructure, such as ports, along Canada's Asia Pacific trading corridor must be able to handle the flow of increased goods and services across the Pacific if Canadian SMEs plan to increase their business interactions with the Asia Pacific region. Another participant approached this question from a knowledge-sharing perspective and suggested that there is a need to centralize information and resources for Canadian SMEs in one place (e.g. a database) so that the process of navigating new markets is simplified.<sup>2</sup>

Participants acknowledged that Canadian businesses need to increase their presence in Asia to gain better awareness about business opportunities. To succeed in the region, Canadian companies need to go the extra mile and think about expanding beyond capital cities in the Asia Pacific region. Additionally, given the unique business environments across Asian economies, business owners should avoid falling

into the mindset that regional representation in one market can be replicated or extended to neighbouring jurisdictions. One participant stated that CEOs are busy, so strategies are needed to help Canadian small business leaders "connect the dots" regarding key players in the region.

Several participants agreed that building relationships and finding key partners in Asia is essential to connecting Canadian SMEs to the Asian markets. One participant emphasized the importance of maximizing digital trade efficiencies, especially through platforms like Singapore Trade Data Exchange (SGTraDex), which "aims to streamline information flows across a fragmented global supply chain ecosystem through a common data highway," which could become an important component of enhancing trade flow between Canada, Singapore and, more broadly, ASEAN. The participant explained that, historically, ASEAN had been 'China-centric.'

### ACADEMIC OPPORTUNITIES:

Several participants suggested that there is a tremendous opportunity for Canadian academic institutions to align with business opportunities in Asia. Canadian post-secondary institutions should position themselves as key players in the education sector as students travel abroad for various post-secondary skill-building and scale-up programs. One participant noted that Canadian students could prepare for international commerce through work placements in Asia. However, the participant emphasized that students' work placements need to be recognized at home, perhaps through priority hiring for students who have participated in international placements.

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<sup>2</sup> APF Canada's [CAST](#) platform is one such resource now available to help exporters and investors analyze political, economic, and social conditions in new markets.

Several participants discussed how Canadian post-secondary institutions can improve the recruitment and retention of students from Asia. In the short term, there is an urgent need to address the backlog in attaining visas for students who wish to study in Canada. In the long term, a sustainable, consistent policy for international students would be beneficial. Furthermore, participants noted that Canadian governments should also consider policies and incentives to retain the best international talent from major Asian markets, especially as the flows of

people and the demographics shift in the region (e.g. major population growth in India and the declining birthrate in China).

Regarding support for SMEs learning abroad, another participant stated that there is a significant opportunity to offer study abroad programs in Asia for Canadian MSMEs and professionals. If taught by practitioners with work experience in Asia, such programs can help businesses better scale up in the region through active learning on the ground.

### Taking Action:

Participants proposed several actions for governments and businesses in Canada to improve their competitiveness in the region.

#### 1. IMPROVED FOCUS AND ADOPT A LONG-TERM, STRATEGIC APPROACH TO TRADE

As Canadian business owners continue to think about the Asia Pacific region, several participants recommended focusing on a few strategic themes or sectors like climate, energy transition, cleantech, or agriculture. One participant emphasized that it will be important for the Canadian government to lead the way for businesses by “picking a lane,” with allocated time and resources focused on strategic sectors in trade and measurable targets in priority markets. Some participants suggested that business leaders need to advocate for a long-term Canadian trade strategy in the region<sup>3</sup> that encourages the government to think beyond short-term election cycles. By developing a long-term approach to trade, the Canadian government will be a competitive player, engaged in sustained business partnerships.

#### 2. IMPROVING COMMUNICATION ABOUT THE NEEDS OF THE BUSINESS SECTOR

Participants suggested that, currently, the needs of businesses are mostly communicated among business stakeholders. One participant noted

that business owners “don’t know what they don’t know,” implying that there is a potential role for the Canadian government and others to more effectively communicate what is required for businesses to find partners and access Asian markets. Some participants acknowledged that it would be important to consider how Canadian companies can advocate for their needs to governments and other stakeholders. One participant suggested there could be an important convening role for future CIAC events to promote this type of dialogue and exchange along with other existing initiatives, such as the [Asia Business Leaders Advisory Council](#) (ABLAC), to communicate business-related needs and priorities to their members and raise them with the government.

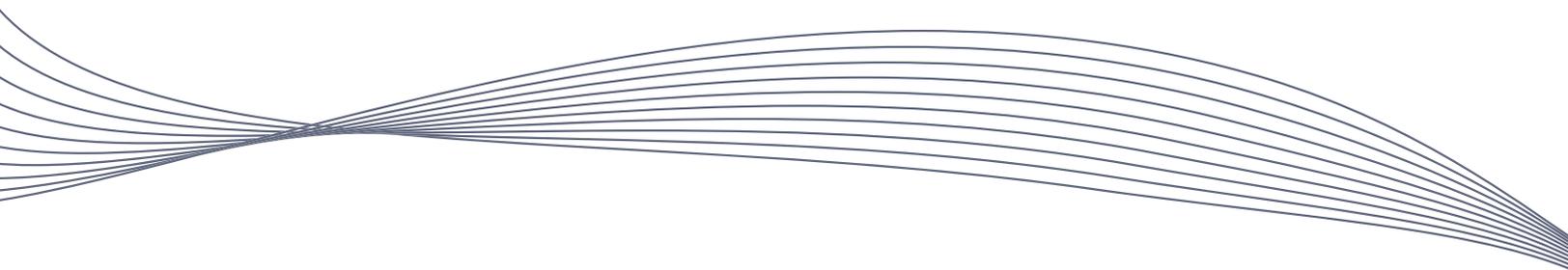
#### 3. CONSISTENT AND TIMELY ENGAGEMENT

Some participants noted that the rapid growth and changes in Asia mean that Canadian governments and businesses must engage in the region consistently or risk missing out on regional opportunities. Accordingly, some suggested that being absent from the region for more than six months at a time creates the risk that information will be out-of-date. One example offered in the

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<sup>3</sup> Indo-Pacific Strategy’s Trade Gateway may meet the needs outlined by the participants.

session was the urgency to act on opportunities in India, especially with the country hosting the G20 in September 2023. A participant suggested that Canada has an opportunity to get ahead before there is a lineup for collaboration with India. Yet, India is a complex, competitive market, so time and energy will need to be invested by the Canadian government

and businesses now. Another action suggested by participants was to carry out Canadian trade missions consistently with a specific sector-by-sector focus to show that Canada can be a serious trading partner compared to other Western countries that also want to have a presence in the region.



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